



MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Management of Rajdarshan Industries Limited is pleased to present its analysis report covering performance of the Company and its outlook. This report contains certain forward-looking statements, which are subject to certain future events and uncertainties that could cause actual results to differ materially.

Business Overview:

Your Company operates its machineries in mining of raw materials at various cement units in Rajasthan through contract execution. The profitability and growth of your company mainly depends upon new projects and growth of cement units.

Financial Performance Review & Analysis:

(Rupees in lakhs)

Details	Year Ended		% of Change
	2019	2018	
Total Income	204.56	229.99	11.06
Total Expenditure	118.69	134.78	11.94
Profit Before Finance Costs & Depreciation	85.87	95.21	9.80
Finance Costs	0.05	0.52	90.38
Depreciation	5.88	12.12	51.49
Profit Before Exceptional Item & Tax	79.94	82.57	3.43
Exceptional Item	—	—	
Profit before Tax	79.94	82.57	3.43
Tax Expense	22.06	12.10	82.31
Profit After Tax	57.88	70.47	17.86

Performance of the mining division of the Company in terms of turnover was decreased by 3.30% from Rs. 166.83 lakhs in FY18 to Rs. 161.32 lakhs in FY19.

Finance costs decreased by 90.38% to Rs. 0.05 lakhs in FY19 as compared to Rs. 0.52 lakhs in FY18.

Net block of fixed assets stood at Rs. 47.33 lakhs in FY19 as compared to Rs. 53.21 lakhs in FY18.

Depreciation charges decreased to Rs. 5.88 lakhs during the year 2018-19 as against Rs. 12.12 lakhs in previous year.

Company has provided provision for deferred tax of Rs. 2.15 lakhs during the year under review as per the Accounting Standard (AS-22).

Operating profit decreased by 9.80% to Rs. 85.87 lakhs in FY19 as compared to Rs. 95.21 lakhs in FY18

Net profit after tax stood at Rs. 57.88 lakhs as against profit of Rs. 70.47 lakhs in FY18.

Earning per share (EPS) was at Rs. 2.20 in for the year under review against Rs. 0.94 in previous year.



Business Outlook

The Company's main approach will be to utilize all its resources, with improved and more effective management practices to execute its contracts.

The Company's long-term objective is to successfully execute its contracts with Cement Units to achieve further growth.

Internal Control Systems

The Company has an adequate system of internal controls implemented by the management towards achieving efficiency in operations, optimum utilization of resources and effective monitoring thereof and compliance with applicable laws.

Human Resources

During the year, labour / employees relations continued to be cordial.

Cautionary Statement

Statements in the Management's Discussion and analysis report describing the Company's objectives, estimates, expectations or predictions 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 would make a difference to the Company's operations include demand supply conditions, change in Government regulations, tax regimes, economic developments within the country and other statutes incidental factors.

Conclusion

Performance of the company was not satisfactory during the year under review. Management is striving hard to improve further in all aspects to post a good performance and also confident of delivering improved value for the shareholders in the years to follow.