



# **MARUTI INFRASTRUCTURE LIMITED**

**25<sup>th</sup> ANNUAL REPORT 2018 - 2019**



## MARUTI INFRASTRUCTURE LIMITED

802, Surmount Building, Opp. Iscon Mega Mall, S. G. Highway, Ahmedabad– 380 015

### 25<sup>th</sup> Annual Report 2018-2019

|  |   |  |                              |
|--|---|--|------------------------------|
| <b>Board of Directors</b>                    | : | Shri Nimesh D. Patel   | Chairman & Managing Director |
|  |   | Smt. Hiteshi N. Patel  | Director                     |
|  |   | Shri Chetan A. Patel   | Director                     |
|  |   | Shri Niketan R. Shah   | Director                     |
|  |   | Shri Nishit P. Patel   | Director                     |
| <b>Audit Committee</b>                       | : | Shri Niketan R. Shah   | Chairman                     |
|  |   | Shri Chetan A. Patel   |                              |
|  |   | Shri Nishit P. Patel   |                              |
| <b>Nomination and Remuneration Committee</b> | : | Shri Chetan A. Patel   | Chairman                     |
|  |   | Shri Niketan R. Shah   |                              |
|  |   | Shri Nishit P. Patel   |                              |
| <b>Stakeholders Relationship Committee</b>   | : | Shri Chetan A. Patel   | Chairman                     |
|  |   | Shri Nishit P. Patel   |                              |
|  |   | Shri Nimesh D. Patel   |                              |
| <b>Auditors</b>                              | : | M/s. Philip Fernandes & Co.                                    |                              |
|  |   | Chartered Accountants  |                              |
|  |   | Ahmedabad  |                              |
| <b>Bankers:</b>                              | : | State Bank of India  |                              |
|  |   | The Karur Vysya Bank Ltd                                       |                              |
|  |   | Sardar Vallabhbhai Sahakari Bank Ltd                           |                              |
|  |   | Yes Bank   |                              |
|  |   | Kotak Mahindra Bank Ltd  |                              |
|  |   | Indusind Bank Ltd.   |                              |
|  |   | The Mehsana Urban Co. Op. Bank Ltd                             |                              |
| <b>Registrar &amp; Share Transfer Agent</b>  | : | M/s. Link Intime India Private Limited                         |                              |
|  |   | 5 <sup>th</sup> Floor, 506 to 508, Amarnath Business Centre-I, |                              |
|  |   | Beside Gala Business Centre, Nr. St. Xavier's College Corner,  |                              |
|  |   | Off. C G Road, Navrangpura, Ahmedabad                          |                              |
|  |   | Gujarat - 380 009  |                              |
|  |   | Tel No. & Fax. No. : +91-79-2646 5179                          |                              |
|  |   | Email : ahmedabad@linkintime.co.in                             |                              |

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## NOTICE TO THE SHAREHOLDERS

**NOTICE** is hereby given that the **Twenty Fifth Annual General Meeting** of the Members of **MARUTI INFRASTRUCTURE LIMITED (CIN - L65910GJ1994PLC023742)** will be held on **Monday, 30<sup>th</sup> September, 2019** at **11:45 a.m.** at the Registered Office of the Company at 802, Surmount Building, Opp. Iscon Mega Mall, S.G. Highway, Ahmedabad - 380 015 to transact the following business:

### **ORDINARY BUSINESS:**

1. To consider and adopt the Audited Financial Statements of the Company for the financial year ended on 31<sup>st</sup> March, 2019, the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Smt. Hiteshi N. Patel (DIN: 01827517) who retires by rotation and being eligible, offers herself for re-appointment.

**By Order of the Board**  
**For, MARUTI INFRASTRUCTURE LIMITED**

**Place: Ahmedabad**  
**Date: 14<sup>th</sup> August, 2019**

**NIMESH D. PATEL**  
**CHAIRMAN & MANAGING DIRECTOR**  
**(DIN: 00185400)**

Registered Office:  
802, Surmount Building,  
Opp. Iscon Mega Mall,  
S. G. Highway, Ahmedabad – 380 015

### **NOTES:**

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ALSO ENTITLED TO APPOINT PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/ HERSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING THE PROXY SHOULD, HOWEVER, BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LATER THAN FORTY EIGHT (48) HOURS BEFORE THE COMMENCEMENT OF THE MEETING.**
2. Pursuant to the provisions of the Companies Act, 2013 and the underlying rules viz. Companies (Management and Administration Rules) 2014, a person can act as a proxy on behalf of not exceeding fifty (50) members and holding in aggregate not more than ten (10) percent of the total share capital of the Company.
3. Corporate Members intending to send their Authorized Representative(s) to attend the Meeting are required to submit a certified copy of the Board Resolution, pursuant to Section 113 of the Companies Act, 2013, authorizing their representative(s) to attend and vote on their behalf at the Meeting.
4. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
5. The requirement to place the matter relating to ratification of appointment of Auditors by Members at every Annual General Meeting has been omitted vide notification dated 7<sup>th</sup> May, 2018 issued by the Ministry of Corporate Affairs, New Delhi. Accordingly, no resolution is proposed for ratification of appointment of Auditors M/s. Philip Fernandes & Co., Chartered Accountants,



Ahmedabad (Firm Registration No. 128122W), who were appointed in the 23<sup>rd</sup> Annual General Meeting held on 29<sup>th</sup> September, 2017 for a period of five years.

6. Members are requested to affix their signature at the space provided on the attendance slip annexed to the proxy form and to hand over the slip at the entrance to the Meeting.
7. Members are requested to bring their attendance slip along with their copy of Annual Report to the Meeting.
8. Members holding shares in physical form are requested to notify change of address, bank mandates, if any, to the Registrar and Share Transfer Agent, M/s. Link Intime India Private Limited, 5<sup>th</sup> Floor, 506 to 508, Amarnath Business Centre-I, Beside Gala Business Centre, Nr. St. Xavier's College Corner, Off. C G Road, Navrangpura, Ahmedabad, Gujarat – 380 009 or to their respective depository participants if the shares are held in electronic form.
9. Members who hold shares in the physical form and wish to make/change nominations in respect of their shareholdings in the Company, as permitted under Section 72 of the Companies Act, 2013, may send "Form No. SH - 13" as prescribed under the Companies (Share Capital and Debentures) Rules 2014 to **M/s. Link Intime India Private Limited**, the Registrar and Share Transfer Agent of the Company, at 5<sup>th</sup> Floor, 506 to 508, Amarnath Business Centre-I, Beside Gala Business Centre, Nr. St. Xavier's College Corner, Off. C G Road, Navrangpura, Ahmedabad, Gujarat – 380 009.
10. Members desirous of getting any information about the accounts and / or operations of the Company are requested to write to the Company at least seven days before the date of the Meeting to enable the Company to keep the information ready at the Meeting.
11. Electronic copy of the Notice convening the 25<sup>th</sup> AGM of the Company, Annual Report along with attendance slip and Proxy Form are being sent to the members who have registered their email ids with the Company/Depository Participant(s), RTA. For members who have not registered their email ids, physical copies of the aforementioned documents are being sent in the permitted mode. Also the copy of full Annual Report 2018-2019 is available on the Company's website viz. [www.marutiinfra.in](http://www.marutiinfra.in) and also available on the website of the Stock Exchange at [www.bseindia.com](http://www.bseindia.com)
12. Process and manner for members opting for voting through Electronic means:
  - The Company is pleased to offer e-voting facility for all its members to enable them to cast their vote electronically in compliance with the provisions of Section 108 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Accordingly, a member may exercise his/her vote by electronic means and the Company may pass any resolution by electronic voting system in accordance with the above provisions.
  - Members whose names are recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the Cut-off date of Monday, 23<sup>rd</sup> September, 2019, shall be entitled to avail the facility of remote e-voting as well as voting at the AGM. Any recipient of the Notice, who has no voting rights as on the Cut-off date, shall treat this Notice as intimation only.
  - A person who has acquired the shares and has become a member of the Company after the dispatch of the Notice of the AGM and prior to the Cut-off date i.e. Monday, 23<sup>rd</sup> September, 2019, shall be entitled to exercise his/her vote either electronically i.e. remote e-voting or through the



Poll Paper at the AGM by following the instructions for shareholders voting electronically as provided in this part.

- Once the vote on a resolution is cast by the member, he/she shall not be allowed to change it subsequently or cast the vote again.
- The facility for voting through Poll Paper would be made available at the AGM and the members attending the meeting who have not already cast their votes by remote e-voting shall be able to exercise their right at the meeting through Poll Paper. The members who have already cast their vote by remote e-voting prior to the meeting, may also attend the Meeting, but shall not be entitled to cast their vote again.
- The voting rights of the members shall be in proportion to their share in the paid up equity share capital of the Company as on the Cut-off date of Monday, 23<sup>rd</sup> September, 2019.
- Shri Bharat A. Prajapati, Proprietor of M/s. Bharat Prajapati & Co., Practising Company Secretaries has been appointed as the Scrutinizer for conducting the remote e-voting process as well as the voting through Poll Paper at the AGM, in a fair and transparent manner.
- The instructions for shareholders voting electronically are as under:
  - (i) The voting period begins on Friday, 27<sup>th</sup> September, 2019 at 9:00 a.m. and ends on Sunday, 29<sup>th</sup> September, 2019 at 5:00 p.m. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date Monday, 23<sup>rd</sup> September, 2019, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
  - (ii) The shareholders should Log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com)
  - (iii) Click on "Shareholders" tab.
  - (iv) Now Enter your User ID
    - a. For CDSL: 16 digits beneficiary ID,
    - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
    - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
  - (v) Next enter the Image Verification as displayed and Click on Login.
  - (vi) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
  - (vii) If you are a first time user follow the steps given below:



|  | <b>For Members holding shares in Demat Form and Physical Form</b>   |
|--|---|
| PAN  | <p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"><li>Members who have not updated their PAN with the Company/ Depository Participant are requested to use the sequence number which is printed on Postal Ballot / Attendance Slip indicated in the PAN field.</li></ul> |
| Dividend Bank Details<br><b>OR</b> Date of Birth (DOB) | <p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"><li>If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).</li></ul>                |

- (viii) After entering these details appropriately, click on “SUBMIT” tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant <MARUTI INFRASTRUCTURE LIMITED> on which you choose to vote.
- (xii) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xvii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.



- (xviii) Shareholders can also use Mobile app - “m - Voting” for e voting . m - Voting app is available on Apple , Android and Windows based Mobile. Shareholders may log in to m - Voting using their e voting credentials to vote for the company resolution(s).
- (xix) Note for Non – Individual Shareholders and Custodians
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporate.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
  - The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

In case of any grievances connected with facility for voting by electronic means, please contact:

Name of Official: Mr. Rakesh Dalvi  
Designation: Manager  
Address: 25th Floor, A Wing, Marathon Futurex,  
Mafatlal Mills Compound, NM Joshi Marg,  
Lower Parel (E),  
Mumbai - 400 013  
E Mail ID: [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com)  
Phone No.: 1800225533





13. INFORMATION PURSUANT TO REGULATION 36(3) OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 AND SECRETARIAL STANDARD-2 WITH RESPECT TO THE APPOINTMENT / RE-APPOINTMENT OF DIRECTOR(S):

|   |   |
|---|---|
| <b>Name of Director</b>   | <b>Smt. Hiteshi N. Patel<br/>(DIN: 01827517)</b>  |
| <b>Date of Birth (Age)</b>  | 23 <sup>rd</sup> May, 1977 (42 Years)   |
| <b>Date of First Appointment on the Board</b>   | 31 <sup>st</sup> March, 2015  |
| <b>Qualifications</b>   | B.Com.  |
| <b>Experience and expertise in specific functional area</b>   | Smt. Hiteshi N. Patel is commerce graduate. She has good knowledge in the field of accountancy and administration       |
| <b>Terms &amp; Conditions of appointment/re-appointment</b>   | She retires by rotation at 25 <sup>th</sup> Annual General Meeting and being eligible offers herself for re-appointment |
| <b>No. of Board Meetings held during financial year 2018-19</b>   | 8/8   |
| <b>Directorships held in other public companies (excluding foreign companies and Section 8 companies)</b> | NIL   |
| <b>Memberships / Chairmanships of committees of other public companies</b>                                | NIL   |
| <b>No. of Equity Shares held in the Company</b>   | 14,72,600 Equity Shares   |
| <b>Inter-se relationship with other Directors and Key Managerial Personnel</b>                            | Smt. Hiteshi N. Patel is a wife of Shri Nimesh D. Patel.  |
| <b>Remuneration last drawn by the Director</b>  | NIL   |

**By Order of the Board**  
**For, MARUTI INFRASTRUCTURE LIMITED**

**Place: Ahmedabad**  
**Date: 14<sup>th</sup> August, 2019**

**NIMESH D. PATEL**  
**CHAIRMAN & MANAGING DIRECTOR**  
**(DIN: 00185400)**

Registered Office:  
802, Surmount Building,  
Opp. Iscon Mega Mall,  
S. G. Highway, Ahmedabad – 380 015



## DIRECTORS' REPORT

To,  
**The Members,**  
Maruti Infrastructure Limited  
Ahmedabad

Your Directors have pleasure in presenting the 25<sup>th</sup> Annual Report of your Company for the financial year ended on 31<sup>st</sup> March, 2019.

### FINANCIAL RESULTS:

The financial statements of the Company have been prepared in accordance with the Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013, read with Rule 7 of the (Companies Accounts) Rules, 2014.

The Financial performance of the Company for the year ended on 31<sup>st</sup> March, 2019 is summarised below:

(Rs. in Lakhs)

| <b>PARTICULARS</b>                  | <b>Current Year<br/>2018-19</b> | <b>Previous Year<br/>2017-18</b> |
|-------------------------------------|---------------------------------|----------------------------------|
| Total Revenue                       | <b>2968.89</b>                  | 2232.99                          |
| Total Expenses                      | <b>2930.83</b>                  | 2152.62                          |
| Profit / (Loss) before Tax          | <b>38.06</b>                    | 80.37                            |
| Less: tax expenses                  | <b>10.13</b>                    | 23.53                            |
| <b>Profit / (Loss) for the Year</b> | <b>27.93</b>                    | <b>56.84</b>                     |

### STATE THE COMPANY'S AFFAIRS AND OPERATIONS:

The Company is engaged in infrastructure Business. The Company is recognized by Gujarat Institute of Housing and Estate Developers (GIHED), Builder Association of India (BAI), Ahmedabad Urban Development Authorities (AUDA) and has also affiliated with Professional Institutes such as the Gujarat Institute of Civil Engineers and Architects (GICEA), Indian Plumbing Association (IPA), Gujarat Contractor Association (GCA).

The Company is registered as approved Contractors in "AA" Class in R&B Division for the whole of Gujarat State.

During the year ended on 31<sup>st</sup> March, 2019, the total revenue of the Company was Rs. 2968.89 Lakhs compared to Rs. 2232.99 Lakhs of previous financial year and the net profit for the current year was Rs. 27.93 Lakhs compared to Rs. 56.84 Lakhs of the previous year.

### CHANGE IN NATURE OF BUSINESS:

During the year under Report, there was no change in the nature of business of the Company.

### TRANSFER TO RESERVES:

The Board of Directors do not propose to carry any amount to reserves.

**DIVIDEND:**

In order to conserve the financial resources, the Board of Directors of the Company do not recommended any dividend for the financial year 2018-19.

**FIXED DEPOSIT:**

The Company neither has accepted nor invited any deposit from the public, within the meaning of section 73 of the Companies, Act, 2013 and the Rules made thereunder.

**SHARE CAPITAL:**

The paid-up equity share capital of the Company as on 31<sup>st</sup> March, 2019 was Rs.1250.00 Lakhs. During the year under review, the Company has not issued shares with differential voting rights nor granted stock options nor sweat equity.

**MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION AFTER THE END OF FINANCIAL YEAR:**

There are no any material changes and commitments occurred after the end of the financial year, which is affecting the financial position of the Company.

**THE NAME OF COMPANIES WHICH HAVE BECOME OR CEASED TO BE ITS SUBSIDIARIES, JOINT VENTURES OR ASSOCIATE COMPANIES DURING THE YEAR:**

There are no holding, subsidiaries, joint ventures or associate company of the Company. During the financial year ended on 31<sup>st</sup> March, 2019, none of the companies have become or ceased to be the subsidiaries, joint ventures or associate companies of the Company. The performance and financial position of subsidiaries, associates and joint ventures as per Rule 8(1) of the Companies (Accounts) Rules, 2014 is not applicable.

**ANNUAL RETURN:**

The extract of Annual Return as prescribed under Section 92(3) of the Companies Act, 2013 read with Rule 12 of the Companies (Management and Administration) Rules, 2014, is set out as 'Annexure - I' to this report and same is also available on the website of the Company at [www.marutiinfra.in](http://www.marutiinfra.in).

**DIRECTORS AND KEY MANAGERIAL PERSONNEL:**

As on 31<sup>st</sup> March, 2019, the Board was consisting of Shri Nimesh D. Patel, (Chairman & Managing Director), Smt. Hiteshi N. Patel (Director), Shri Chetan A. Patel (Independent Director), Shri Niketan R. Shah, (Independent Director) and Shri Nishit P. Patel (Independent Director).

In accordance with the provisions of the Companies Act, 2013 and the Articles of Association of the Company, Smt. Hiteshi N. Patel (DIN: 01827517), Director of the Company, retires by rotation at the 25<sup>th</sup> Annual General Meeting and is eligible for offers herself for re-appointment.

During the financial year 2018-19, Ms. Neha Parmar was appointed as a Company Secretary and Shri. Pratik Acharya was appointed with as a Chief Financial Officer effect from 1<sup>st</sup> July, 2018.

Except above, there was no change in the Directors or Key Managerial Personnel during the year.

The Company has received declaration of Independence as stipulated under section 149(7) of the Companies Act, 2013 and Regulation 16(b) of the Listing Regulations from all the Independent Directors confirming that they meet the criteria of independence and not disqualified from continuing as an Independent Director.

**ANNUAL PERFORMANCE EVALUATION:**

In terms of the provisions of Section 134(3)(p) the Companies Act, 2013 read with Rule 8(4) of the Companies (Accounts) Rules, 2014 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors have carried out the annual evaluation of performance of its own, the directors individually as well as the evaluation of its committees. The manner in which the evaluation was carried out, is provided in the Corporate Governance Report, which is part of this Annual Report.

**NOMINATION AND REMUNERATION POLICY FOR DIRECTORS, KMPS AND OTHER EMPLOYEES:**

The Company has framed and adopted the Nomination and Remuneration Policy for selection and appointment of Directors, Key Managerial Personnels (KMPS) and other employees pursuant to the provisions of Section 178(3) of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The salient aspects covered in the Nomination and Remuneration Policy, covering the policy on appointment and remuneration of Directors and other matters have been outlined in the Corporate Governance Report which forms part of this Annual Report. The said policy is available on the website of the Company at [www.marutiinfra.in](http://www.marutiinfra.in).

**MEETINGS OF BOARD:**

During the financial year 2018-19, 8 (Eight) Board Meetings were convened and held. The details of which are given in the Corporate Governance Report. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

**DIRECTORS' RESPONSIBILITY STATEMENT:**

Pursuant to Section 134 of the Companies Act, 2013, the Board of Directors of the Company hereby state and confirm that:

- (a) in the preparation of the annual accounts for the year ended 31<sup>st</sup> March, 2019, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- (b) the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at 31<sup>st</sup> March, 2019 and of the profit and loss of the company for the year ended 31<sup>st</sup> March, 2019;
- (c) the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) the Directors had prepared the annual accounts on a going concern basis;
- (e) the Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- (f) the Directors had devised proper systems to ensure compliance with the provisions of the applicable laws and that such systems were adequate and operating effectively.

**AUDITORS AND AUDIT:****➤ AUDITORS:**

M/s. Philip Fernandes & Co., Chartered Accountants, Ahmedabad (Firm Registration No. 128122W), was appointed as Statutory Auditors of the Company at the 23<sup>rd</sup> Annual General Meeting held on



29<sup>th</sup> September, 2017 for a period of five years from the conclusion of the 23<sup>rd</sup> Annual General Meeting till the conclusion of 28<sup>th</sup> Annual General Meeting, subject to ratification of the appointment by the Members at every subsequent Annual General Meeting.

Pursuant to the notification issued by the Ministry of Corporate Affairs on 7<sup>th</sup> May, 2018, amending section 139 of the Companies Act, 2013, the mandatory requirement for ratification of appointment of Auditors by the Members at every AGM has been omitted and hence, your Company has not proposed ratification of appointment of M/s. Philip Fernandes & Co., Chartered Accountants, at the 25<sup>th</sup> Annual General Meeting.

The Auditors' Report is unmodified i.e. it does not contain any qualification, reservation or adverse remark or disclaimer. The Notes on financial statements are self explanatory, if any, and needs no further explanation.

The Auditors has not reported any frauds under sub-section (12) of Section 143 of the Companies Act, 2013.

➤ **COST AUDITOR:**

The requirement for maintenance of cost records as specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013, is not applicable to the Company.

➤ **SECRETARIAL AUDITORS:**

Pursuant to the provisions of section 204 of the Companies Act, 2013 read with Rule 9 of the Companies (Appointment and Remuneration personnel) Rules, 2014, the Board of Directors of the Company appointed M/s. Bharat Prajapati & Co., Company Secretaries, Ahmedabad as the Secretarial Auditor to conduct the Secretarial Audit of the Company for financial year 2018-19.

The Report of the Secretarial Audit Report is set out in an annexure as 'Annexure - II' to this report.

In connection, with the auditors' observation in the Secretarial Audit Report, the explanation / clarification of the Board of Directors is as under:

- (i) With regard to the appointment of Chief Financial Officer and Company Secretary, it is clarified that the Company has appointed Chief Financial Officer and Company Secretary with effect from 1<sup>st</sup> July, 2018.

**PARTICULARS OF EMPLOYEES:**

The particulars of employees in accordance with the provisions of Section 197 (12) of the Companies Act, 2013, read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is set out in an 'Annexed - III' to this report.

**PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186 OF THE COMPANIES ACT, 2013:**

Details of Loan, Guarantee and Investments, if any, covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements.

**PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES REFERRED TO IN SUB-SECTION (1) OF SECTION 188 OF THE COMPANIES ACT, 2013:**



During the year, the transactions entered by the Company with related parties were in the ordinary course of business and at arm's length basis. The details of contracts or arrangements with related parties for the financial year ended on 31<sup>st</sup> March, 2019 is given in Note No. 26 of the financial statements of the Company. The Audit Committee approved such transactions.

During the financial year 2018-19, the Company did not have any material pecuniary relationship or transactions with Non-Executive Directors. In the preparation of financial statements, the Company has followed the Accounting Standards. The significant accounting policies which are applied have been set out in the Notes to Financial Statements. There are no materially significant related party transactions having potential conflict with the interest of the Company at large.

**MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS AND INTERNAL FINANCIAL CONTROLS:**

During the financial year ended on 31<sup>st</sup> March, 2019, there were no significant material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future and its future operations.

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

**1. Conservation of Energy:**

- i) The steps taken or impact on conservation of energy: The operations of your company are not energy intensive. However, adequate measure have been initiated for conservation of energy.
- ii) The steps taken by the company for utilising alternate sources of energy: Through the operations of the Company are not energy intensive, the Company shall explore alternative source if energy, as and when the necessity arises.
- iii) The capital investment on energy conservation equipments: Nil

**2. Technology Absorption:**

- i) The efforts made towards technology absorption – The minimum technology requirement for the business has been absorbed
- ii) The benefits derived like product improvement, cost reduction, product development or import substitution – Not Applicable
- iii) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)- Not Applicable
  - (a) the details of technology imported;
  - (b) the year of import;
  - (c) whether the technology been fully absorbed;
  - (d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof; and
- iv) The expenditure incurred on Research and Development – Not Applicable



### **3. Foreign Exchange Earning and Outgo: NIL**

#### **CORPORATE GOVERNANCE:**

In compliance with provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a separate report on Corporate Governance along with a certificate from the Auditors of the Company regarding compliance of conditions of corporate governance, forming a part of this report.

#### **MANAGEMENT DISCUSSION AND ANALYSIS REPORT:**

Pursuant to Regulation 34(2)(e) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Management Discussion and Analysis Report is annexed after the Directors' Report and forming a part of this report.

#### **CORPORATE SOCIAL RESPONSIBILITY(CSR) COMMITTEE:**

The provisions relating to establish a Corporate Social Responsibility Committee and Corporate Social Responsibility activities are not applicable to the Company. However, as a good governance practice, the Company has constituted the Corporate Social Responsibility (CSR) Committee. Details of the role and composition of the Committee are provided in Corporate Governance Section of the Annual Report.

#### **WHISTLE BLOWER POLICY / VIGIL MECHANISM:**

The Company is committed to highest standards of ethical, moral and legal business conduct. Accordingly, the Board of Directors has formulated Whistle Blower Policy/Vigil Mechanism Policy in compliance with the provision of Section 177(10) of the Companies Act, 2013 and Regulation 22 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The policy provides for a framework and process whereby concerns can be raised by its employees against any kind of discrimination, harassment, victimization or any other unfair practice being adopted against them. The Policy of vigil Mechanism of the Company is available on the website of the Company at [www.marutiinfra.in](http://www.marutiinfra.in).

#### **BOARD COMMITTEES:**

The Board of Directors of your Company have already constituted various Committees in compliance with provisions of the Companies Act, 2013 and / or the SEBI (Listing Obligations and Disclosure Requirements) 2015 viz. Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee and Corporate Social Responsibility (CSR) Committee.

All decisions pertaining to the constitution of Committees, appointment of members and fixing of terms of reference / role of the Committee are taken by the Board of Directors.

Details of the role and composition of these Committees, including the number of meetings held during the financial year and attendance at meetings, are provided in Corporate Governance Section of the Annual Report.

#### **INDEPENDENT DIRECTORS MEETING:**

During the year under review, the Independent Directors of the Company met on 14<sup>th</sup> August, 2018, inter alia to discuss:

- i) Evaluation of Performance of Non-Independent Directors and the Board of Directors of the Company as a whole.



- ii) Evaluation of performance of the Chairman and / or Managing Director of the Company, taking into views of Executive and Non-executive Directors.
- iii) Evaluation of the quality, content and timelines of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

**SECRETARIAL STANDARDS:**

During the year under review, the Company has complied with the applicable Secretarial Standards issued by The Institute of Company Secretaries of India.

**RISK MANAGEMENT POLICY:**

The Board reviews the risks associated with the Company every year while considering the business plan. Considering the size of the Company and its activities, it is felt that the development and implementation of a Risk Management Policy is not relevant to the Company and in the opinion of the Board, there are no risks, which may threaten the existence of the Company.

**SEXUAL HARASSMENT POLICY:**

The Company has complied with the provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and during the financial year 2018-19, the Company has not received any complaints under the said Act.

**ACKNOWLEDGEMENT:**

Your Directors wish to place on record their sincere appreciation and gratitude for the valuable support and co-operation received from the Customers and Suppliers, various Financial Institutions, Banks, Government Authorities, Auditors and Shareholders during the year under review. Your Directors wish to place on record their deep sense of appreciation for the devoted services of the Executives, Staff and Workers of the Company for its success.

**For and on behalf of the Board of Directors of  
Maruti Infrastructure Limited**

**Place:** Ahmedabad  
**Date:** 14<sup>th</sup> August, 2019

**Nimesh D. Patel**  
**Chairman & Managing Director**  
**(DIN: 00185400)**



**Form No. MGT-9****EXTRACT OF ANNUAL RETURN**For the financial year ended on 31<sup>st</sup> 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   | L65910GJ1994PLC023742  |
| ii)  | Registration Date   | 2 <sup>nd</sup> December, 1994   |
| iii) | Name of the Company   | MARUTI INFRASTRUCTURE LIMITED  |
| iv)  | Category / Sub-Category of the Company                                    | Public Company / Company having Share Capital  |
| v)   | Address of the Registered office and contact details                      | 802, Surmount Building, Opp. Iscon Mega Mall, S. G. Highway, Ahmedabad, Gujarat- 380015  |
| vi)  | Whether Listed Company Yes/No   | Yes  |
| vii) | Name, Address and Contact details of Registrar and Transfer Agent, if any | M/s. Link Intime India Private Limited<br>5 <sup>th</sup> Floor, 506 to 508, Amarnath Business Centre-I, Beside Gala Business Centre, Nr. St. Xavier's College Corner, Off. C G Road, Navrangpura, Ahmedabad, Gujarat - 380 009<br>Tel No. & Fax. No. : +91-79-2646 5179<br>Email : ahmedabad@linkintime.co.in |

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:**

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

| Sr. No. | Name and Description of main products/ services      | NIC Code of the Product / Service | % to total turnover of the Company |
|---------|--|-----------------------------------|------------------------------------|
| 1       | Development of Real Estate Project with Construction | 41001                             | 34.28 %                            |
| 2       | Development of Infrastructure Projects.              | 43129                             | 65.72 %                            |
|         |  | <b>Total</b>                      | <b>100.00 %</b>                    |

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:**

| Sr. No.        | Name And Address of the Company | CIN/GLN | Holding/ Subsidiary/ Associate | % of shares held | Applicable Section |
|----------------|---------------------------------|---------|--------------------------------|------------------|--------------------|
| NOT APPLICABLE |                                 |         |                                |                  |                    |



**IV. SHAREHOLDING PATTERN (Equity Share Capital Break up as percentage of Total Equity)**  
**(i) Category-wise Share Holding**

| Category of shareholder   | No. of Shares held at the beginning of the year (1 <sup>st</sup> April 1, 2018) |               |                 |                   | No. of Shares held at the end of the year (31 <sup>st</sup> March, 2019) |               |                 |                   | % Change during the year |
|---|---|---------------|-----------------|-------------------|--|---------------|-----------------|-------------------|--------------------------|
|   | Demat   | Physical      | Total           | % of Total Shares | Demat  | Physical      | Total           | % of Total Shares |                          |
| <b>A. Promoters</b>   |   |               |                 |                   |  |               |                 |                   |                          |
| <b>(1) Indian</b>   |   |               |                 |                   |  |               |                 |                   |                          |
| a) Individuals / HUF  | 6539000   | -             | 6539000         | 52.31             | 6539000  | -             | 6539000         | 52.31             | 0.00                     |
| b) Central Govt/  | -   | -             | -               | -                 | -  | -             | -               | -                 | -                        |
| c) State Govt(s)  | -   | -             | -               | -                 | -  | -             | -               | -                 | -                        |
| d) Bodies Corp.   | -   | -             | -               | -                 | -  | -             | -               | -                 | -                        |
| e) Banks / FI   | -   | -             | -               | -                 | -  | -             | -               | -                 | -                        |
| f) Any Other  | -   | -             | -               | -                 | -  | -             | -               | -                 | -                        |
| <b>Sub - Total (A)(1)</b>   | <b>6539000</b>  | <b>0</b>      | <b>6539000</b>  | <b>52.31</b>      | <b>6539000</b>   | <b>0</b>      | <b>6539000</b>  | <b>52.31</b>      | <b>0.00</b>              |
| <b>(2) Foreign</b>  |   |               |                 |                   |  |               |                 |                   |                          |
| a) NRI- Individuals   | -   | -             | -               | -                 | -  | -             | -               | -                 | -                        |
| b) Others- Individuals  | -   | -             | -               | -                 | -  | -             | -               | -                 | -                        |
| c) Bodies Cor.  | -   | -             | -               | -                 | -  | -             | -               | -                 | -                        |
| d) Banks/ FI  | -   | -             | -               | -                 | -  | -             | -               | -                 | -                        |
| e) Any Other  | -   | -             | -               | -                 | -  | -             | -               | -                 | -                        |
| <b>Sub - Total (A)(2)</b>   | <b>-</b>  | <b>-</b>      | <b>-</b>        | <b>-</b>          | <b>-</b>   | <b>-</b>      | <b>-</b>        | <b>-</b>          | <b>-</b>                 |
| <b>Total Shareholding of Promoter (A)=A(1)+(A)(2)</b>                     | <b>6539000</b>  | <b>0</b>      | <b>6539000</b>  | <b>52.31</b>      | <b>6539000</b>   | <b>0</b>      | <b>6539000</b>  | <b>52.31</b>      | <b>0.00</b>              |
| <b>B. Public Shareholding</b>   |   |               |                 |                   |  |               |                 |                   |                          |
| 1. Institutions   |   |               |                 |                   |  |               |                 |                   |                          |
| a) Mutual Funds   | -   | -             | -               | -                 | -  | -             | -               | -                 | -                        |
| b) Banks / FI   | -   | -             | -               | -                 | -  | -             | -               | -                 | -                        |
| c) Central Govt   | -   | -             | -               | -                 | -  | -             | -               | -                 | -                        |
| d) State Govt(s)  | -   | -             | -               | -                 | -  | -             | -               | -                 | -                        |
| e) Venture Capital Funds  | -   | -             | -               | -                 | -  | -             | -               | -                 | -                        |
| f) Insurance Companies  | -   | -             | -               | -                 | -  | -             | -               | -                 | -                        |
| g) FIs  | -   | -             | -               | -                 | -  | -             | -               | -                 | -                        |
| h) Foreign Venture Capital Funds  | -   | -             | -               | -                 | -  | -             | -               | -                 | -                        |
| i) Others   | -   | -             | -               | -                 | -  | -             | -               | -                 | -                        |
| <b>Sub-total (B)(1):-</b>   | <b>-</b>  | <b>-</b>      | <b>-</b>        | <b>-</b>          | <b>-</b>   | <b>-</b>      | <b>-</b>        | <b>-</b>          | <b>-</b>                 |
| 2. Non-Institutions   |   |               |                 |                   |  |               |                 |                   |                          |
| a) Bodies Corp.   |   |               |                 |                   |  |               |                 |                   |                          |
| i) Indian   | 203412  | 18700         | 222112          | 1.78              | 143781   | 18700         | 162481          | 1.30              | (0.48)                   |
| ii) Overseas  | -   | -             | -               | -                 | -  | -             | -               | -                 | -                        |
| b) Individuals  |   |               |                 |                   |  |               |                 |                   |                          |
| i) Individual shareholders holding nominal share capital upto Rs. 1 lakh  | 553590  | 210085        | 763675          | 6.11              | 546793   | 210085        | 756878          | 6.06              | (0.05)                   |
| ii) Individual shareholders nominal share capital in excess of Rs. 1 lakh | 4712339   | 140000        | 4852339         | 38.82             | 4799948  | 140000        | 4939948         | 39.52             | 0.70                     |
| c) Others   |   |               |                 |                   |  |               |                 |                   |                          |
| - HUF   | 75192   | -             | 75192           | 0.60              | 68315  | -             | 68315           | 0.55              | (0.05)                   |
| - Non-Resident Indians  | 21348   | -             | 21348           | 0.17              | 20210  | -             | 20210           | 0.16              | (0.01)                   |
| - Clearing Members  | 26334   | -             | 26334           | 0.21              | 13168  | -             | 13168           | 0.10              | (0.11)                   |
| <b>Sub-total (B)(2):-</b>   | <b>5592215</b>  | <b>368785</b> | <b>5961000</b>  | <b>47.69</b>      | <b>5592215</b>   | <b>368785</b> | <b>5961000</b>  | <b>47.69</b>      | <b>0.00</b>              |
| <b>Total Public Shareholding</b>  | <b>5591815</b>  | <b>369185</b> | <b>5961000</b>  | <b>47.69</b>      | <b>5592215</b>   | <b>368785</b> | <b>5961000</b>  | <b>47.69</b>      | <b>0.00</b>              |
| <b>(B)=(B)(1)+ (B)(2)</b>   |   |               |                 |                   |  |               |                 |                   |                          |
| C. Shares held by Custodian for GDRs & ADRs                               | -   | -             | -               | -                 | -  | -             | -               | -                 | -                        |
| <b>Grand Total (A+B+C)</b>  | <b>12130815</b>   | <b>369185</b> | <b>12500000</b> | <b>100.00</b>     | <b>12131215</b>  | <b>368785</b> | <b>12500000</b> | <b>100.00</b>     | <b>-</b>                 |

**(ii) Shareholding of Promoters :**

| Sl. No. | Shareholder's Name    | Share holding at the beginning of the year (1 <sup>st</sup> April, 2018) |                                  |  | Share holding at the end of the year (31 <sup>st</sup> March, 2019) |                                  |  | % Change in Share holding 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       | Nimesh D. Patel       | 4315100  | 34.52                            | 0.00   | 4315100   | 34.52                            | 0.00   | 0.00                                      |
| 2       | Hiteshi N. Patel      | 1472600  | 11.78                            | 0.00   | 1472600   | 11.78                            | 0.00   | 0.00                                      |
| 3       | Dashrathbhai B. Patel | 495000   | 3.96                             | 0.00   | 495000  | 3.96                             | 0.00   | 0.00                                      |
| 4       | Rohini D. Patel       | 146700   | 1.17                             | 0.00   | 146700  | 1.17                             | 0.00   | 0.00                                      |
| 5       | Kiran D. Patel        | 109600   | 0.88                             | 0.00   | 109600  | 0.88                             | 0.00   | 0.00                                      |
|         | <b>Total</b>          | <b>6539000</b>   | <b>52.31</b>                     | <b>0.00</b>                                      | <b>6539000</b>  | <b>52.31</b>                     | <b>0.00</b>                                    | <b>0.00</b>                               |

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

| Sr. No. | Name of Shareholder | Date wise increase / decrease  |                     |                          | Cumulative Shareholding | % of total share capital |
|---------|---------------------|--|---------------------|--------------------------|-------------------------|--------------------------|
|         |                     | Date   | Increase / Decrease | % of total share capital |                         |                          |
|         |                     | There was no change in the shareholding of the Promoters' during the year. |                     |                          |                         |                          |

**(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):**

| Sr. No. | Name of Shareholder           | Date wise increase / decrease |                     |                          | Cumulative Shareholding | % of total share capital |
|---------|-------------------------------|-------------------------------|---------------------|--------------------------|-------------------------|--------------------------|
|         |                               | Date                          | Increase / Decrease | % of total share capital |                         |                          |
| 1       | Kalpesh Rameshchandra Shah    | At the beginning of the year  |                     |                          | 304300                  | 2.43                     |
|         |                               | At the end of the year        |                     |                          | 304300                  | 2.43                     |
| 2       | Bhavin Harshadbhai Shah       | At the beginning of the year  |                     |                          | 300000                  | 2.40                     |
|         |                               | At the end of the year        |                     |                          | 300000                  | 2.40                     |
| 3       | Vinitkumar Manilal Patel      | At the beginning of the year  |                     |                          | 252987                  | 2.02                     |
|         |                               | 13/07/2018                    | (2600)              | 0.02                     | 250387                  | 2.00                     |
|         |                               | At the end of the year        |                     |                          | 250387                  | 2.00                     |
| 4       | Minaxi Maheshbhai Chhajer     | At the beginning of the year  |                     |                          | 250000                  | 2.00                     |
|         |                               | At the end of the year        |                     |                          | 250000                  | 2.00                     |
| 5       | Jayesh Khodidas Patel         | At the beginning of the year  |                     |                          | 250000                  | 2.00                     |
|         |                               | At the end of the year        |                     |                          | 250000                  | 2.00                     |
| 6       | Rajdev Jaswantbhai Brahmhatt  | At the beginning of the year  |                     |                          | 250000                  | 2.00                     |
|         |                               | At the end of the year        |                     |                          | 250000                  | 2.00                     |
| 7       | Kalpeshbhai Prahladbhai Patel | At the beginning of the year  |                     |                          | 245700                  | 1.97                     |
|         |                               | At the end of the year        |                     |                          | 245700                  | 1.97                     |
| 8       | Niketa Manishkumar Patel      | At the beginning of the year  |                     |                          | 200000                  | 1.60                     |
|         |                               | 09/11/2018                    | (200000)            | (1.60)                   | 0.00                    | 0.00                     |
|         |                               | 11/01/2019                    | 200000              | 1.60                     | 200000                  | 1.60                     |
|         |                               | At the end of the year        |                     |                          | 200000                  | 1.60                     |
| 9       | Bharatbhai Haribhai Katkiya   | At the beginning of the year  |                     |                          | 161600                  | 1.29                     |
|         |                               | At the end of the year        |                     |                          | 161600                  | 1.29                     |
| 10      | Dhaduk Chaturbhai Popatbhai   | At the beginning of the year  |                     |                          | 158715                  | 1.27                     |
|         |                               | 09/11/2018                    | (158715)            | (1.27)                   | 0                       | 0.00                     |
|         |                               | 11/01/2019                    | 158715              | 1.27                     | 158715                  | 1.27                     |
|         |                               | At the end of the year        |                     |                          | 158715                  | 1.27                     |

- Note: 1. Change in the holding as per the beneficiary position downloaded from the Depositories.  
2. The above changes in the holding are due to sale/ purchase (transfer) in open market.



(v) Shareholding of Directors and Key Managerial Personnel (KMP):

| Sr. No. | Name of Directors & KMP | Date wise increase / decrease |                     |                          | Cumulative Sharholding | % of total share capital |
|---------|-------------------------|-------------------------------|---------------------|--------------------------|------------------------|--------------------------|
|         |                         | Date                          | Increase / Decrease | % of total share capital |                        |                          |
| 1       | Nimesh D. Patel         | At the beginning of the year  |                     |                          | 4315100                | 34.52                    |
|         |                         | At the end of the year        |                     |                          | 4315100                | 34.52                    |
| 2       | Hiteshi N. Patel        | At the beginning of the year  |                     |                          | 1472600                | 11.78                    |
|         |                         | At the end of the year        |                     |                          | 1472600                | 11.78                    |
| 3       | Chetan A. Patel         | At the beginning of the year  |                     |                          | 0                      | 0.00                     |
|         |                         | At the end of the year        |                     |                          | 0                      | 0.00                     |
| 4       | Niketani R. Shah        | At the beginning of the year  |                     |                          | 0                      | 0.00                     |
|         |                         | At the end of the year        |                     |                          | 0                      | 0.00                     |
| 5       | Nishitbhai P. Patel     | At the beginning of the year  |                     |                          | 0                      | 0.00                     |
|         |                         | At the end of the year        |                     |                          | 0                      | 0.00                     |

V. INDEBTEDNESS:-

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

| Particulars  | Secured Loans excluding deposits | Unsecured Loans   | Deposits   | Total Indebtedness   |
|--|----------------------------------|-------------------|------------|----------------------|
| <b>Indebtedness at the beginning of the financial year</b> |                                  |                   |            |                      |
| i) Principal Amount  | 7,43,94,848                      | 10,15,622         | Nil        | <b>7,54,10,470</b>   |
| ii) Interest due but not paid                              | Nil                              | Nil               | Nil        | <b>Nil</b>           |
| iii) Interest accrued but not due                          | Nil                              | Nil               | Nil        | <b>Nil</b>           |
| <b>Total (i+ii+iii)</b>                                    | <b>7,43,94,848</b>               | <b>10,15,622</b>  | <b>Nil</b> | <b>7,54,10,470</b>   |
| <b>Change in Indebtedness during the financial year</b>    |                                  |                   |            |                      |
| • Addition   | 29,86,831                        | Nil               | Nil        | <b>29,86,831</b>     |
| • Reduction  | (1,17,77,007)                    | (9,56,291)        | Nil        | <b>(1,27,33,298)</b> |
| <b>Net Change</b>  | <b>(87,90,176)</b>               | <b>(9,56,291)</b> | <b>Nil</b> | <b>(97,46,467)</b>   |
| <b>Indebtedness at the end of the financial year</b>       |                                  |                   |            |                      |
| i) Principal Amount  | 6,56,04,672                      | 59,331            | Nil        | <b>6,56,64,003</b>   |
| ii) Interest due but not paid                              | Nil                              | Nil               | Nil        | <b>Nil</b>           |
| iii) Interest accrued but not due                          | Nil                              | Nil               | Nil        | <b>Nil</b>           |
| <b>Total (i+ii+iii)</b>                                    | <b>6,56,04,672</b>               | <b>59,331</b>     | <b>Nil</b> | <b>6,56,64,003</b>   |



**VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL :**

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

(Rs. in Lakhs)

| Sl. No. | Particulars of Remuneration   | Name of Managing Director :<br>Nimesh D. Patel   | Total Amount    |
|---------|---|--|-----------------|
| 1.      | Gross salary  |  |                 |
|         | (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 | Rs. 9.00   | Rs. 9.00        |
|         | (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  | -  | -               |
|         | <b>Total (A)</b>  | <b>Rs. 9.00</b>  | <b>Rs. 9.00</b> |
|         | Ceiling as per Act  | Within the ceiling limit prescribed under the Companies Act, 2013 read with Schedule V of the Companies Act, 2013. |                 |

**B. Remuneration to other directors:**

| Sl. No. | Particulars of Remuneration                    | Name of Directors   |                      |                      |                      | Total Amount |
|---------|--|---|----------------------|----------------------|----------------------|--------------|
|         |  | Smt. Hiteshi N. Patel   | Shri Chetan A. Patel | Shri Niketan R. Shah | Shri Nishit P. Patel |              |
| 1.      | <b>Independent Directors</b>                   | <p style="text-align: center;">NIL</p> <p>No remuneration was paid to any other director for the year ending 31<sup>st</sup> March, 2019.</p> |                      |                      |                      |              |
|         | ♦ Fee for attending board / committee meetings |   |                      |                      |                      |              |
|         | ♦ Commission                                   |   |                      |                      |                      |              |
|         | ♦ Others, please specify                       |   |                      |                      |                      |              |
|         | <b>Total (1)</b>                               |   |                      |                      |                      |              |
| 2.      | <b>Other Non-Executive Directors</b>           |   |                      |                      |                      |              |
|         | ♦ Fee for attending board / committee meetings |   |                      |                      |                      |              |
|         | ♦ Commission                                   |   |                      |                      |                      |              |
|         | ♦ Others, please specify                       |   |                      |                      |                      |              |
|         | <b>Total (2)</b>                               |   |                      |                      |                      |              |
|         | <b>Total (B) = (1+2)</b>                       |   |                      |                      |                      |              |
|         | Total Managerial Remuneration                  |   |                      |                      |                      |              |
|         | Overall Ceiling as per the Act (Rs.)           |   |                      |                      |                      |              |

**C. Remuneration to Key Managerial Personnel Other than MD/Manager/WTD: (Rs. in Lakhs)**

| Sl. No. | Particulars of Remuneration   | Key Managerial Personnel |                     | Total Amount |
|---------|---|--------------------------|---------------------|--------------|
|         |   | Ms. Neha Parmar          | Shri Pratik Acharya |              |
|         |   | Company Secretary        | CFO                 |              |
| 1.      | <b>Gross salary</b><br>(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961<br>(b) Value of perquisites u/s 17(2) of Income Tax Act, 1961<br>(c) Profits in lieu of salary under section 17(3) of Income Tax Act, 1961 | 0.90                     | 3.18                | 4.08         |
| 2.      | Stock Option  |                          |                     |              |
| 3.      | Sweat Equity  |                          |                     |              |
| 4.      | Commission-<br>- as % of profit-<br>- others, specify   |                          |                     |              |
| 5.      | Others, please specify  |                          |                     |              |
|         | <b>Total</b>  | <b>0.90</b>              | <b>3.18</b>         | <b>4.08</b>  |

**VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:**

| Type                                | Section of the Companies Act | Brief Description | Details of Penalty Panishment / Compounding fees Imposed | Authority (RD/NCLT/ COURT) | Appeals made, if any (give details) |
|-------------------------------------|------------------------------|-------------------|--|----------------------------|-------------------------------------|
| <b>A. COMPANY</b>                   |                              |                   |  |                            |                                     |
| Penalty                             | NIL                          | NIL               | NIL  | NIL                        | NIL                                 |
| Punishment                          | NIL                          | NIL               | NIL  | NIL                        | NIL                                 |
| Compounding                         | NIL                          | NIL               | NIL  | NIL                        | NIL                                 |
| <b>B. DIRECTORS</b>                 |                              |                   |  |                            |                                     |
| Penalty                             | NIL                          | NIL               | NIL  | NIL                        | NIL                                 |
| Punishment                          | NIL                          | NIL               | NIL  | NIL                        | NIL                                 |
| Compounding                         | NIL                          | NIL               | NIL  | NIL                        | NIL                                 |
| <b>C. OTHER OFFICERS IN DEFAULT</b> |                              |                   |  |                            |                                     |
| Penalty                             | NIL                          | NIL               | NIL  | NIL                        | NIL                                 |
| Punishment                          | NIL                          | NIL               | NIL  | NIL                        | NIL                                 |
| Compounding                         | NIL                          | NIL               | NIL  | NIL                        | NIL                                 |

For and on behalf of the Board of Directors of  
Maruti Infrastructure Limited

Place: Ahmedabad  
Date: 14<sup>th</sup> August, 2019

Nimesh D. Patel  
Chairman & Managing Director  
(DIN: 00185400)



**FORM MR-3**  
**SECRETARIAL AUDIT REPORT**  
**FOR THE FINANCIAL YEAR ENDED ON 31<sup>ST</sup> MARCH, 2019**

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

To

The Members,

**Maruti Infrastructure Limited**

802, Surmount Building,

Opp. ISCON Mega Mall,

S. G. Highway,

Ahmedabad- 380 015

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Maruti Infrastructure Limited (CIN: L65910GJ1994PLC023742)** (hereinafter called the “Company”). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company’s books, papers, minutes books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorised representatives during the conduct of Secretarial Audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on **31<sup>st</sup> March, 2019** (‘Audit Period’) 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:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by Maruti Infrastructure Limited for the financial year ended on **31<sup>st</sup> March, 2019** according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 (‘SCRA’) and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (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, 2015;
  - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (Not applicable to the Company during the Audit Period);





- d) The Securities and Exchange Board of India (Share based Employee Benefits) Regulations, 2014 (Not applicable to the Company during the Audit Period);
  - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (Not applicable to the Company during the Audit Period);
  - f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (Not applicable to the Company during the Audit Period); and
  - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 (Not applicable to the Company during the Audit Period);
- (vi) The following laws are applicable specifically to the Company:
- a) Gujarat Building and Other Construction Workers (Regulation of Employment and Condition of Service) Rules, 2003
  - b) Gujarat Land Requisition Act, 1948
  - c) The Indian Contract Act, 1872
  - d) The Transfer of Property Act, 1882
  - e) The Indian Registration Act, 1908
  - f) The Indian Stamps Act, 1899
  - g) The Gujarat Stamp Act 1958.
  - h) The Land Acquisition Act, 1894

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

- (i) Secretarial Standards with regard to Meeting of Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India.
- (ii) The Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015 [the "SEBI (LODR) Regulations, 2015"].

I hereby report that, during the period under review, the Company has complied with the applicable provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observation:

- 1) *The Company had not appointed Company Secretary and Chief Financial Officer under the provisions of Section 203 of the Companies Act, 2013 and Rule 8 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 till 30<sup>th</sup> June, 2018.*

**I further report that** the compliance by the Company of applicable financial laws, like direct and indirect tax laws, has not reviewed in this Audit since the same have been subject to review by the statutory financial audit and other designated professionals.



**I further report that:**

- The Board of Directors of the Company is duly constituted with the 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 period under review 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 usually sent sufficiently in advance, 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.
- Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

**I 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 compliances with applicable laws, rules, regulations and guidelines.

**I further report that** during the audit period, there was no specific events/actions having major bearing on the Company's affairs.

**FOR, BHARAT PRAJAPATI & CO.  
COMPANY SECRETARIES**

**BHARAT PRAJAPATI  
PROPRIETOR  
F.C.S. NO. : 9416  
C. P. NO. : 10788**

**Place :** Ahmedabad

**Date :** 14<sup>th</sup> August, 2019

**Note:** This report is to be read with my letter of even date which is annexed as 'ANNEXURE A' and forms an integral part of this report.



**'ANNEXURE A'**

To  
The Members,  
**Maruti Infrastructure Limited**  
802, Surmount Building,  
Opp. ISCON Mega Mall,  
S. G. Highway,  
Ahmedabad- 380 015

**My Secretarial Audit report of even date is to be read along with this letter.**

My Secretarial Audit report of even date is to be read along with this letter.

1. The Management of the Company is responsible for maintenance of secretarial records, devise proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.
2. My responsibility is to express an opinion on these secretarial records and procedures followed by the Company with respect to secretarial Compliance.
3. I have followed the audit practices and 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. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.
4. I have not verified the correctness and appropriateness of financial records, Books of Accounts and cost records of the company.
5. Wherever required, I have obtained the Management Representation about the compliance of laws, rules and regulations and happening of events, secretarial records and other factual position which cannot be otherwise verified, wherever required or necessary.
6. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.
7. 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, BHARAT PRAJAPATI & CO.  
COMPANY SECRETARIES**

**BHARAT PRAJAPATI  
PROPRIETOR  
F.C.S. NO. : 9416  
C. P. NO. : 10788**

**Place :** Ahmedabad  
**Date :** 14<sup>th</sup> August, 2019



## Annexure – III

**The particulars of employees in accordance with the provisions of Section 197(12) of the Companies Act, 2013, read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:**

- a. Ratio of the remuneration of each director to the median remuneration of the employees of the Company and the percentage increase in remuneration of Directors & Key Managerial Personnel (KMP) in the Financial Year :

| Sr. No. | Name of the Director / KMP and Designation       | Remuneration of Directors for financial year 2018-19 (in Rs.) | Ratio of Remuneration of each Director to Median Remuneration to employees | Percentage increase in Remuneration during FY 2018-19 |
|---------|--|---|--|---|
| 1       | Nimesh D. Patel - Chairman and Managing Director | 9,00,000  | 4.41:1   | 0.00  |
| 2       | Nishit P. Patel - Independent Director           | Nil   | Nil  | -   |
| 3       | Chetan A. Patel - Independent Director           | NIL   | NIL  | -   |
| 4       | Niketani R. Shah - Independent Director          | NIL   | NIL  | -   |
| 5       | Hiteshi N. Patel - Non-Executive Director        | NIL   | NIL  | -   |
| 6       | Neha Parmar - Company Secretary (CS)             | Not Applicable  | Not Applicable   | 0.00*   |
| 7       | Pratik Acharya - Chief Financial Officer (CFO)   | Not Applicable  | Not Applicable   | 0.00*   |

\* CS and CFO were appointed with effect from 1<sup>st</sup> July, 2018. As such the increase in remuneration of CS and CFO is not comparable.

- b. The percentage increased/decreased in Median Remuneration of Employees (MRE) in financial year was 19.30%
- c. There were Eighteen (18) permanent employees on the rolls of the Company as on 31<sup>st</sup> March, 2019.
- d. Average percentage increase in the Salaries of Employees other than Managerial Personnel was 4.12%. There was no increase in salary of managerial remuneration (i.e. Managing Director).
- e. The Company affirms that the remuneration is as per the Remuneration policy of the Company.

During the financial year, there was no employee employed throughout the financial year or part of the financial year who was in receipt of remuneration in the aggregate of not less than Rs. 8.50 Lakhs per month or Rs. 1.02 Crore per financial year. The statement containing the names of the top ten employees in terms of remuneration drawn as per Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is provided in a separate annexure forming part of this report. In terms of Section 136 of the Act, the said annexure is open for inspection at the Registered Office of the Company. Any shareholder interested in obtaining a copy of the same may write to the Company.

**For and on behalf of the Board of Directors of  
Maruti Infrastructure Limited**

**Place:** Ahmedabad  
**Date:** 14<sup>th</sup> August, 2019

**Nimesh D. Patel**  
**Chairman & Managing Director**  
**(DIN: 00185400)**



## REPORT ON CORPORATE GOVERNANCE

### 1. Company's Philosophy on Corporate Governance:

The Company's philosophy on Corporate Governance envisages attainment of higher levels of transparency, accountability and equity in all facets of its operations and in all its interactions with its stakeholders, including shareholders, employees, customers, suppliers, Government, lenders and the community at large. It aims to increase and sustain corporate value through growth and innovation.

The Company's core value includes business ethics, customer focus, professional pride, mutual respect, speed and innovation, excellence in manufacturing and total quantity. The Company believes that its operations and actions must serve the underlying goal of enhancing the interests of its stakeholders over a sustained period of time.

The policies and actions of the Company are in terms of applicable guidelines on Corporate Governance with endeavor to enhance shareholders' value.

The Company is in compliance with Regulations 17 to 27 read with Schedule V and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and ("the Listing Regulations") as wherever applicable, with regard to Corporate Governance.

### 2. Board of Directors:

#### ▪ Composition, category of Directors and their other Directorships and Committee Memberships:

The present Board of the Company comprises of 5 (Five) Members having optimum combination of Executive and Non-Executive / Independent Directors in compliance with the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The details of composition of Board of Directors, the number of other Directorships or Board Committees of which he is a Member / Chairman, are as under:

| Sr. No. | Name of Director      | Category                    | Designation                  | Other Directorships/Member Ships in Committees (Nos.) |                  |
|---------|-----------------------|-----------------------------|------------------------------|---|------------------|
|         |                       |                             |                              | Director ships *                                      | Board Committees |
| 1.      | Shri Nimesh D. Patel  | Promoter & Executive        | Chairman & Managing Director | One   | None             |
| 2.      | Smt. Hiteshi N. Patel | Promoter & Non-Executive    | Director (Woman Director)    | None  | None             |
| 3.      | Shri Chetan A. Patel  | Independent & Non-Executive | Director                     | None  | None             |
| 4.      | Shri Niketan R. Shah  | Independent & Non-Executive | Director                     | None  | None             |
| 5.      | Shri Nishit P. Patel  | Independent & Non-Executive | Director                     | None  | None             |

\* Directorships in other Companies mentioned above exclude Directorships in Private Limited Companies.



- None of the directors are director in other listed company.
- While calculating the number of Membership / Chairmanship in Committees of other Companies, Membership / Chairmanship of only Audit Committee and Stakeholders Relationship Committee is considered pursuant to Regulation 26 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015. None of the Director is a member in more than ten Committees and act as a Chairman in more than five Committees across all companies in which he is a Director.
- Smt. Hiteshi N. Patel is wife of Shri Nimesh D. Patel. None of the other directors are related to any other director on the Board.
- No. of shares held by Non Executive Director: Smt. Hiteshi N. Patel (Non executive Director) holds 14,72,600 equity shares of the Company
- The Board of Directors confirms that in the opinion of the Board, the Independent Directors fulfil the conditions specified in Listing Regulations and are independent of the management.
- **Board Meetings:**

During the financial year 2018-19, 8 (Eight) Board Meetings were held on 30<sup>th</sup> May, 2018, 30<sup>th</sup> June, 2018, 14<sup>th</sup> August, 2018, 06<sup>th</sup> November, 2018, 11<sup>th</sup> December, 2018, 21<sup>st</sup> January, 2019, 14<sup>th</sup> February, 2019 and 18<sup>th</sup> March, 2019.

**Attendance of Directors at the Board Meeting & Last Annual General Meeting:**

| Name of Director      | Number of Meetings held during his tenure | Number of Meetings Attended | AGM Attendance |
|-----------------------|---|-----------------------------|----------------|
| Shri Nimesh D. Patel  | 8   | 8                           | Yes            |
| Smt. Hiteshi N. Patel | 8   | 8                           | Yes            |
| Shri Chetan A. Patel  | 8   | 8                           | Yes            |
| Shri Niketan R. Shah  | 8   | 6                           | Yes            |
| Shri Nishit P. Patel  | 8   | 8                           | Yes            |

All the meetings of Board of Directors of the Company are scheduled well in advance and the Board meets at least once in a quarter to review the quarterly performance and the financial results. Agenda of the meeting was prepared and all necessary papers were circulated to Members of the Board in advance. All Members of the Board have access to all information of the Company and are free to recommend inclusion of any matter in the Agenda for discussions. The maximum time gap between two Board meetings was not more than one hundred and twenty days.

- **Annual Performance Evaluation:**

Pursuant to the provisions of the Companies Act, 2013 (“the Act”) and Rules made thereunder and as provided in Schedule IV of the Act and Listing Agreement/Listing Regulations, the Board has carried out the evaluation of performance of its own, committees, individual Directors and Chairman of the Board.



The Board of Directors has carried out a process of performance evaluation of the Board, Committees and individual Directors. The performance was evaluated based on the parameters such as composition of the Board & Committees, experience & competencies, performance of specific duties & obligations, governance issues etc.

The Directors were satisfied with the evaluation results, which reflected the overall engagement of the Board and its Committees with the Company.

▪ **Meeting of Independent Directors:**

As required under Regulation 25(3) of the Listing Regulations read with Schedule IV of the Companies Act, 2013, a separate meeting of the Independent Directors of the Company was held on 14<sup>th</sup> August, 2018, to review the performance of Non-Independent Directors, Chairman and the Board as a whole and to assess the flow of information between the company management the Board.

▪ **Familiarization Programme for Independent Directors:**

Independent Directors are familiarised with their roles, rights and responsibilities in the Company as well as with the nature of industry and business model of the Company by providing various presentation at Board/ Committee meetings from time to time. Further the Independent Directors of the Company are made aware of their role, responsibility and liabilities at the time of their appointment, through a formal letter of appointment, which also stipulates various terms and conditions of their engagement apart from clarifying their role and responsibilities. The details of the familiarization programmes can be accessed on the website [www.marutiinfra.in](http://www.marutiinfra.in).

▪ **A chart or a matrix setting out the skills/expertise/competence of the Board of Directors specifying the following:**

The Board has identified the following skills / expertise / competencies fundamental for the effective functioning of the Company which are currently available with the Board:

- Industry knowledge & experience
- Project effective management
- Marketing, Strategy & Customer satisfaction
- Cost analysis
- Compliance & Risk;
- Financial expertise;
- Human Resource Development; and
- General Management

**3. Audit Committee:**

▪ **Terms of Reference:**

The terms of reference of this Committee cover the matter as specified in Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as well as in Section 177 of the Companies Act, 2013.



▪ **Composition:**

The Audit Committee comprises of 3 (three) Non-Executive and Independent Directors. Shri Niketan R. Shah is a Chairman of the Committee and Shri Chetan A. Patel and Shri Nishit P. Patel are Members of the Committee.

The composition of the Audit Committee meets the stipulated requirement of provisions Section 177 of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

▪ **Meeting and the Attendance during the year 2018-19:**

During the financial year 2018-19, Four (4) meetings of the Audit Committee were held on 30<sup>th</sup> May, 2018, 14<sup>th</sup> August, 2018, 6<sup>th</sup> November, 2018, and 14<sup>th</sup> February, 2019. All the Members of the Committee were present in all the meetings of the Audit Committee.

**4. Nomination and Remuneration Committee:**

The Nomination and Remuneration Committee is constituted as per the provisions of Section 178 the Companies Act, 2013 and Regulation 19 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**(i) Brief description of Terms of Reference:**

- a) Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees and carry out evaluation of every director's performance;
- b) Formulation of criteria for evaluation of Independent Directors and the Board;
- c) Devising a policy on Board diversity;
- d) Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal.
- e) Extension or continuation of the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.
- f) Recommend to the Board, all remuneration, in whatever form, payable to senior management.

**(ii) Composition of the Committee:**

The Company has constituted a Nomination and Remuneration Committee on 15<sup>th</sup> November, 2011 and thereafter, it was reconstituted as and when required. Presently, the said Committee comprises of Shri Chetan A. Patel (Chairman), Shri Niketan R. Shah, (Member) and Shri Nishit P. Patel (Member). All of the members of the Committee are Non-Executive & Independent Directors.

**(iii) Meeting and the attendance of the Nomination and Remuneration Committee:**

During financial year 2018-19, two meetings of the Nomination and Remuneration Com-





mittee were held on 30<sup>th</sup> June, 2018 and 6<sup>th</sup> November, 2018. All members of the Committee were present in all meetings. The Board of Directors reviews the Minutes of the Nomination & Remuneration Committee Meetings at subsequent Board Meeting.

**(iv) Remuneration of Directors:**

During the financial year ended on 31<sup>st</sup> March, 2019, the Company has paid remuneration of Rs. 9.00 Lakhs to Shri Nimesh D. Patel, Chairman & Managing Director of the Company. The Remuneration paid to the Chairman & Managing Director is as per the provisions of the Companies Act.

The tenure of office of the Chairman & Managing Director was for three years from 1<sup>st</sup> August, 2017 till 31<sup>st</sup> July, 2020. There is no separate provision for payment of severance fees. The Members of the Company at the 23<sup>rd</sup> Annual General Meeting held on 29<sup>th</sup> September, 2017 approved the re-appointment of Shri Nimesh D. Patel as a Managing Director designated as Chairman & Managing Director for a further period of three years with effect from 1<sup>st</sup> August, 2017 till 31<sup>st</sup> July, 2020 at the remuneration of Rs. 9.00 Lakhs per annum. During the year 2018-19, the Company paid remuneration of Rs. 9.00 Lakhs to Mr. Nimesh D. Patel, Chairman and Managing Director by way of salary.

The Company has not paid any sitting fees / remuneration to the Non-Executive/Independent Directors of the Company during the financial year. Independent Directors of the Company does not hold any equity shares of the Company as on 31<sup>st</sup> March 2019. None of the Independent Directors has any pecuniary relationship or transactions with the Company. Smt. Hiteshi N. Patel, Director (Non-Executive) holds 14,72,600 equity shares of the Company. The details of contracts or arrangements with related parties for the financial year ended on 31<sup>st</sup> March, 2019 is given in Note No. 26 of the financial statements of the Company.

The Company has not granted any stock option to any of its Non-Executive Directors.

**(v) Remuneration Policy:**

The Nomination and Remuneration Committee will recommend the remuneration to be paid to the Managing Director, Whole-time Director, Key Managerial Personnel (“KMP”) and Senior Management Personnel to the Board for their approval. The level and composition of remuneration so determined by the Committee shall be reasonable & sufficient to attract, retain and motivate Directors, KMP & Senior Management Personnel. The relationship of remuneration to performance should be clear and meet appropriate performance benchmarks. The remuneration should also involve a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals. The details of the remuneration policy including criteria for making payments to Non-Executive Directors can be accessed on the website [www.marutiinfra.in](http://www.marutiinfra.in).

**Director/ Managing Director:**

Besides the above Criteria, the Remuneration, compensation, commission etc to be paid to Director / Managing Director 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.

**Non-executive Independent Directors:**

The Non-Executive Independent Director may receive remuneration by way of sitting fees for attending meetings of Board or Committee thereof. Provided that the amount of such fees 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.

**Key Management Personnels (KMPs) / Senior Management Personnel:**

The Remuneration to be paid to KMPs/ Senior Management Personnel shall be based on the experience, qualification and expertise of the related personnel and governed by the limits, if any prescribed under the Companies Act, 2013 and rules made there under or any other enactment for the time being in force.

**5. Stakeholders Relationship Committee:**

The Company has constituted Stakeholders Relationship Committee in accordance with the provisions of Section 178 of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The function area of the Committee is to look into redressal of investors' complaints / grievances and requests like delay in transfer of shares, non-receipt of annual reports non-receipt of declared dividends, issue of new/duplicate certificates, general meeting etc.

The Committee comprises of Shri Chetan A. Patel (Chairman), Shri Nishit P. Patel (Member) and Shri Nimesh D. Patel (Member).

During the financial year 2018-19, the Committee met four (4) times and all the Members were present in all the meetings.

During the financial year 2018-19, the Company has received only one compliant regarding non-receipt of annual report. Except this, no complaint was received from the shareholders.

**6. Corporate Social Responsibility Committee:**

The provisions relating to establish a Corporate Social Responsibility Committee are not applicable to the Company. However, as good governance practice, the Company has constituted the Corporate Social Responsibility (CSR) Committee and formulate the CSR Policy.

CSR Committee comprises of Shri Niketan R. Shah, Shri Chetan A. Patel and Shri Nimesh D. Patel constituted under the Companies Act, 2013, to:

- formulate and recommend to the Board, a CSR Policy indicating therein CSR activities to be undertaken by the company;
- recommend the amount of expenditure to be incurred on CSR activities; and
- monitor the CSR Policy of the Company from time to time and institute a transparent monitoring mechanism for implementation of the CSR projects/programs/activities undertaken by the Company.
- Such other functions as the Board may deem fit, in accordance with the Section 135 of the Companies Act, 2013 (the 'Act') and Schedule VII of the Act and rules thereof as applicable from time to time.

**7. Details of General Body Meetings:****• Annual General Meeting:**

During the preceding three years, Annual General Meetings of the Company were held at the Registered Office of the Company at 802, Surmount Building, Opp. Iscon Mega Mall, S.G. Highway, Ahmedabad - 380 015.

The details of last three Annual General Meetings (AGM) of the Company are as under:

| <b>Financial Year</b> | <b>Date</b>          | <b>Time</b> | <b>Special Resolutions Passed</b>  |
|-----------------------|----------------------|-------------|--|
| 2017-18               | 29th September, 2017 | 11:45 a.m.  | ➤ None   |
| 2016-17               | 29th September, 2018 | 11:45 a.m.  | ➤ To re-appoint Shri Nimesh D. Patel (DIN: 00185400) as a Managing Director designated as Chairman & Managing Director |
| 2015-16               | 30th September 2016  | 11:45 a.m.  | ➤ None   |

The resolutions proposed at the Annual General Meeting were passed by the Shareholders.

**• Extra Ordinary General Meeting (EGM):**

No Extra Ordinary General Meeting was held during the financial year ended on 31<sup>st</sup> March, 2019.

**• Postal Ballot:**

During the financial year ended on 31<sup>st</sup> March, 2019, no resolution was passed through postal ballot.

**• Postal Ballot process:**

After receiving the approval of the Board of Directors, Notice of the Postal Ballot, text of the Resolution and Explanatory Statement, relevant documents, Postal Ballot Form and self-addressed postage pre-paid envelopes are sent to the shareholders to enable them to consider and vote for or against the proposal within a period of 30 days from the date of dispatch. E-voting facility is made available to all the shareholders and instructions for the same are specified under instructions for voting in the Postal Ballot Notice. E-mails are sent to shareholders whose e-mail ids are available with the depositories and the Company along with Postal Ballot Notice and Postal Ballot Form. After the last day for receipt of ballots [physical/e-voting], the Scrutinizer, after due verification, submits the results to the Chairman. Thereafter, the Chairman declares the result of the Postal Ballot. The same is posted on the Company's website and submitted to the Stock Exchange where the equity shares of the Company are listed.



None of the businesses proposed to be transacted at the ensuing Annual General Meeting require passing a resolution through Postal Ballot.

#### 8. Means of Communication:

- Quarterly and Half -Yearly results are not sent to each household of the shareholders.
- As per the Regulation 33 of the Listing Regulations, the quarterly, half-yearly and yearly financial results are considered and approved by the Board of Directors and the same are submitted to the Stock Exchange.
- Financial results are available on the company's website i.e. [www.marutiinfra.in](http://www.marutiinfra.in)
- No presentation made to Institutional Investors or to Analysts.

#### 9. General Shareholder Information:

|             |   |   |
|-------------|---|---|
| <b>I.</b>   | <b>Annual General Meeting:</b>              |   |
|             | Date and Time                               | 30 <sup>th</sup> September, 2019 at 11:45 a.m.  |
|             | Venue                                       | 802, Surmount Building, Opp. Iscon Mega Mall, S.G. Highway, Ahmedabad - 380 015.  |
|             | Financial Year                              | 1 <sup>st</sup> April, 2018 to 31 <sup>st</sup> March, 2019   |
|             | Dividend Payment Date                       | Not Applicable, as the Board of Directors has not recommended divided for the financial year ended on 31 <sup>st</sup> March, 2019. |
|             | Email for Investor Compliant                | maruti_infra@yahoo.com  |
|             | ISIN with NSDL & CDSL                       | INE392G01010  |
| <b>II.</b>  | <b>Financial Calendar:</b>                  |   |
|             | Financial reporting for the quarter ending: |   |
|             | 30 <sup>th</sup> June, 2019                 | On or before 14 <sup>th</sup> August, 2019  |
|             | 30 <sup>th</sup> September, 2019            | On or before 14 <sup>th</sup> November, 2019  |
|             | 31 <sup>st</sup> December, 2019             | On or before 14 <sup>th</sup> February, 2020  |
|             | 31 <sup>st</sup> March, 2020                | On or before 30 <sup>th</sup> May, 2020   |
| <b>III.</b> | <b>Registered Office:</b>                   | 802, Surmount Building, Opp. Iscon Mega Mall, S.G. Highway, Ahmedabad - 380 015.  |

**IV. Listing of Equity Shares on Stock Exchange:**

| Name and Address of Stock Exchanges   | Stock Code |
|---|------------|
| BSE Limited<br>Phiroze Jeejeebhoy Towers,<br>Dalal Street, Mumbai – 400 001<br>Tel. No.: 022-22721233 & 34  | 531540     |
| Ahmedabad Stock Exchange Limited<br>Kamdhenu Complex, Opp. Sahajanand Collage,<br>Panjara Pole, Ambavadi, Ahmedabad – 380 015<br>Tel. No.: 079-26307971 to 74 | 35415      |

The Company has paid the Annual Listing Fees to the BSE Limited for the Financial Year 2018-19.

The Company has already applied for delisting of its securities from the Ahmedabad Stock Exchange Limited (being the Regional Stock Exchange) on 20<sup>th</sup> October, 2004. The same is still pending with the Exchange and the Company has not received any communication from the said Exchange till date. Hence, the listing fees of the Ahmedabad Stock Exchange Limited has not been paid.

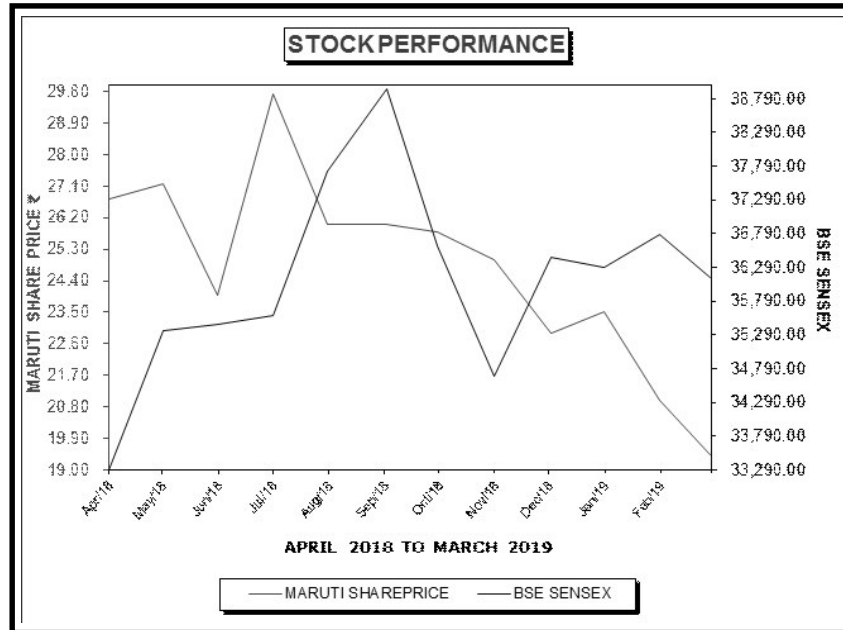
**V. Stock Market Data:****Stock Market Price Data for the year 2018-19:**

| Month  | BSE PRICES |           | VOLUME               |             | BSE SENSEX |          |
|--------|------------|-----------|----------------------|-------------|------------|----------|
|        | High (Rs.) | Low (Rs.) | No. of Shares Traded | Value (Rs.) | High       | Low      |
| Apr-18 | 30.00      | 22.60     | 296177               | 7909023     | 35213.30   | 32972.56 |
| May-18 | 27.15      | 20.50     | 244169               | 5740671     | 35993.53   | 34302.89 |
| Jun-18 | 28.50      | 20.50     | 273990               | 6439284     | 35877.41   | 34784.68 |
| Jul-18 | 29.75      | 23.55     | 308161               | 7885150     | 37644.59   | 35106.57 |
| Aug-18 | 28.00      | 22.50     | 163220               | 4073132     | 38989.65   | 37128.99 |
| Sep-18 | 29.80      | 19.70     | 231438               | 5691201     | 38934.35   | 35985.63 |
| Oct-18 | 27.75      | 21.25     | 130989               | 3122423     | 36616.64   | 33291.58 |
| Nov-18 | 29.00      | 22.00     | 125984               | 3003957     | 36389.22   | 34303.38 |
| Dec-18 | 22.90      | 20.60     | 117867               | 2586839     | 36554.99   | 34426.29 |
| Jan-19 | 24.50      | 15.70     | 133957               | 2982383     | 36701.03   | 35375.51 |
| Feb-19 | 23.70      | 18.50     | 74425                | 1475043     | 37172.18   | 35287.16 |
| Mar-19 | 20.00      | 14.00     | 86891                | 1589354     | 38748.54   | 35926.94 |



## VI. Stock Performance:

Performance of share price of MARUTI INFRASTRUCTURE LIMITED in comparison to BSE Sensex for the year 2018 -19 is as under:



## VII. Registrar & Share Transfer Agent:

The Company has appointed **M/s. Link Intime India Private Limited** as the Registrar and Share Transfer Agent for entire functions of shares registry, both for physical transfers as well as dematerialization, rematerialisation, issue of duplicate, split, consolidation of shares etc. The Shareholders are requested to contact the RTA for any share related work on following address:

### **M/s Link Intime India Private Limited**

5<sup>th</sup> Floor, 506 to 508, Amarnath Business Centre-I,  
Beside Gala Business Centre, Nr. St. Xavier's College Corner,  
Off. C G Road, Navrangpura,  
Ahmedabad, Gujarat – 380 009  
Tel No. & Fax. No. : +91-79-2646 5179  
Email : ahmedabad@linkintime.co.in

## VIII. Share Transfer System:

Shareholders are requested to send their request for share transfer alongwith require documents at the above mentioned address. To expedite the process of share transfer, the Board of Directors of the Company has delegated the power of share transfer to the Registrar and Share Transfer Agent, which attends to the share transfer formalities at least once in a fortnight.

As per Regulation 40(9) of the Listing Regulations the Company has obtained the half yearly certificates from the Company Secretary in Practice for compliance of share transfer formalities and the same have been submitted to the Stock Exchanges. The Company has also obtained Quarterly Reconciliation of Share Capital Audit Report as per the Regulation 55A of SEBI (Depositories and Participants) Regulations, 1996 and submitted the same to the Stock Exchanges.

**IX. Distribution of Shareholding (as on 31<sup>st</sup> March, 2019):**

| No. of Equity Shares Held | No. of Shareholders | % of Shareholders | Total No. of Shares Held | % of Share holding |
|---------------------------|---------------------|-------------------|--------------------------|--------------------|
| 1-500                     | 1104                | 73.36             | 192651                   | 1.54               |
| 501-1000                  | 190                 | 12.62             | 162639                   | 1.30               |
| 1001-2000                 | 72                  | 4.78              | 114371                   | 0.92               |
| 2001-3000                 | 20                  | 1.33              | 52042                    | 0.42               |
| 3001-4000                 | 9                   | 0.60              | 33200                    | 0.27               |
| 4001-5000                 | 19                  | 1.26              | 91566                    | 0.73               |
| 5001-10000                | 26                  | 1.73              | 189291                   | 1.51               |
| 10001 & Above             | 65                  | 4.32              | 11664258                 | 93.31              |
| <b>Total</b>              | <b>1505</b>         | <b>100.00</b>     | <b>12500000</b>          | <b>100.00</b>      |

**X. Categories of Shareholding (as on 31<sup>st</sup> March, 2019)**

| Category of Holder                  | No. of Shares   | % of Equity   |
|-------------------------------------|-----------------|---------------|
| Promoters & Promoter Group          | 6539000         | 52.31         |
| Banks / Institutions / Mutual Funds | NIL             | NIL           |
| Private Corporate Bodies            | 162481          | 1.30          |
| Clearing Members                    | 13168           | 0.11          |
| NRIs                                | 20210           | 0.16          |
| HUF                                 | 68315           | 0.55          |
| Individuals                         | 5696826         | 45.57         |
| <b>Total</b>                        | <b>12500000</b> | <b>100.00</b> |

**XI. Dematerialization:**

The Shares of the Company are under compulsory trading in demat form. As on 31<sup>st</sup> March, 2019, total 12131215 No. of equity shares representing 97.05 % of the paid up Equity Share Capital is dematerialized.

**XII. Outstanding GDRs / ADRs / Warrants & Convertible Bonds, conversion date and likely impact on the equity:**

The Company has not issued any GDRs / ADRs / Warrants during the year under report.

**XIII. Plant Locations:**

The Company is engaged in the Infrastructure Business. The Company has no Plant or Factory.

**XIV. Address for Correspondence:**

For any assistance regarding dematerialization of shares, share transfers, transmissions, change of address and any other query relating to shares of the Company, please write to:



**M/s Link Intime India Private Limited**

5<sup>th</sup> Floor, 506 to 508, Amarnath Business Centre-I,  
Beside Gala Business Centre, Nr. St. Xavier's College Corner,  
Off. C G Road, Navrangpura,  
Ahmedabad, Gujarat – 380 009  
Tel No. & Fax. No. : +91-79-2646 5179  
Email : ahmedabad@linkintime.co.in

For any other general matters or in case of any difficulties/grievances please write to:

**Maruti Infrastructure Limited**

802, Surmount Building,  
Opp. Iscon Mega Mall,  
S.G. Highway, Ahmedabad - 380 015.  
Phone No (079) 26860740  
Fax No. (079) 26860740  
E-mail Address: maruti\_infra@yahoo.com  
Website:www.marutiinfra.in

**10. Disclosure:**

- Disclosures on materially significant related party transactions i.e. transactions of the Company of material nature, with its promoters, Directors and/or management, their subsidiaries or relatives etc. that may have potential conflict with the interest of Company at large:

During the financial year 2018-19, the Company did not have any material pecuniary relationship or transactions with Non-Executive Directors. Transactions with related parties are disclosed in Note No. 26 of Notes of the financial statements for the financial year 2018-19. There were no related party transactions having potential conflict with the interest of the Company at large.

- There was no non-compliance by the company, penalties, strictures imposed on the Company by Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets, during the last three years
- Whistle Blower Policy / Vigil mechanism: The Company has adopted a Whistle-Blower Policy/ Vigil mechanism for employees to report concerns about unethical behavior, actual or suspected fraud or violation of our code of conduct or ethics policy and confirms that no personnel have been denied access to the Audit Committee.
- The Company has complied with all the mandatory requirements of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Company has not adopted any non-mandatory requirements mentioned in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- Policies relating to the related party transactions is available at [www.marutiinfra.in](http://www.marutiinfra.in).
- Disclosure of commodity price risks and commodity hedging activities: The Company is not dealing in commodities and hence disclosure relating to commodity price risks and commodity hedging activities is not required.
- In terms of Regulation 17(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulation 2015, the Managing Director and Chief Financial Officer (CFO) has given a certi-





fication to the Board of Directors in the prescribed format for the year under review, which has been reviewed by the Audit Committee and taken on record by the Board.

11. The Company has complied with all the requirement of Corporate Governance Report as stated under sub-paras (2) to (10) of section (C) of Schedule V to the SEBI (Listing Obligations and Disclosure Regulations) Regulations, 2015.
12. During the financial year 2018-19, the Company has not issue any securities or debt instruments, as such the requirement of obtaining a credit ratings was not applicable to the Company.
13. **Certificate from a Company Secretary in practice:**

A Certificate from Mr. Bharat A. Prajapati of M/s. Bharat A. Prajapati & Co., Practicing Company Secretary confirming that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Director of the companies by the Board/ Ministry of Corporate Affairs or any such statutory authority is attached with this Annual Report.
14. **Total fees for all services paid by your Company and its Subsidiaries, on a consolidated basis, to the Statutory Auditor:**

The Company has no subsidiary Company. Total fees for all services paid by Company to the Statutory Auditors is Rs. 75,000/-.
15. **Disclosures in Relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:**

The Company is committed to provide a healthy and friendly working environment that ensures every employee get equal treatment. The details of the same have been disclosed in the Boards' Report forming part of the Annual Report. During the year 2018-19, the Company has not received any complaint. Under above mentioned Act.
- 16.. During the year 2018-19, there was no instance that the board had not accepted any recommendation of any committee of the board which is mandatorily required, in the relevant financial year.
17. **Compliance Report on discretionary Requirements as specified in Para – E of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:**
  - a. The Chairman of Maruti Infrastructure Limited is an Executive Director and allowed reimbursement of expenses incurred in performance of his duties.
  - b. The Company did not send half-yearly results to each household of the shareholders in Financial year 2018-19. However quarterly, half-yearly and yearly financial results are hosted on the Company's website i.e. [www.marutiinfra.in](http://www.marutiinfra.in).
  - c. The Company's financial statements for the financial year 2018-19 do not contain any modified audit opinion.
  - d. The Company has executive Chairman.
  - e. There is adequate internal control system commensurate with the size of the Company. The internal financial control is reviewed by the Audit Committee.
18. **Disclosure of the compliance with Corporate Governance requirements:**

The Company has complied with the corporate governance requirements specified in regulation 17 to 27 and clauses (b) to (i) of the sub-regulation (2) of the Regulation 46 of the SEBI (Listing



Obligations and Disclosure Requirements) Regulations, 2015. The Company has submitted quarterly compliance report on Corporate Governance with the Stock Exchanges, in accordance with the requirements of Regulation 27(2)(a) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

19. **Code of Conduct of Board of Directors and Senior Management:**

The Board has laid down a Code of Conduct for all Board Members and Senior Management of the Company. In compliance with the Code, the Directors and Senior Management of the Company have affirmed compliance with the Code for year ended on 31<sup>st</sup> March, 2019. A declaration of compliance of Code of Conduct signed by the Managing Director forms a part of this Annual Report.

20. **Equity shares under suspense account**

The Company has no equity shares under Suspense Account and hence disclosure relating to the same is not applicable.

21. **Compliance Certificate of the Auditors:**

The Certificate from the Auditors of the Company, M/s. Philip Fernandes & Co., Chartered Accountants, confirming compliance with the conditions of Corporate Governance as stipulated in Para E of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, is attached to the Directors' Report forming part of the Annual Report.



## MANAGEMENT DISCUSSION & ANALYSIS REPORT

### ECONOMY & INDUSTRY OVERVIEW:

After the persistent growth in the previous years, economic activity across the world is slowing down in the aftermath of China - US trade escalations and geopolitical uncertainties. The global economy grew at 3.6% in 2018 compared to 3.8% in 2017 and is likely to end 2019 with a growth of 3.3% (IMF). At the domestic front, the economy growth rate came at 6.8% in FY 2018-19 down from 7.2% in FY 2017-18. Q4 FY 2018-19 growth slipped to 5.8% which was a 5 year low. Slowing economic growth can be primarily attributed to liquidity squeeze in the NBFC sector and lingering issues in the agriculture sector. With inflation in control and growth slowing down, RBI progressively reduced the repo rate to 5.75% in June 2019 to help the revival of the economy.

Construction industry in India is one of the fastest growing industry and is said to be second largest industry in India after agriculture. The sector also makes significant contribution to the national economy, around 11% of GDP, along with providing employment to the large number of people. The construction industry is broadly categorised into three segments Infrastructure (Roads, Railways, Irrigation etc.), Industrial (Refineries, Power Plants, Factories etc.) and Real Estate (Residential, Commercial, Institutional etc.). The Indian construction industry regained its growth momentum in 2018-19, helped by positive developments in economic conditions, improvement in investor confidence and investments in transport infrastructure, energy and housing projects. As infrastructure is highly responsible for propelling growth of other sectors and India's overall development, Government of India is giving huge impetus for development of infrastructure and construction services through focused policies such as open FDI norms, large budget allocation to infrastructure sector, housing for all, smart cities mission etc. India has become a large market for infrastructure and construction activities.

The real estate markets are slowly witnessing a revival, post the slowdown in 2017. This has been on account of the uncertainty regarding implications of policies, including the Real Estate (Regulation and Development) Act, 2016 (RERA) and the Goods & Services Tax (GST) gradually settling. The government's policy push to affordable housing is helping this segment gain traction and developers across the country are showing a keen interest in participating in this sector's growth story. The Indian real estate segment appears to be on a recovery path as the residential realty sales grew by 6% in 2018 compared to the previous year, according to a report by Knight Frank. The total sales of residential units across the country were estimated to be close to 242,328 in 2018. The real estate sector holds considerable significance in India and is expected to contribute about 13% by 2025. By 2030, the Indian real estate industry is expected to touch USD1 trillion, becoming the third largest globally

### OPPORTUNITIES & THREATS:

The risk be it external or internal, is inherent in every business. Economic slowdown impact most segments of the economy. The main concerns are slowdown in growth in the economy, demand constrains for the products arising from the prevailing environment, natural calamities, low disposable income and change in the priority of consumers and fierce completion leading to higher spent on trade activities and promotional support necessitating allocation of more resources.

Formalised process of identifying and assessing business risk; specific action and monitoring mechanisms were put in place to manage these business risks. tion, material, time of completion of project etc. and whenever it has realized to take immediate action, it has given effect to. Focus on financial discipline including effective management of net working capital has helped to overcome the above risk and concerns to some extent.

**SEGMENT ANALYSIS AND REVIEW:**

The Activity of the Company is to provide service of construction/ infrastructure project. Therefore, the Company operates in a single business / geographical segment. Hence, segment wise performance is not furnished.

**FUTURE OUTLOOK:**

The Government of India is taking various steps to boost the infrastructure development in the country. Looking at the huge potential for growth in the infrastructure sector, your company sees a good outlook for the coming years and the Company will benefit from the same.

**RISK & CONCERN:**

The Company is exposed external business risk, internal risk and financial risk. External business risks arise out of variations in place of construction material etc. Internal risks cover operational efficiency and ability to withstand competition. Financial risks are in the nature of interest rate variations.

**FINANCIAL PERFORMANCE:**

An Overview of the financial performance is given in the Director's Report. The Audit Committee constituted by the Board of Directors periodically reviews the financial performance and reporting systems.

**KEY RATIOS :**

The details of changes in the key financial ratios as compared to previous year are stated below:

| Sr. No | Ratio                       | Financial Year 2018-2019 | Financial Year 2017-2018 | Change (%) | Reason significant changes of 25% or more as compared to previous year                       |
|--------|-----------------------------|--------------------------|--------------------------|------------|--|
| 1.     | Debtors Turnover (Days)     | 13.81                    | 177.32                   | (92.00)    | Due to fast recovery of Debtors turnover ratio has declined drastically                      |
| 2.     | Inventory Turnover          | 1.53                     | 0.84                     | 82.00      | As company operates in real estate sector there were slow down in sales so inventory pile up |
| 3.     | Interest Coverage Ratio     | 1.98                     | 2.54                     | (22.00)    | -  |
| 4.     | Current Ratio               | 6.93                     | 129.51                   | (95.00)    | Due to recovery in debtors our current ration decline  |
| 5.     | Debt Equity Ratio           | 0.27                     | 0.33                     | (18.00)    | -  |
| 6.     | Operating Profit Margin (%) | 4.75                     | 11.47                    | (59.00)    | There were slow down in sales so due to which our margin declines                            |
| 7.     | Net Profit Margin (%)       | 4.05                     | 0.40                     | 903.16     |  |



As on 31<sup>st</sup> March, 2019, there was major change in Return on Net-worth. Return on net worth as on 31<sup>st</sup> March, 2019, recoded 1% as compared to 3% for the previous year 31<sup>st</sup> March 2018 due to slow down in real estate market and having slowness in inventory turnover.

**INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:**

The Internal Control System is designed to prevent operational risks through a framework of internal controls and processes. The Company has in place adequate system of internal control which is commensurate with its size and the nature of its operations. Our internal control system ensures that all business transactions are recorded in a timely manner, the financial records are complete, resources are utilized effectively and our assets are safeguarded.

**HUMAN RESOURCES, HEALTH AND SAFTY :**

The Company continued to have cordial and harmonious relations with its employees.

Company's major thrust is on training and development aimed at transmission of information and knowledge through in house, in the job and external training input resulting into skill development and competency building of employees.

The Board would like to express its sincere appreciation and gratitude on behalf of all the stakeholders of the Company, who benefit from the hard work of the employees.

The Company is committed in cultivating a proactive safety culture. We have implemented work safety measures and standards to ensure healthy and safe working conditions for all the employees, visitors and customers. The Company has complied with all the applicable health, safety and environmental protection laws to the extent applicable.

**CAUTIONARY STATEMENT:**

Statement in this Management Discussion and Analysis Report detailing the Company's objective, projections about the future, estimates, expectations or predictions including, but not limited to, statements about the Company's strategy for growth, market position and expenditures may be "forward- looking statements" within the meaning of applicable securities 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 / supply and price conditions in the domestic markets in which the Company operates, Changes in the Government regulations, tax laws and other statutes or other incidental factors.

**COMPLIANCE CERTIFICATE UNDER REGULATION 17(8) OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015**

To,

The Board of Directors  
**Maruti Infrastructure Limited**  
Ahmedabad

We hereby certify that:

- A. We have reviewed the financial statements and the cash flow statement for the year ended on 31<sup>st</sup> March, 2019 and that to the best of our knowledge and belief -
  - (1) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - (2) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.



- B. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- D. We have indicated to the auditors and the Audit Committee
- (1) significant changes in internal control over financial reporting during the year;
  - (2) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - (3) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or any employee having a significant role in the Company's internal control system over financial reporting.

**Date:** 30<sup>th</sup> May, 2019  
**Place:** Ahmedabad

**Nimesh D. Patel**  
**Chairman & Managing Director**  
**DIN: 00185400**

**Pratik Acharya**  
**Chief Financial Officer**

#### **DECLARATION**

I hereby confirm that the Company has obtained from all the Board Members and Senior Management Personnel, affirmation that they have complied with the Code of Conduct for the financial year ended on 31<sup>st</sup> March, 2019.

**Place:** Ahmedabad  
**Date:** 14<sup>th</sup> August, 2019

**NIMESH D. PATEL**  
**CHAIRMAN & MANAGING DIRECTOR**  
**DIN: 00185400**



## AUDITOR'S CERTIFICATE ON COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE:

To the Members of  
**Maruti Infrastructure Limited**  
**Ahmedabad**

We have examined all the relevant records of MARUTI INFRASTRUCTURE LIMITED for the purpose of certifying compliance of the conditions of the Corporate Governance under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") for the financial year ended 31<sup>st</sup> March, 2019. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of certification.

The Compliance of conditions of corporate governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statement of the Company.

In our opinion and to the best of our information and according to the explanations given to us and based on the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 and para C, D and E of Schedule V of the Listing Regulations.

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

**For, Philip Fernandes & Co.**  
**Chartered Accountants**  
**Firm Reg. No.: 128122W**

**Place:** Ahmedabad  
**Date :** 14<sup>th</sup> August, 2019

**(Philip Fernandes)**  
**Proprietor**  
**(M.No. 125960)**



## CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(pursuant to Regulation 34(3) and Schedule V Para C Clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To

The Members,  
Maruti Infrastructure Limited  
802, Surmount Building,  
Opp. ISCON Mega Mall,  
S. G. Highway, Ahmedabad- 380 015

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Maruti Infrastructure Limited** having **CIN L65910GJ1994PLC023742** and having registered office at 802, Surmount Building, Opp. Iscon Mega Mall S. G. Highway Ahmedabad – 380015 (hereinafter referred to as **“the Company”**), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on **31<sup>st</sup> March, 2019** have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

| Sr. No. | Name of Director      | DIN      | Date of appointment in Company |
|---------|-----------------------|----------|--------------------------------|
| 1       | Mr. Nimesh D. Patel   | 00185400 | 02/12/1994                     |
| 2       | Mrs. Hiteshi N. Patel | 01827517 | 31/03/2015                     |
| 3       | Mr. Chetan A. Patel   | 00185194 | 30/04/2005                     |
| 4       | Mr. Niketan R. Shah   | 00185439 | 17/12/2005                     |
| 5       | Mr. Nishit P. Patel   | 00185148 | 30/04/2005                     |

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. My responsibility is to express an opinion on the based on my verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conduct the affairs of the Company.

**FOR, BHARAT PRAJAPATI & CO.  
COMPANY SECRETARIES**

**BHARAT PRAJAPATI  
PROPRIETOR  
F.C.S. NO. : 9416  
C. P. NO. : 10788**

**Place : Ahmedabad  
Date : 14th August, 2019**





## INDEPENDENT AUDITOR'S REPORT

To  
To the Members of  
MARUTI INFRASTRUCTURE LIMITED

### Report on the Audit of the Standalone Financial Statements

We have audited the accompanying standalone financial statements of MARUTI INFRASTRUCTURE LIMITED ("the Company"), which comprise the Balance Sheet as at March 31, 2019, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

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 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date except for defined benefit plans, where the cost of providing benefits is not determined using the Projected Unit Credit Method, with actuarial valuations being carried out at each balance sheet date. The defined benefit plans are recognised as expense when employees have rendered services entitling them to such benefits.

### Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Standalone 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 (ICAI) together with the independence requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

### 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 matters to be communicated in our report.



| Sr. No. | Key Audit Matter  | Auditor's Response  |
|---------|---|---|
| 1.      | <p><b>Adoption of Ind AS 115 – Revenue from Contracts with Customers</b></p> <p>The Company has adopted Ind AS 115, Revenue from Contracts with Customers ('Ind AS 115') which is the new revenue accounting standard. The application and transition to this accounting standard is complex and is an area of focus in the audit. The revenue standard establishes a comprehensive framework for determining whether, how much and when revenue is recognized. This involves certain key judgments relating to identification of distinct performance obligations, determination of transaction price of identified performance obligation, the appropriateness of the basis used to measure revenue recognized over a period. The Company adopted Ind AS 115 and applied the available exemption provided therein, to not restate the comparative periods.</p> <p>Revenue is recognised upon transfer of control of promised units to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those products or services.</p> | <p><b>Principal Audit Procedures</b></p> <p>Our audit procedures on adoption of Ind AS 115, Revenue from contracts with Customers ('Ind AS 115'), which is the new revenue accounting standard, include –</p> <ul style="list-style-type: none"><li>• Evaluated the design and implementation of the processes and internal controls relating to implementation of the new revenue accounting standard;</li><li>• Evaluated the detailed analysis performed by management on revenue streams by selecting samples for the existing contracts with customers and considered revenue recognition policy in the current period in respect of those revenue streams;</li><li>• Evaluated the changes made to IT systems to reflect the changes required in revenue recognition as per the new accounting standard;</li><li>• Evaluated the cumulative effect adjustments as at 1 April 2018 for compliance with the new revenue standard;</li><li>• Evaluated the appropriateness of the disclosures provided under the new revenue standard and assessed the completeness and mathematical accuracy of the relevant disclosures.</li></ul> |

### 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 Annexures 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.

### **Management's Responsibility for the Standalone Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of 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, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes 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 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 standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

### **Auditor's Responsibilities for the Audit of the Standalone Financial Statements**

Our objectives are to obtain reasonable assurance about whether the standalone 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 decisions of users taken on the basis of these standalone 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 standalone 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 financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, 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 standalone 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 standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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 standalone 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 Section 143(3) of the Act, based on our audit 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 it appears from our examination of those books.
  - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.
  - d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.



- e) On the basis of the written representations received from the directors as on March 31, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 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 A”. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company’s internal financial controls over financial reporting.
  - g) With respect to the other matters to be included in the Auditor’s Report in accordance with the requirements of section 197(16) of the Act, as amended:  
  
In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid 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 Auditors) Rules, 2014, as amended 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 litigations pending as on the date of the balance sheet to impact its financial position in its standalone financial statements.
    - ii. The Company does not have any long-term contracts including derivative contracts.
    - iii. There has been no amounts required to be transferred to the Investor Education and Protection Fund by the Company.
2. As required by the Companies (Auditor’s Report) Order, 2016 (“the Order”) issued by the Central Government in terms of Section 143(11) of the Act, we give in “Annexure B” a statement on the matters specified in paragraphs 3 and 4 of the Order.

**For Philip Fernandes & Co.**  
**Chartered Accountants**  
**Firm Reg. No: 128122W**

**Philip Fernandes**  
**Proprietor**  
**M.No. 125960**

Place: Ahmedabad  
Date: May 30, 2019



## ANNEXURE “A” TO THE INDEPENDENT AUDITOR’S REPORT

(Referred to in paragraph 1(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the Members of MARUTI INFRASTRUCTURE LIMITED of even date)

Report on the Internal Financial Controls Over Financial Reporting 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 **MARUTI INFRASTRUCTURE LIMITED** (“the Company”) as of March 31, 2019 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

### Management’s Responsibility for Internal Financial Controls

The Board of Directors of the Company 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. 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 respective 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.

### Auditor’s Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company 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”) issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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 judgement, 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 internal financial controls system over financial reporting of the Company.

### 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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

#### **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, to the best of our information and according to the explanations given to us, 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 March 31, 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.

**For Philip Fernandes & Co.**  
**Chartered Accountants**  
**Firm Reg. No: 128122W**

**Philip Fernandes**  
**Proprietor**  
**M.No. 125960**

Place: Ahmedabad  
Date: May 30, 2019



**Annexure B referred to in paragraph 1 of the section on “Report on other legal and regulatory requirements of our report of even date**

**TO THE MEMBERS OF MARUTI INFRASTRUCTURE LIMITED.**

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipments.
- (b) The Company has a program of verification to cover all the items of fixed assets in a phased manner which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain fixed assets were physically verified by the management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us, the records examined by us and based on the examination of the conveyance deeds / registered sale deed provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date.
- (ii) The inventories have been physically verified by the management during the year. In our opinion, the frequency of verification is reasonable. No material discrepancies were noticed on such physical verification.
- (iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under Section 189 of the Act. Accordingly, the provisions of clause 3(iii) (a), (b) and (c) of the Order are not applicable to the Company.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Act in respect of grant of loans, making investments and providing guarantees and securities, as applicable.
- (v) The Company has not accepted deposits during the year and does not have any unclaimed deposits as at March 31, 2019 and therefore, the provisions of the clause 3 (v) of the Order are not applicable to the Company.
- (vi) The maintenance of cost records has not been specified by the Central Government under section 148(1) of the Companies Act, 2013 for the business activities carried out by the Company. Thus, reporting under clause 3(vi) of the order is not applicable to the Company.
- (vii) According to the information and explanations given to us, in respect of statutory dues:
  - (a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees’ State Insurance, Income Tax, Goods and Service Tax, Customs Duty, Cess and other material statutory dues applicable to it with the appropriate authorities.
  - (b) There were no undisputed amounts payable in respect of Provident Fund, Employees’ State Insurance, Income Tax, Goods and Service Tax, Customs Duty, Cess and other material statutory dues in arrears as at March 31, 2019 for a period of more than six months from the date they became payable.
  - (c) According to the information and explanations given to us, there are no dues of Income-tax or Sales tax or Service tax or Goods and Services tax or duty of Customs or duty of





Excise or Value added tax which have not been deposited by the Company on account of disputes.

- (viii) In our opinion and according to the information and explanations given by the management, the Company has not defaulted in repayment of any loans or borrowings from financial institutions, banks and government or has not issued any debentures.
- (ix) According to the information and explanations given by the management, the Company has not raised any money by way of initial public offer or further public offer or debt instruments. Further, term loans were applied for the purpose for which the loans were obtained.
- (x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no fraud by the Company or no material fraud on the Company by the officers and employees of the Company has been noticed or reported during the year.
- (xi) In our opinion and according to the information and explanations given to us, the Company has paid/provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- (xii) In our opinion, the Company is not a nidhi company. Therefore, the provisions of clause 3(xii) of the order are not applicable to the Company and hence not commented upon.
- (xiii) Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the standalone financial statements, as required by the applicable accounting standards.
- (xiv) During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly paid convertible debentures and hence reporting under clause 3 (xiv) of the Order is not applicable to the Company.
- (xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its Directors or persons connected to its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- (xvi) According to the information and explanations given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

**For Philip Fernandes & Co.**  
**Chartered Accountants**  
**Firm Reg. No: 128122W**

**Philip Fernandes**  
**Proprietor**  
**M.No. 125960**

Place: Ahmedabad  
Date: May 30, 2019

**Balance Sheet as at 31<sup>st</sup> March, 2019**

All Amount in Rupees Unless Otherwise Stated

| Particulars  | Note No. | As at<br>31 <sup>st</sup> March<br>2019 | As at<br>31 <sup>st</sup> March<br>2018 |
|--|----------|---|---|
| <b>ASSETS</b>  |          |   |   |
| <b>Non-current assets</b>                            |          |   |   |
| <b>(A) Fixed assets</b>                              |          |   |   |
| (i) Property Plant & Equipments                      | 2        | 10,358,696                              | 5,189,591                               |
| (ii) Other Intangible assets                         | -        | -                                       | -                                       |
| (iii) Capital Work-in-Progress                       | -        | -                                       | -                                       |
| <b>(B) Financial assets</b>                          |          |   |   |
| (i) Investments                                      | 3        | 3,920,726                               | 515,397                                 |
| (ii) Loans   | -        | -                                       | -                                       |
| <b>(C) Deferred Tax assets</b>                       |          |   |   |
|  | 4        | 67,034                                  | 150,255                                 |
| <b>(D) Other non-current assets</b>                  |          |   |   |
|  | 5        | 8,400,700                               | 4,150,700                               |
| <b>Current assets</b>                                |          |   |   |
| <b>(A) Financial assets</b>                          |          |   |   |
| (i) Inventories                                      | 6        | 190,884,565                             | 263,461,233                             |
| (ii) Trade receivables                               | 7        | 41,694,549                              | 692,482                                 |
| (iii) Cash and cash equivalents                      | 8        | 5,938,197                               | 3,810,126                               |
| <b>(B) Other current assets</b>                      |          |   |   |
|  | 9        | <u>63,055,436</u>                       | <u>13,263,383</u>                       |
| <b>Total</b>   |          | <b><u>324,319,902</u></b>               | <b><u>291,233,167</u></b>               |
| <b>EQUITY AND LIABILITIES</b>                        |          |   |   |
| <b>Shareholders' Funds</b>                           |          |   |   |
| (i) Share Capital                                    | 10       | 125,000,000                             | 125,000,000                             |
| (ii) Other Equity                                    | 11       | 84,349,095                              | 81,556,262                              |
| <b>Non-Current Liabilities</b>                       |          |   |   |
| <b>(A) Financial Liabilities</b>                     |          |   |   |
| (i) Borrowings                                       | 12       | 34,173,417                              | 44,253,699                              |
| <b>(B) Deferred tax liability</b>                    |          |   |   |
|  | -        | -                                       | -                                       |
| <b>Current Liabilities</b>                           |          |   |   |
| <b>(A) Financial Liabilities</b>                     |          |   |   |
| (i) Borrowings                                       | 13       | 7,773,843                               | 5,743,302                               |
| (ii) Trade payables                                  |          |   |   |
| a) outstanding to Micro , Small & Medium Enterprises | -        | -                                       | -                                       |
| b) others  |          | 41,485,980                              | 6,375,299                               |
| (iii) Other financial liabilities                    | 14       | 23,716,743                              | 25,413,468                              |
| <b>(B) Provisions</b>                                |          |   |   |
|  | 15       | 373,031                                 | 14,002                                  |
| <b>(C) Other current liabilities</b>                 |          |   |   |
|  | 16       | <u>7,447,795</u>                        | <u>2,877,135</u>                        |
| <b>Total</b>   |          | <b><u>324,319,902</u></b>               | <b><u>291,233,167</u></b>               |

As per our Report of even date  
For Philip Fernandes & Co.  
Chartered Accountants  
Firm Reg. No: 128122W

Philip Fernandes  
Proprietor  
M.No. 125960  
Place : Ahmedabad  
Date : 30.05.2019

For and on behalf of the Board of Directors  
Maruti Infrastructure Limited

Nimesh D. Patel  
Chairman & Managing Director  
DIN : 00185400

Neha Parmar  
Company Secretary

Place : Ahmedabad  
Date : 30.05.2019

Chetan A. Patel  
Director  
DIN : 00185194

Pratik Acharya  
Chief Financial Officer

**Statement of Profit and Loss for the year ended 31<sup>st</sup> March, 2019**

All Amount in Rupees Unless Otherwise Stated

| Particulars   | Note No. | For the year ended<br>31 <sup>st</sup> March,<br>2019 | For the year ended<br>31 <sup>st</sup> March,<br>2018 |
|---|----------|---|---|
| <b>I. Revenue from operations</b>   | 17       | 292,698,964   | 221,028,372   |
| <b>II. Other Income</b>   | 18       | 4,190,128   | 2,270,637   |
| <b>III. Total Revenue (I +II)</b>   |          | <b>296,889,092</b>                                    | <b>223,299,009</b>                                    |
| <b>IV. Expenses:</b>  |          |   |   |
| Cost of materials consumed  | 19       | 206,206,779   | 179,712,873   |
| Changes in inventories of finished goods,<br>work-in-progress and Stock-in-Trade  | 20       | 72,576,668  | 15,552,802  |
| Employee Benefits Expense   | 21       | 3,845,629   | 3,517,906   |
| Financial Costs   | 22       | 4,263,127   | 5,723,508   |
| Depreciation and amortization expense   | 2        | 748,023   | 1,115,668   |
| Other expenses  | 23       | 5,443,255   | 9,639,456   |
| <b>Total Expenses</b>   |          | <b>293,083,482</b>                                    | <b>215,262,212</b>                                    |
| <b>V. Profit Before Exceptional and Extraordinary<br/>items and Tax (III - IV)</b>  |          | <b>3,805,610</b>                                      | <b>8,036,797</b>                                      |
| <b>VI. Exceptional Items</b>  |          | -   | -   |
| <b>VII Profit Before Tax (V - VI)</b>   |          | <b>3,805,610</b>                                      | <b>8,036,797</b>                                      |
| <b>VIII Tax expenses</b>  |          | <b>1,012,778</b>                                      | <b>2,352,726</b>                                      |
| (i) Current tax   |          | 750,000   | 2,710,000   |
| (ii) Prior Period Taxation  |          | 179,557   | -   |
| (iii) Deferred tax  |          | 83,221  | (357,274)   |
| <b>IX Profit from continuing operation (VII-VIII)</b>   |          | <b>2,792,832</b>                                      | <b>5,684,071</b>                                      |
| <b>X. Profit / (Loss) for the period from discontinuing operations</b>  |          | -   | -   |
| <b>XI. Tax expenses of discontinuing operations</b>   |          | -   | -   |
| <b>XII. Profit/ (Loss) from discontinuing operations (after tax) (X-XI)</b>   |          | -   | -   |
| <b>XIII. Profit/ (Loss) For the period (IX+XII)</b>   |          | <b>2,792,832</b>                                      | <b>5,684,071</b>                                      |
| <b>XIV. Other Comprehensive Income</b>  |          |   |   |
| <b>A</b> (i) Item that will not be reclassified to profit or loss   |          | -   | -   |
| (ii) Income tax relating to items that will not be reclassified to profit or loss   |          | -   | -   |
| <b>B</b> (i) Items that will be reclassified to profit or loss  |          | -   | -   |
| (ii) income tax relating to items that will be reclassified to profit or loss   |          | -   | -   |
| <b>XV Total Comprehensive Income for the period (XIII+XIV)<br/>[Comprising Profit / (Loss) for the period (after tax) and<br/>Other Comprehensive Income (after tax)]</b> |          | <b>2,792,832</b>                                      | <b>5,684,071</b>                                      |
| <b>XVI Earning per equity share:</b>  |          |   |   |
| Basic and Diluted   | 24       | 0.22  | 0.45  |

As per our Report of even date  
For Philip Fernandes & Co.  
Chartered Accountants  
Firm Reg. No: 128122W

Philip Fernandes  
Proprietor  
M.No. 125960  
Place : Ahmedabad  
Date : 30.05.2019

For and on behalf of the Board of Directors  
Maruti Infrastructure Limited

Nimesh D. Patel  
Chairman & Managing Director  
DIN : 00185400

Neha Parmar  
Company Secretary  
Place : Ahmedabad  
Date : 30.05.2019

Chetan A. Patel  
Director  
DIN : 00185194

Pratik Acharya  
Chief Financial Officer

**Cash Flow Statement for the year ended 31<sup>st</sup> March, 2019**

All amounts in rupees unless otherwise stated

| Particulars   | 1st April, 2018 to<br>31st March, 2019 | 1st April, 2017 to<br>31st March, 2018 |
|---|--|--|
| <b>A. Cash Flow from operating activities</b>                       |  |  |
| Profit before taxation  | 3,805,610                              | 8,036,797                              |
| Adjustments for :   |  |  |
| Depreciation  | 748,023                                | 1,115,668                              |
| Financial Expenses  | 3,728,843                              | 1,035,473                              |
| Dividend Income   | (20,400)                               | (20,988)                               |
| Interest Income   | (1,987,917)                            | (69,677)                               |
| Provision for expense   | 25,001                                 |  |
| Miscellaneous Balance written off                                   | (523,772)                              |  |
| <b>Operating profit before working capital changes</b>              | <b>5,775,388</b>                       | <b>10,097,273</b>                      |
| Movements in Working Capital :                                      |  |  |
| (Increase)/Decrease in Sundry Debtors                               | (41,002,067)                           | 657,857                                |
| (Increase)/Decrease in Inventories                                  | 72,576,668                             | 17,094,229                             |
| (Increase)/Decrease in Other Current Assets                         | (49,775,870)                           | 9,843,207                              |
| (Increase)/Decrease in Loans and Advances                           | (4,250,000)                            | 15,109,030                             |
| Increase/(Decrease) in Current Liabilities                          | 40,677,215                             | (16,895,575)                           |
| <b>Cash (used in) / generated from operations</b>                   | <b>24,001,334</b>                      | <b>35,906,021</b>                      |
| Direct taxes paid (net of refunds)                                  | (750,000)                              | (2,352,726)                            |
| <b>Net cash (used in) / generated from operating activities (A)</b> | <b>23,251,334</b>                      | <b>33,553,295</b>                      |
| <b>B. Cash flows from investing activities</b>                      |  |  |
| Purchase of fixed assets  | (5,917,126)                            | (2,836,267)                            |
| Proceed /purchase of Investment                                     | (3,405,329)                            | 31,793                                 |
| Dividends received  | 20,400                                 | 20,988                                 |
| Interest received   | 1,987,917                              | 69,677                                 |
| <b>Net cash used in investing activities (B)</b>                    | <b>(7,314,138)</b>                     | <b>(2,713,809)</b>                     |
| <b>C. Cash flows from financing activities</b>                      |  |  |
| Increase/(Decrease) in Loan   | (10,080,282)                           | (33,847,431)                           |
| Financial Expenses  | (3,728,843)                            | (1,035,473)                            |
| <b>Net cash from financing activities (C)</b>                       | <b>(13,809,126)</b>                    | <b>(34,882,904)</b>                    |
| <b>Net increase in cash and cash equivalents D=(A + B + C)</b>      | <b>2,128,071</b>                       | <b>(4,043,418)</b>                     |
| <b>Cash and cash equivalents at the beginning of the year</b>       | <b>3,810,126</b>                       | <b>7,853,543</b>                       |
| <b>Cash and cash equivalents at the end of the year</b>             | <b>5,938,197</b>                       | <b>3,810,126</b>                       |
| <b>Components of cash and cash equivalents</b>                      | <b>As at</b>                           | <b>As at</b>                           |
|   | <b>31st March, 2019</b>                | <b>31st March, 2018</b>                |
| Cash on hand  | 476,865                                | 605,641                                |
| With Scheduled Banks  |  |  |
| - in Current Account  | 940,485                                | 1,157,386                              |
| - in Term Deposit Accounts  | 4,520,846                              | 2,047,098                              |
| <b>Total</b>  | <b>5,938,197</b>                       | <b>3,810,126</b>                       |

Notes: 1) The figures in brackets represent outflows. 2) Previous periods' figures have been regrouped / reclassified, wherever necessary, to confirm to current year presentation.

**As per our Report of even date  
For Philip Fernandes & Co.  
Chartered Accountants  
Firm Reg. No: 128122W**

**Philip Fernandes  
Proprietor  
M.No. 125960  
Place : Ahmedabad  
Date : 30.05.2019**

**For and on behalf of the Board of Directors  
Maruti Infrastructure Limited**

**Nimesh D. Patel  
Chairman & Managing Director  
DIN : 00185400**

**Neha Parmar  
Company Secretary  
Place : Ahmedabad  
Date : 30.05.2019**

**Chetan A. Patel  
Director  
DIN : 00185194**

**Pratik Acharya  
Chief Financial Officer**

**STATEMENT OF CHANGES IN EQUITY**

| Particulars                                       | As at<br>31 <sup>st</sup> March, 2019 | As at<br>1 <sup>st</sup> April, 2018 |
|---|---------------------------------------|--------------------------------------|
| <b>STATEMENT OF CHANGES IN EQUITY</b>             |                                       |                                      |
| <b>(A) Equity share capital</b>                   |                                       |                                      |
| Balance at the Beginning of the reporting Period  | 125,000,000                           | 125,000,000                          |
| Shares Issued during the year                     | -                                     | -                                    |
| Bonus shares issued during the year               | -                                     | -                                    |
| <b>Balance at the end of the reporting Period</b> | <b><u>125,000,000</u></b>             | <b><u>125,000,000</u></b>            |

**(B) Other Equity**

| Particulars                               | Reserves and Surplus |                            |                 |                   | Total Other Equity |
|---|----------------------|----------------------------|-----------------|-------------------|--------------------|
|   | Capital Reserve      | Securities Premium Reserve | General Reserve | Retained Earning  |                    |
| <b>Balance as at 1st April, 2018</b>      | <b>24,858,500</b>    | <b>16,157,500</b>          | <b>200,000</b>  | <b>40,340,261</b> | <b>81,556,261</b>  |
| Total Comprehensive Income for the period | -                    | -                          | -               | -                 | -                  |
| Additions                                 | -                    | -                          | -               | 2,792,832         | <b>2,792,832</b>   |
| Deductions                                | -                    | -                          | -               | -                 | -                  |
| <b>Balance as at 31st March, 2019</b>     | <b>24,858,500</b>    | <b>16,157,500</b>          | <b>200,000</b>  | <b>43,133,094</b> | <b>84,349,094</b>  |
| <b>Balance as at 1st April, 2017</b>      | <b>24,858,500</b>    | <b>16,157,500</b>          | <b>200,000</b>  | <b>34,656,190</b> | <b>75,872,190</b>  |
| Total Comprehensive Income for the period | -                    | -                          | -               | -                 | -                  |
| Additions                                 | -                    | -                          | -               | 5,684,071         | <b>5,684,071</b>   |
| Deductions                                | -                    | -                          | -               | -                 | -                  |
| <b>Balance as at 31st March, 2018</b>     | <b>24,858,500</b>    | <b>16,157,500</b>          | <b>200,000</b>  | <b>40,340,261</b> | <b>81,556,261</b>  |

As per our Report of even date  
For Philip Fernandes & Co.  
Chartered Accountants  
Firm Reg. No: 128122W

Philip Fernandes  
Proprietor  
M.No. 125960  
Place : Ahmedabad  
Date : 30.05.2019

For and on behalf of the Board of Directors  
Maruti Infrastructure Limited

Nimesh D. Patel  
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DIN : 00185400

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Place : Ahmedabad  
Date : 30.05.2019

Chetan A. Patel  
Director  
DIN : 00185194

Pratik Acharya  
Chief Financial Officer



## SIGNIFICANT ACCOUNTING POLICIES

### CORPORATE INFORMATION

Maruti Infrastructure Limited (“the company”) is a public limited company domiciled and incorporated in India and its shares are publicly traded on the Bombay Stock Exchange (“BSE”), India. The registered office of the company is situated at 802, Surmount Building, Opp Iscon Mega Mall, S G Highway, Ahmedabad 380015. The principal business activity of the company is Real Estate Development. The company has its presence in the states of Gujarat.

The financial statements were authorised for issue in accordance with a resolution passed by the Board of Directors on 30<sup>th</sup> May, 2019.

### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### 1.1 Basis of preparation of financial statements:

The financial statements (Separate financial statements) have been prepared on accrual basis in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 and the provisions of the Companies Act, 2013.

For all periods up to and including the year ended March 31, 2019, the company prepared its financial statements in accordance with accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (previous GAAP).

The financial statements have been prepared on a historical cost basis, except for certain financial assets and liabilities which have been measured at fair value (refer accounting policy regarding financial instruments). The financial statements are presented in Indian Rupees, except as stated otherwise.

#### 1.2 Estimates and Judgements

The preparation of the financial statements in conformity with Ind AS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions effect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Application of accounting policies that require critical accounting estimates involving complex and subjective judgments and the use of assumptions in these financial statements have been disclosed in note 2.2. Accounting estimates could change from period to period. Actual results may differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

#### 1.3 Current versus non-current classification

The company presents assets and liabilities in the balance sheet based on current/non-current classification.

An asset is treated as current when it is:



- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The normal operating cycle, in the context of the company, is the time between the acquisition of land for a real estate project and its realisation in cash and cash equivalents by way of sale of developed units.

#### **1.4 Property, Plant and Equipment**

Freehold/Leasehold land and capital work-in-progress is carried at cost. All other items of property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

The cost of an item of property, plant and equipment comprises of its purchase price, any costs directly attributable to its acquisition and an initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, the obligation for which the company incurs when the item is acquired. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred. On transition to Ind AS, the company has elected to continue with the carrying value of all its property, plant and equipment recognised as at April 1, 2015 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

Depreciation on property, plant and equipment is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives. The useful lives estimated for the major classes of property, plant and equipment are as follows:

The useful lives have been determined based on technical evaluation done by the management's experts, which in few cases are different than the lives as specified by Schedule II to the Companies Act, 2013. The residual values are not more than 5% of the original cost of the asset. The asset'



residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset is included in the statement of profit and loss when the asset is derecognised.

## 1.5 Inventories

**Inventories are valued as under:**

- I. Completed Flats - At lower of Cost or Market value
- II. Construction Work-in-Progress - At Cost

Construction Work-in-Progress includes cost of land, premium for development rights, construction costs, allocated interest and expenses incidental to the projects undertaken by the Company.

## 1.6 Cash and Cash Equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short term deposits maturing within twelve months from the date of Balance Sheet, which are subject to an insignificant risk of changes in value. Bank overdrafts are shown under borrowings in the Balance Sheet.

## 1.7 Financial Instruments

### A. Financial Instruments - Initial recognition and measurement

Financial assets and financial liabilities are recognised in the company's statement of financial position when the company becomes a party to the contractual provisions of the instrument. The company determines the classification of its financial assets and liabilities at initial recognition. All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

### B. Financial assets –Subsequent measurement

The Subsequent measurement of financial assets depends on their classification which is as follows:

#### a) Financial assets at fair value through profit or loss

Financial assets at fair value through profit and loss include financial assets held for sale in the near term and those designated upon initial recognition at fair value through profit or loss.

#### b) Financial assets measured at amortised cost

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Trade receivables do not carry any interest and are stated at their nominal value as reduced by appropriate allowance for estimated irrecoverable amounts based on the ageing of the receivables balance and historical experience. Additionally, a large number of minor receivables are grouped into homogenous groups and assessed for impairment col-





lectively. Individual trade receivables are written off when management deems them not to be collectible.

**c) Financial assets at fair value through OCI**

All equity investments, except investments in subsidiaries, joint ventures and associates, falling within the scope of Ind AS 109, are measured at fair value through Other Comprehensive Income (OCI). The company makes an irrevocable election on an instrument by instrument basis to present in other comprehensive income subsequent changes in the fair value. The classification is made on initial recognition and is irrevocable. If the company decides to designate an equity instrument at fair value through OCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI.

**C. Financial assets –Derecognition**

The company derecognises a financial asset when the contractual rights to the cash flows from the assets expire or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset. Upon derecognition of equity instruments designated at fair value through OCI, the associated fair value changes of that equity instrument is transferred from OCI to Retained Earnings.

**D. Financial liabilities –Subsequent measurement**

The Subsequent measurement of financial liabilities depends on their classification which is as follows:

**a) Financial liabilities at fair value through profit or loss**

Financial liabilities at fair value through profit or loss include financial liabilities held for trading, if any.

**b) Financial liabilities measured at amortised cost**

Interest bearing loans and borrowings are subsequently measured at amortised cost using the effective interest rate method (EIR). Amortised cost is calculated by taking into account any discount or premium on acquisition and fee or costs that are integral part of the EIR. The EIR amortised is included in finance costs in the statement of profit and loss.

The company has taken loan from NBFCs for project. As per Ind AS, the cost of processing should be added to Loan amount and to be transferred to profit and loss account as per tenure of Term loan.

Since, the amount of processing charges and impact of Ind AS applicability is not material, the company has decided to take exemption from conversion of the same on the basis of materiality concept.

**E. Financial liabilities –Derecognition**

A financial liability is derecognised when the obligation under the liability is discharged or expires.

**F. Offsetting Financial Instruments**

Financial assets and financial liabilities are offset and the net amount reported in the statement of financial position, if and only if, there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.



## **G. Fair value measurement**

The company measures certain financial instruments at fair value at each reporting date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the assets or liability or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible to the company.

The company uses valuation technique that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

## **1.8 Revenue Recognition**

Effective April 1, 2018, the Company has applied Ind AS 115 which establishes a comprehensive framework for determining whether, how much and when revenue is to be recognised. Ind AS 115 replaces Ind AS 18 Revenue and Ind AS 11 Construction Contracts. The Company has adopted Ind AS 115 using the cumulative effect method. The effect of initially applying this standard is recognised at the date of initial application (i.e. April 1, 2018). The standard is applied retrospectively only to contracts that are not completed as at the date of initial application and the comparative information in the standalone statement of profit and loss is not restated – i.e. the comparative information continues to be reported under Ind AS 18 and Ind AS 11.

Revenue is recognised upon transfer of control of promised products or services to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those products or services.

Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, service level credits, performance bonuses, price concessions and incentives, if any, as specified in the contract with the customer. Revenue also excludes taxes collected from customers.

## **1.9 Impairment of Assets**

### **(i) Financial assets (other than at fair value)**

The Company assesses at each date of balance sheet whether a financial asset or a group of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. In determining the allowances for doubtful trade receivables, the Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and is adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the receivables that are due and allowance rates used in the provision matrix. For all other financial assets, expected credit losses are measured at an amount equal to the 12-months expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.



(ii) **Non-financial assets**

Tangible and intangible assets Property, plant and equipment and intangible assets with finite life are evaluated for recoverability whenever there is any indication that their carrying amounts may not be recoverable. If any such indication exists, the recoverable amount (i.e. higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognised in the statement of profit and loss

**1.10 Depreciation and Amortization**

Depreciation on tangible assets is provided on the straight-line method over the useful lives of assets estimated by the Management. Depreciation for assets purchased / sold during a period is proportionately charged. Intangible assets are amortized over their respective individual estimated useful lives on a straight-line basis, commencing from the date the asset is available to the Company for its use.

Depreciation is provided based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013

**1.11 Employee Benefits**

**Defined Contribution Plans**

A defined contribution plan is a post-employment benefit plan under which the Company pays specified contributions for provident fund and pension as per the provisions of the Provident Fund Act, 1952 to the government. The Company's contribution is recognised as an expense in the Profit and Loss Statement during the period in which the employee renders the related service. The company's obligation is limited to the amounts contributed by it.

Currently, only defined benefit plan such as Provident Fund Is applicable to the Company since employees on payroll of the company is very less.

If the company hire more employees and it exceeds threshold specified in Gratuity Act, then the company will have to make provision for defined Long term benefit plans. For this the company have to take actuarial valuation report.

**1.12 Borrowing Costs**

Borrowing costs that are directly attributable to the acquisition, construction or production of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are charged to Profit & Loss Account.

**1.13 Tax Expense**

- i. Tax expense comprises of current tax and deferred tax.
- ii. Current tax is measured at the amount expected to be paid to the tax authorities, using the applicable tax rates as per the Income Tax Act, 1961.



- iii. Deferred income tax reflect the current period timing differences between taxable income and accounting income for the period and reversal of timing differences of earlier years/ period. Deferred tax assets are recognised only to the extent that there is a reasonable certainty that sufficient future income will be available.
- iv. Deferred tax assets and liabilities are measured using the tax rates and tax law that have been enacted or substantively enacted by the Balance Sheet date.

#### **1.14 Earnings Per Share**

- i) Basic earnings per share are calculated by dividing the net profit for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.
- ii) For the purpose of calculating diluted earnings per share, the net profit for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares, if any.

#### **1.15 Provisions, Contingent Liabilities and Contingent Assets**

- a) A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to their present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.
- b) Contingent liabilities, if any, are disclosed separately by way of note to financial statements after careful evaluation by the management of the facts and legal aspects of the matter involved in case of:
  - A present obligation arising from the past event, when it is not probable that an outflow of resources will be required to settle the obligation.
  - A possible obligation, unless the probability of outflow of resources is remote.
- c) Contingent assets are not recognized.

#### **1.16 Dividends**

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the company, on or before the end of the reporting period but not distributed at the end of the reporting period.

#### **1.17 Exceptional Items**

Exceptional items refer to items of income or expense within statement of profit and loss from ordinary activities which are non-recurring and are of such size, nature or incidence that their separate disclosure is considered necessary to explain the performance of the company.

**Notes to Financial Statements for the year ended 31<sup>st</sup> March, 2019**

All Amount in Rupees Unless Otherwise Stated

**Note - 2 :- Property Plant & Equipments**

| Particulars                   | Tangible Assets  |                   |                      |                   |                      |                | Total             |
|-------------------------------|------------------|-------------------|----------------------|-------------------|----------------------|----------------|-------------------|
|                               | Office Building  | Plant & Machinery | Furniture & Fixtures | Office Equipments | Vehicle-Four wheeler | Computer       |                   |
| <b>GROSS BLOCK (At Cost)</b>  |                  |                   |                      |                   |                      |                |                   |
| As at 31st March, 2018        | 1,648,200        | -                 | 819,405              | 1,490,698         | 4,372,901            | 703,900        | 9,035,104         |
| Additions                     | -                | 4,699,945         | 13,281               | -                 | 1,170,000            | 33,900         | 5,917,126         |
| Disposal/Adjustment           | -                |                   |                      |                   |                      |                |                   |
| <b>As at 31st March, 2019</b> | <b>1,648,200</b> | <b>4,699,945</b>  | <b>832,686</b>       | <b>1,490,698</b>  | <b>5,542,901</b>     | <b>737,800</b> | <b>14,952,230</b> |
| Accumulated Depreciation      |                  |                   |                      |                   |                      |                |                   |
| As at 31st March, 2018        | 284,749          | -                 | 497,690              | 1,229,046         | 1,178,013            | 656,014        | 3,845,513         |
| Charge for the year           | 25,967           | 28,444            | 76,618               | 88,562            | 517,265              | 11,165         | 748,021           |
| Disposal/Adjustment           |                  |                   |                      |                   |                      |                |                   |
| <b>As at 31st March, 2019</b> | <b>310,716</b>   | <b>28,444</b>     | <b>574,308</b>       | <b>1,317,608</b>  | <b>1,695,278</b>     | <b>667,179</b> | <b>4,593,534</b>  |
| <b>NET BLOCK</b>              |                  |                   |                      |                   |                      |                |                   |
| As at 31st March, 2018        | 1,363,451        | -                 | 321,715              | 261,652           | 3,194,888            | 47,886         | 5,189,591         |
| As at 31st March, 2019        | 1,337,484        | 4,671,501         | 258,378              | 173,090           | 3,847,623            | 70,621         | 10,358,696        |

| Notes No.   | Particulars   | As at 31 <sup>st</sup> March, 2019 | As at 31 <sup>st</sup> March, 2018 |
|---|---|------------------------------------|------------------------------------|
| <b>3.</b>   | <b>Non - Current Investments</b>                                |                                    |                                    |
|   | <b>In Equity Shares - Unquoted, fully paid up</b>               |                                    |                                    |
|   | 7,500 (7,500) Sardar Vallabhbai Sahkari Bank Ltd. of Rs.10 each | 187,500                            | 187,500                            |
|   | 25,000 Mehasan Urban Co operative Bank Ltd of Rs.25 each        | 760,000                            | -                                  |
|   | Investment in Government and Trust securities                   |                                    |                                    |
|   | Sardar Sarovar Narmada Nigam Ltd - Bond                         | 2,973,226                          | 327,897                            |
|   | <b>TOTAL</b>  | <b>3,920,726</b>                   | <b>515,397</b>                     |
| <b>4.</b>   | <b>Deferred tax liability</b>                                   |                                    |                                    |
|   | Related to fixed assets   | 67,034                             | 150,255                            |
|   | <b>TOTAL</b>  | <b>67,034</b>                      | <b>150,255</b>                     |
| <b>5.</b>   | <b>Other non-current assets</b>                                 |                                    |                                    |
|   | Advance for Project Land  | 1,550,700                          | 1,550,700                          |
|   | Advances other than capital advances                            | 6,850,000                          | 2,600,000                          |
|   | Security Deposits (Unsecured)                                   |                                    |                                    |
|   | Considered good   | -                                  | -                                  |
|   | Doubtful *  | -                                  | -                                  |
|   | Less : Provision for doubtful deposit                           | -                                  | -                                  |
|   | <b>TOTAL</b>  | <b>8,400,700</b>                   | <b>4,150,700</b>                   |
| * Amount receivable in respect of past projects and pending claims of company from the projects |   |                                    |                                    |
| <b>6.</b>   | <b>Inventories</b>  |                                    |                                    |
|   | Raw Materials   | -                                  | 400,000                            |
|   | Work in progress  | 8,628,546                          | -                                  |
|   | Finished Goods  | 182,256,019                        | 263,061,233                        |
|   | <b>TOTAL</b>  | <b>190,884,565</b>                 | <b>263,461,233</b>                 |

**Notes to Financial Statements for the year ended 31<sup>st</sup> March, 2019**

All Amount in Rupees Unless Otherwise Stated

| Notes No.                           | Particulars   | As at 31 <sup>st</sup> March, 2019 | As at 31 <sup>st</sup> March, 2018 |
|-------------------------------------|---|------------------------------------|------------------------------------|
| <b>7. Trade receivables</b>         |   |                                    |                                    |
|                                     | Trade Receivable Secured - Considered Good                      | 41,694,549                         | 692,482                            |
|                                     | Trade Receivable which have significant increase in credit risk | -                                  | 662,343                            |
|                                     | Less: Provision for Doubtful Debtors                            | -                                  | (662,343)                          |
|                                     | <b>TOTAL</b>  | <b>41,694,549</b>                  | <b>692,482</b>                     |
| <b>8. Cash and cash equivalents</b> |   |                                    |                                    |
|                                     | <b>Balances with banks</b>                                      | 940,485                            | 1,157,386                          |
|                                     | <b>Fixed deposits with banks:</b>                               |                                    |                                    |
|                                     | Bank deposits   | 324,922                            | 2,047,098                          |
|                                     | Cash on hands   | 476,865                            | 605,641                            |
|                                     |   | <b>1,742,273</b>                   | <b>3,810,126</b>                   |
|                                     | Bank balance other than Cash and Cash Equivalents               |                                    |                                    |
|                                     | Fixed Deposit with Banks*                                       | 4,195,924                          | -                                  |
|                                     | (*held as margin money with banks for Bank Guarantees)          |                                    |                                    |
|                                     | <b>TOTAL</b>  | <b>5,938,197</b>                   | <b>3,810,126</b>                   |
| <b>9. Other current assets</b>      |   |                                    |                                    |
|                                     | Amount receivable form government authorities                   | 2,484,638                          | 3,620,772                          |
|                                     | Advances to Others (Unsecured, considered good)                 | 54,971,342                         | 9,640,847                          |
|                                     | Deposits  | 1,052,080                          | 69,058                             |
|                                     | Advance Tax (net off provison)                                  | 3,793,922                          | 201,583                            |
|                                     | Interest accrued but not due on investments                     |                                    |                                    |
|                                     | Prepaid Exepense  | 753,454                            | -                                  |
|                                     | Less : Provision for doubtful deposits                          | -                                  | (268,877)                          |
|                                     | <b>TOTAL</b>  | <b>63,055,436</b>                  | <b>13,263,383</b>                  |
| <b>10. Share Capital</b>            |   |                                    |                                    |
|                                     | <b>Equity share capital</b>                                     |                                    |                                    |
|                                     | <b>Authorised share capital :-</b>                              |                                    |                                    |
|                                     | 14000000 equity shares of Rs. 10/-each                          | 140,000,000                        | 140,000,000                        |
|                                     | (Previous year 14000000 equity shares of Rs. 10/-each)          |                                    |                                    |
|                                     | <b>TOTAL</b>  | <b>140,000,000</b>                 | <b>140,000,000</b>                 |
|                                     | <b>Issued, Subscribed &amp; Paid-up Share Capital:-</b>         |                                    |                                    |
|                                     | 12500000 equity shares of Rs. 10/-each                          | 125,000,000                        | 125,000,000                        |
|                                     | (Previous year 12500000 equity shares of Rs. 10/- each)         |                                    |                                    |
|                                     | <b>TOTAL</b>  | <b>125,000,000</b>                 | <b>125,000,000</b>                 |

**Notes to Financial Statements for the year ended 31<sup>st</sup> March, 2019**

All Amount in Rupees Unless Otherwise Stated

**10.1 List of share holders having more than 5% holding**

| Sr. No. | Name of Share Holder      | As at 31st March, 2019 |              | As at 31st April, 2018 |              |
|---------|---------------------------|------------------------|--------------|------------------------|--------------|
|         |                           | No. of Shares held     | % of Holding | No. of Shares held     | % of Holding |
| 1       | Nimesh Dashrathbhai Patel | 4,315,100              | 34.52%       | 4,315,100              | 34.52%       |
| 2       | Hiteshi Nimesh Patel      | 1,472,600              | 11.78%       | 1,472,600              | 11.78%       |

**10.2 The Reconciliation of the number of shares outstanding is set out below :**

| Particulars                              | As at 31st March, 2019 | As at 31st March, 2018 |
|--|------------------------|------------------------|
| Balance as at the beginning of the year  | 12,500,000             | 12,500,000             |
| Issued during the year                   | -                      | -                      |
| <b>Balance as at the end of the year</b> | <b>12,500,000</b>      | <b>12,500,000</b>      |

**11. Reserves and Surplus**

|                                  |                  |                   |                   |
|----------------------------------|------------------|-------------------|-------------------|
| <b>Capital Reserves</b>          |                  |                   |                   |
| Capital Reserves                 |                  | 24,858,500        | 24,858,500        |
| <b>Closing Balance</b>           | <b>Sub Total</b> | <b>24,858,500</b> | <b>24,858,500</b> |
| <b>Securities premium</b>        |                  |                   |                   |
| Opening Balance                  |                  | 16,157,500        | 16,157,500        |
| Add : Addition for the year      |                  |                   |                   |
| Less : Bonus Shares              |                  |                   |                   |
| <b>Closing Balance</b>           | <b>Sub Total</b> | <b>16,157,500</b> | <b>16,157,500</b> |
| <b>General Reserve</b>           |                  |                   |                   |
| Opening Balance                  |                  | 200,000           | 200,000           |
| Add : Transfer from P & L A/C    |                  |                   |                   |
| Less : Bonus Shares              |                  |                   |                   |
| <b>Closing Balance</b>           | <b>Sub Total</b> | <b>200,000</b>    | <b>200,000</b>    |
| <b>Profit &amp; Loss Account</b> |                  |                   |                   |
| Opening Balance                  |                  | 40,340,262        | 34,656,191        |
| Add: Profit for the year         |                  | 2,792,832         | 5,684,071         |
| <b>Closing Balance</b>           | <b>Sub Total</b> | <b>43,133,095</b> | <b>40,340,262</b> |
|                                  | <b>TOTAL</b>     | <b>84,349,095</b> | <b>81,556,262</b> |

**12. Long - term Borrowings****Term Loans -Secured**

|                                    |            |            |
|------------------------------------|------------|------------|
| From Financial Institution & Banks | 34,173,417 | 44,253,699 |
|------------------------------------|------------|------------|



## Notes to Financial Statements for the year ended 31<sup>st</sup> March, 2019

All Amount in Rupees Unless Otherwise Stated

| Notes No.   | Particulars   | As at 31 <sup>st</sup> March, 2019 | As at 31 <sup>st</sup> March, 2018 |
|-------------|---|------------------------------------|------------------------------------|
| <b>12.1</b> | Term Loan from Financial Institution of Rs. 5,78,90,160/- out of which Rs 3,41,73,417/- has been classified as long term borrowing and Rs 2,37,16,743 as current maturities of long term borrowings is secured against project land and personal property of directors. The rate of interest of loan from Bajaj Holding Limited is 14% p.a and interest on HDFC car loan 7.80% is and SVB Machinery loan is 11% |                                    |                                    |
|             | <b>TOTAL</b>  | <b>34,173,417</b>                  | <b>44,253,699</b>                  |
| <b>13.</b>  | <b>Short - term borrowings</b>  |                                    |                                    |
|             | <b>Secured :-</b>   |                                    |                                    |
|             | Cash Credit with Banks*   | 7,714,512                          | 4,727,680                          |
|             | <b>Unsecured :-</b>   |                                    |                                    |
|             | From Direcotrs  | 59,331                             | 1,015,622                          |
|             | <b>TOTAL</b>  | <b>7,773,843</b>                   | <b>5,743,302</b>                   |
|             | * Cash Credit with Mehsana Urban Co Operative Bank is secured by hypothecation of book debts of company, and mortgagge of office building in the name of the companyin tune of sanction limits.   |                                    |                                    |
| <b>14.</b>  | <b>Other financial liabilities</b>  |                                    |                                    |
|             | Current Maturity of Long Term Debts   | 23,716,743                         | 25,413,468                         |
|             | <b>TOTAL</b>  | <b>23,716,743</b>                  | <b>25,413,468</b>                  |
| <b>15.</b>  | <b>Short - term Provisions</b>  |                                    |                                    |
|             | Provision for Expenses  | 373,031                            | -                                  |
|             | Provisions for employee benefits  | -                                  | 14,002                             |
|             | Provision For Income Tax (Net off Advance Taxes)  | -                                  | -                                  |
|             | <b>TOTAL</b>  | <b>373,031</b>                     | <b>14,002</b>                      |
| <b>16.</b>  | <b>Other current liabilities</b>  |                                    |                                    |
|             | Advance From Customers  | 3,269,998                          | 2,393,919                          |
|             | Other payables  | 9,399                              | 483,216                            |
|             | Statutory Liabilities   | 4,168,398                          | -                                  |
|             | <b>TOTAL</b>  | <b>7,447,795</b>                   | <b>2,877,135</b>                   |



**Notes to Financial Statements for the year ended 31<sup>st</sup> March, 2019**

All Amount in Rupees Unless Otherwise Stated

| Note No.  | Particulars  | For the year ended on 31 <sup>st</sup> March, 2019 | For the year ended on 31 <sup>st</sup> March, 2018 |
|-----------|--|--|--|
| <b>17</b> | <b>Revenue from operations</b>   |  |  |
|           | Development of Real Estate Project with construction                                 | 100,330,200  | 94,659,372   |
|           | Development of Infrastructure Projects   | 192,368,764  | 126,369,000  |
|           | <b>TOTAL</b>   | <b>292,698,964</b>                                 | <b>221,028,372</b>                                 |
| <b>18</b> | <b>Other Income</b>  |  |  |
|           | Dividend Income  | 20,400   | 20,988   |
|           | Interest on Fixed Deposits   | 737,355  | 39,690   |
|           | Interest from Others   | 1,523,105  | 29,987   |
|           | Rent Income  | 813,500  | 907,576  |
|           | Other Miscellaneous Income   | 1,095,768  | 1,272,396  |
|           | <b>TOTAL</b>   | <b>4,190,128</b>                                   | <b>2,270,637</b>                                   |
| <b>19</b> | <b>Cost of Material Consumed</b>   |  |  |
|           | Raw material consumed:   |  |  |
|           | Opening Stock of Raw Material  | 400,000  | 1,541,427  |
|           | Purchase   | 2,450,386  | 19,767,115   |
|           | Less: Closing stock of Raw Material  | -  | 400,000  |
|           | <b>Sub Total:</b>  | <b>2,850,386</b>                                   | <b>20,908,542</b>                                  |
|           | Other Operating Expense  |  |  |
|           | Sub Contracting Charges  | 184,379,614  | 114,463,800  |
|           | Site Expenses  | 6,913,504  | 38,825,668   |
|           | Borrowing Cost   | 12,063,275   | 5,514,862  |
|           | <b>Sub Total:</b>  | <b>203,356,393</b>                                 | <b>158,804,331</b>                                 |
|           | <b>TOTAL</b>   | <b>206,206,779</b>                                 | <b>179,712,873</b>                                 |
| <b>20</b> | <b>Changes in Inventories of Finished goods, Work-in-progress and Stock in Trade</b> |  |  |
| <b>a</b>  | <b>Opening Stock:</b>  |  |  |
|           | Finished Goods   | 263,461,233  | 108,188,693  |
|           | Work-in-Progress   | -  | 170,825,343  |
|           | <b>Total (a)</b>   | <b>263,461,233</b>                                 | <b>279,014,035</b>                                 |
| <b>b</b>  | <b>Closing Stock:</b>  |  |  |
|           | Finished Goods   | 182,256,019  | 263,461,233  |
|           | Work-in-Progress   | 8,628,546  | -  |
|           | <b>Total (b)</b>   | <b>190,884,565</b>                                 | <b>263,461,233</b>                                 |
|           | <b>TOTAL (a+b)</b>   | <b>72,576,668</b>                                  | <b>15,552,802</b>                                  |

**Notes to Financial Statements for the year ended 31<sup>st</sup> March, 2019**

All Amount in Rupees Unless Otherwise Stated

| Note No.    | Particulars  | For the year ended on 31 <sup>st</sup> March, 2019 | For the year ended on 31 <sup>st</sup> March, 2018 |
|-------------|--|--|--|
| <b>21</b>   | <b>Employee Benefit Expense</b>  |  |  |
|             | Salaries and wages   | 3,771,379  | 3,431,707  |
|             | Staff Welfare Expenses   | 74,250   | 86,199   |
|             | <b>TOTAL</b>   | <b>3,845,629</b>                                   | <b>3,517,906</b>                                   |
| <b>21.1</b> | <b>Salaries include Directors Remuneration of Rs. 9,00,000/-for the F.Y. 2018-19 and Rs.9,00,000/- for the F.Y. 2017-18.</b> |  |  |
| <b>22</b>   | <b>Finance Expenses</b>  |  |  |
|             | Interest expenses:   |  |  |
|             | Payable to banks & financial institutions  |  |  |
|             | On Cash Credit & Loans   | 3,728,843  | 5,217,862  |
|             | other  | 143,732  | -  |
|             | Other borrowing cost   | -  | 484,026  |
|             | Bank Charges   | 390,552  | 21,619   |
|             | <b>TOTAL</b>   | <b>4,263,127</b>                                   | <b>5,723,508</b>                                   |
| <b>23</b>   | <b>Other Expenses</b>  |  |  |
|             | Advertisement, Publicity and Sale Promotion  | 311,326  | 228,838  |
|             | Communication Expenses   | 90,983   | 122,780  |
|             | Donation   | 21,000   | 100,100  |
|             | Electric Power, Fuel   | 127,360  | 116,637  |
|             | Insurance  | 154,908  | 1,134,033  |
|             | Legal, Professional and Consultancy Charges  | 2,588,390  | 2,946,843  |
|             | Miscellaneous Expense and Other Administrative Expenses  | 593,278  | 1,909,398  |
|             | Payment to Auditors (Refer Note 23.1)  | 75,000   | 50,000   |
|             | Rates and Taxes,excluding, Taxes on Income   | 1,278,696  | 1,277,169  |
|             | Rent   | -  | 498,405  |
|             | Repairs and Maintenance  | 76,320   | 256,223  |
|             | Loss on sale of Asset  | -  | 860,766  |
|             | Travelling, Conveyance and Vehicle Expenses  | 125,995  | 138,264  |
|             | <b>TOTAL</b>   | <b>5,443,255</b>                                   | <b>9,639,456</b>                                   |
| <b>23.1</b> | <b>Payment to Auditor as:</b>  |  |  |
|             | Statutory Audit Fees   | 75,000   | 50,000   |
|             | Tax Audit Fees   |  |  |
|             | <b>TOTAL</b>   | <b>75,000</b>                                      | <b>50,000</b>                                      |

**Notes to Financial Statements for the year ended 31<sup>st</sup> March, 2019**

All Amount in Rupees Unless Otherwise Stated

| Note No.  | Particulars  | For the year ended on 31 <sup>st</sup> March, 2019 | For the year ended on 31 <sup>st</sup> March, 2018 |
|-----------|--|--|--|
| <b>24</b> | <b>Earnings Per Share (EPS)</b>  |  |  |
|           | Net profit after tax as per the Statement of Profit & Loss attributable to Equity Shareholders | 2,792,832  | 5,684,071  |
|           | Weighted Average number of equity shares used as denominator for calculating EPS               | 12,500,000   | 12,500,000   |
|           | Basic and Diluted Earnings per share (Rs.)   | 0.22   | 0.45   |
|           | <b>Face Value per equity share (Rs.)</b>   | <b>10</b>  | <b>10</b>  |

**Note : 25 Credit Risk Management**

Credit risk is managed on a group basis. For banks and financial institutions, only high rated banks/institutions are accepted.

For other financial assets, the company assesses and manages credit risk based on internal credit rating system. The finance function consists of a separate team who assesses and maintains an internal credit rating system. Internal credit rating is performed on a group basis for each class of financial instruments with different characteristics.

- Class 1 Quality
- Class 2 Standard
- Class 3 Sub Standard
- Class 4 Doubtful
- Class 5 Loss

**Expected Credit Loss for Trade Receivable Loans & Investments (As at March 31, 2019)**

(In Rs.)

| Asset Group                       | Rating  | Gross Carrying Amount | Expected Probability | Expected Credit Loss | Net Carrying Amount |
|-----------------------------------|---------|-----------------------|----------------------|----------------------|---------------------|
| <b>Trade Receivables</b>          |         |                       |                      |                      |                     |
| Quality                           | Class 1 | 41,694,549            | 0%                   | -                    | <b>41,694,549</b>   |
| Standard                          | Class 2 | -                     | 10%                  | -                    | -                   |
| Sub Standard                      | Class 3 | -                     | 25%                  | -                    | -                   |
| Doubtful                          | Class 4 | -                     | 50%                  | -                    | -                   |
| Loss                              | Class 5 | -                     | 100%                 | -                    | -                   |
| <b>Total of Trade Receivables</b> |         | <b>41,694,549</b>     | -                    | -                    | <b>41,694,549</b>   |
| Loans                             | Class 2 | -                     | 0%                   | -                    | -                   |
| Investments                       | Class 2 | -                     | 0%                   | -                    | -                   |
| <b>Total</b>                      | -       | -                     | -                    | -                    | <b>41,694,549</b>   |

**Notes to Financial Statements for the year ended 31<sup>st</sup> March, 2019**

All Amount in Rupees Unless Otherwise Stated

**Expected Credit Loss for Trade Receivable Loans & Investments (As at March 31, 2018)**

(In Rs.)

| Asset Group              | Rating  | Gross Carrying Amount | Expected Probability | Expected Credit Loss | Net Carrying Amount |
|--------------------------|---------|-----------------------|----------------------|----------------------|---------------------|
| <b>Trade Receivables</b> |         |                       |                      |                      |                     |
| Quality                  | Class 1 | 692,482               | 0%                   | -                    | <b>692,482</b>      |
| Standard                 | Class 2 | -                     | 10%                  | -                    | -                   |
| Sub Standard             | Class 3 | -                     | 25%                  | -                    | -                   |
| Doubtful                 | Class 4 | -                     | 50%                  | -                    | -                   |
| Loss                     | Class 5 | 662,343               | 100%                 | 662,343              | -                   |
| <b>Total</b>             |         | <b>1,354,825</b>      | -                    | <b>662,343</b>       | <b>692,482</b>      |
| Loans                    | Class 2 | -                     | 0%                   | -                    | -                   |
| Investments              | Class 2 | -                     | 0%                   | -                    | -                   |
| <b>Total</b>             |         |                       |                      | <b>662,343</b>       | <b>692,482</b>      |

**26. Related Party Transactions:**

As per Indian Accounting Standard 24, issued by the Ministry of Corporate Affairs, the disclosures of transactions with the related parties as defined in the Accounting Standards are given below:

**(a) Key Management Personnel (KMP):**

Mr. Nimesh D. Patel

Mrs. Hiteshi N. Patel

Mr. Chetan A. Patel

Mr. Niketan R. Shah

Mr. Nishit P. Patel

**(b) Relative of Key Management Personnel (RKMP):**

Mrs. Hiteshi N. Patel

Mr. Dashrathbhai B. Patel

**(c) Disclosure of Transactions between the Company and Related Parties and the status of outstanding balances as at March 31, 2019 :**

**Notes to Financial Statements for the year ended 31<sup>st</sup> March, 2019**

All Amount in Rupees Unless Otherwise Stated

(Amt in Rs. Lacs)

| Transactions                               | C. YEAR   | KMP      | RKMP |
|--|-----------|----------|------|
|  | (P. YEAR) |          |      |
| Managerial Remuneration                    |           | 9.00     | -    |
|  |           | (9.00)   | (-)  |
| Interest Expense                           |           | 1.44     | -    |
|  |           | (2.04)   | (-)  |
| Loans & Advances taken                     |           | 274.85   | -    |
|  |           | (121.60) | (-)  |
| Repayment of Loans & Advances taken        |           | 272.95   | -    |
|  |           | (108.42) | (-)  |
| Contribution of Equity                     |           | -        | -    |
|  |           | (-)      | (-)  |
| Other Expense                              |           | -        | -    |
|  |           | 2.08     | (-)  |
| Outstanding Balances as on March 31 , 2019 |           |          |      |
| Loans & Advances taken                     |           | 0.59     | -    |

**(d) Disclosure of Material transaction with related parties:**

(Amt Rs. In Lacs)

| Type of the Transaction                                     | Type of relationship     | Name of the entity/person | Year ended March 31, |        |
|---|--------------------------|---------------------------|----------------------|--------|
|   |                          |                           | 2019                 | 2018   |
| Interest Expense  | Key Managerial Personnel | Nimesh D. Patel           | 1.44                 | 2.04   |
| Managerial Remuneration                                     | Key Managerial Personnel | Nimesh D. Patel           | 9.00                 | 9.00   |
| Loans & Advances taken                                      | Key Managerial Personnel | Nimesh D. Patel           | 274.85               | 121.60 |
| Repayment of Loans & Advances taken                         | Key Managerial Personnel | Nimesh D. Patel           | 272.95               | 108.42 |
| Balances Outstanding on 31st March, 2019 (31st March, 2018) |                          |                           |                      |        |
| Loan & Advances Taken                                       | Key Managerial Personnel | Nimesh D. Patel           | 0.59                 | 16.16  |



## Notes to Financial Statements for the year ended 31<sup>st</sup> March, 2019

All Amount in Rupees Unless Otherwise Stated

27. During the year, there were no imports of raw materials, stores and spares or capital goods and there was no remittance in foreign currency on account of dividends.
28. There was no earning/remittance in foreign currency.
29. Estimated amount of contracts remaining to be executed on capital account and not provided for: Rs. Nil (Rs. Nil).
30. In opinion of the directors, contingent liability not provided is Rs. Nil. (Rs. Nil).
31. Figures have been rounded off to the nearest rupee and previous year's figures have been re-grouped, rearranged and reclassified wherever necessary to confirm with current year's figures.

As per our Report of even date  
For Philip Fernandes & Co.  
Chartered Accountants  
Firm Reg. No: 128122W

Philip Fernandes  
Proprietor  
M.No. 125960  
Place : Ahmedabad  
Date : 30.05.2019

For and on behalf of the Board of Directors  
Maruti Infrastructure Limited

Nimesh D. Patel  
Chairman & Managing Director  
DIN : 00185400

Neha Parmar  
Company Secretary

Place : Ahmedabad  
Date : 30.05.2019

Chetan A. Patel  
Director  
DIN : 00185194

Pratik Acharya  
Chief Financial Officer

**MARUTI INFRASTRUCTURE LIMITED**

CIN - L65910GJ1994PLC023742

**Regd. Office:** - 802, Surmount Building, Opp. Iscon Mega Mall, S.G. Highway, Ahmedabad - 380 015

Tel: 079-26860740, Email – maruti\_infra@yahoo.com

**ATTENDANCE SLIP**

Please complete the attendance slip and hand it over at the entrance of the Meeting hall.

I/We hereby record my presence at the 25<sup>th</sup> Annual General Meeting of the Company to be held on Monday 30<sup>th</sup> September, 2019 at 11:45 a.m. at the Registered office of the Company.

|           |              |
|-----------|--------------|
| DP ID     | FOLIO NO     |
| Client ID | NO OF SHARES |

|  |  |
|--|--|
| Name of the Shareholder (In Block Letters) |  |
| Signature of Shareholder                   |  |
| Name of the proxy (In Block Letters)       |  |
| Signature of the Proxy                     |  |

**NOTE:**

- (1) This attendance is valid only in case shares are held on the date of this Annual General Meeting.
- (2) You are requested to sign and hand over this slip at the entrance.

The Electronic voting particulars are set out below:

| EVSN(Electronic Voting Sequence Number) | USER ID | PASSWORD |
|---|---------|----------|
|   |         |          |

Please refer Notice for instructions on e-voting.

E-voting facility is available during the following voting period:

|  |  |
|--|--|
| Commencement of e-voting                               | End of E-voting  |
| Friday, 27 <sup>th</sup> September, 2019 at 09:00 a.m. | Sunday, 29 <sup>th</sup> September, 2019 at 05:00 p.m. |



**FORM MGT – 11**  
**PROXY FORM**  
**MARUTI INFRASTRUCTURE LIMITED**

**Regd. Office:** - 802, Surmount Building, Opp. Iscon Mega Mall, S.G. Highway, Ahmedabad - 380 015  
Tel: 079-26860740, Email – maruti\_infra@yahoo.com, CIN - L65910GJ1994PLC023742

|                              |  |
|------------------------------|--|
| Name of the Member(s):       |  |
| Registered Address:          |  |
| E-mail Id:                   |  |
| Folio/ DP ID – Client ID No. |  |

I/We being a Member(s) of \_\_\_\_\_ shares of the above named Company, hereby appoint

1. Name: \_\_\_\_\_  
Address: \_\_\_\_\_  
E-mail Id: \_\_\_\_\_  
Signature: \_\_\_\_\_ of failing him
2. Name: \_\_\_\_\_  
Address: \_\_\_\_\_  
E-mail Id: \_\_\_\_\_  
Signature: \_\_\_\_\_ of failing him
3. 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 the behalf at the 25<sup>th</sup> Annual General Meeting of the Company to be held on Monday, 30<sup>th</sup> September, 2019 at 11:45 a.m. at the Registered Office of the Company and at any adjournment thereof such resolutions as are indicated below:





| Resolu-<br>tion No.      | Particulars of Resolution   | Vote (Optional see Note 3)<br>(Please mention no. of shares) |         |
|--------------------------|---|--|---------|
|                          |   | For  | Against |
| <b>Ordinary Business</b> |   |  |         |
| 1                        | Consider and adopt the Audited Financial Statements of the Company for the financial year ended on 31 <sup>st</sup> March, 2019, the Report of Board of Directors and Auditors thereof. |  |         |
| 2                        | Appointment of Director in place of Smt. Hiteshi N. Patel (DIN: 01827517) who retires by rotation at this Annual General meeting and being eligible, offers herself for re-appointment. |  |         |

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2019.

Signature of Shareholder: \_\_\_\_\_

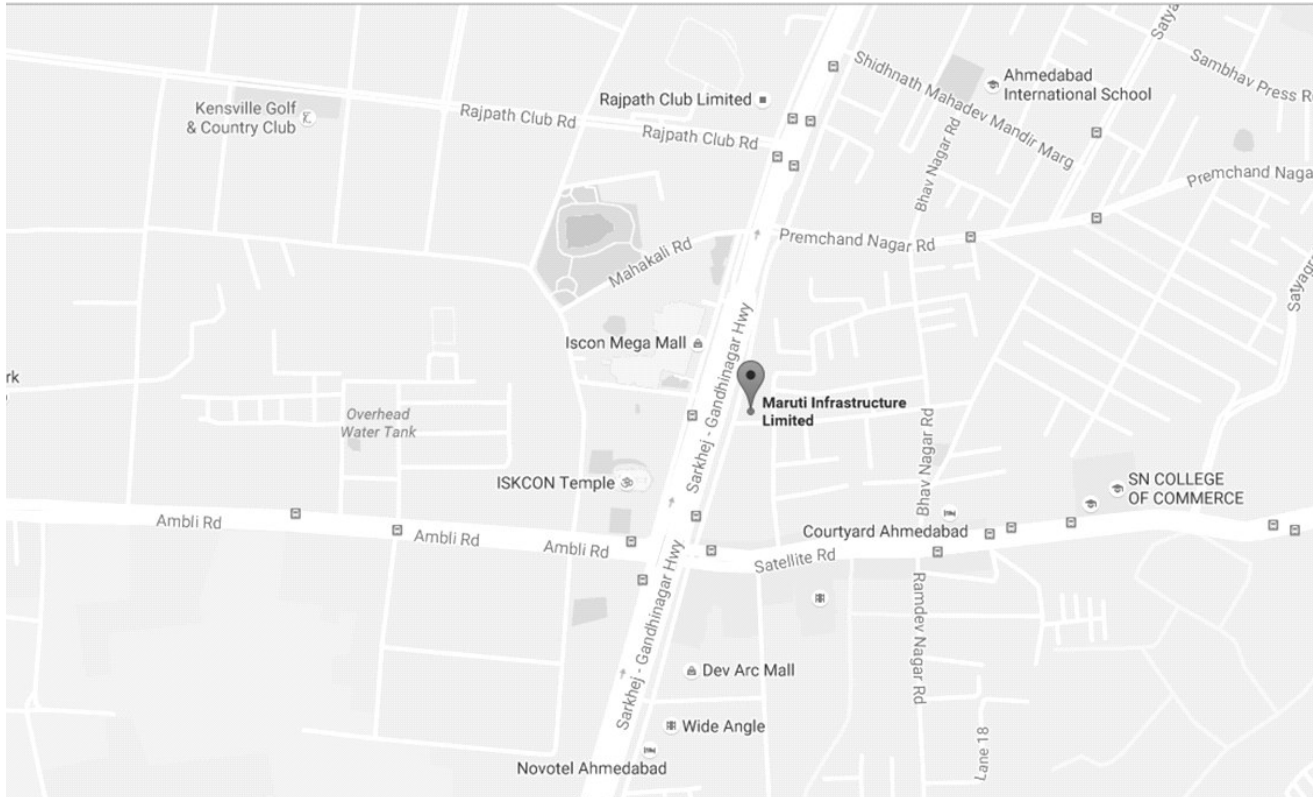
Signature of Proxy holder(s): \_\_\_\_\_

Affix  
Revenue  
Stamp

**NOTE :**

1. This form of proxy in order to be effective should be duly completed and deposited at 802, Surmount Building, Opp. Iscon Mega Mall, S. G. Highway, Ahmedabad, Gujarat, not less than 48 hours before the commencement of the Meeting.
2. For the Resolutions, Explanatory Statement and Notes, please refer to the Notice of the 25<sup>th</sup> Annual General Meeting.
3. It is optional to put a 'X' in the appropriate column against the Resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all Resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.
4. The Proxy need not to be a Member of the Company.
5. Please fill in full particulars.
6. Company reserves the right to ask for identification of the proxy.

### Route Map to the Venue of the Annual General Meeting



**Venue of AGM :**

802, Surmount Building, Opp. Iscon Mega Mall, S.G. Highway, Ahmedabad - 380 015

**Landmark :**

Opp. ISCON Mall and ISCON Temple

## Book-Post

If Undelivered, please return to :

**MARUTI INFRASTRUCTURE LIMITED**

CIN : L65910GJ1994PLC023742

**Regd. Office:** - 802, Surmount Building,

Opp. Iscon Mega Mall, S.G. Highway, Ahmedabad - 380 015

Tel: 079-26860740, Email – maruti\_infra@yahoo.com

IMAGE : 9825007085