

Schablona India Limited

SIXTEENTH

ANNUAL

REPORT



Directors

H. L. Somany, Chairman
Thomas R. Hartinger
Abhishek Somany
G. L. Sultania

Auditors

D. K. Chhajer & Co.
5, Old Court House Street
Calcutta-700 001

Bankers

Central Bank of India
Punjab National Bank
Canara Bank
Standard Chartered Bank
The Lakshmi Vilas Bank Ltd.

Registered Office

2, Red Cross Place
Calcutta-700 001

Works

Sankhol, Kassar
Rohtak
(Haryana)

SCHABLONA INDIA LIMITED

NOTICE is hereby given that the Sixteenth Annual General Meeting of the Members of Schablona India Ltd., will be held on Thursday, the 31st August, 2000 at 10.30 A.M. at Jhajharia Committee Hall of Merchants Chamber of Commerce, 15-B, Hemanta Basu Sarani, Calcutta-700 001 to transact the following business.

1. To receive, consider and adopt the Directors Report, Auditors' Report and the Audited Balance Sheet as at 31st March, 2000 and the Profit & Loss Account of the Company for the year ended as on that date.
2. To appoint a Director in place of Shri Abhishek Somany, who retires by rotation, and is eligible for re-appointment.
3. To appoint Auditors and to fix their remuneration.

Registered Office :
2, Red Cross Place,
Calcutta-700 001
Dated : the 7th day of June, 2000

By Order of the Board

G. L. SULTANIA
Director

NOTES :

- 1) A member entitled to attend and vote at the meeting is entitled to appoint a Proxy to attend and vote instead of himself and the proxy need not be a member of the Company. Proxies in order to be effective must be received at the Registered Office of the Company not less than 48 hours before the meeting.
- 2) The Register of Members and Share Transfer Books of the Company will remain closed from Wednesday, the 16th August, 2000 to Thursday, the 31st August, 2000 (both days inclusive).
- 3) Members are requested to notify immediately change in their address, if any, to the Company.
- 4) Shareholders desiring any information as regards the Accounts are requested to write to the Company at an early date, so as to enable the Management to keep the information ready.
- 5) In accordance with the Provisions of Section 205A of the Companies Act, 1956, the Company as from time to time, transferred unclaimed/unpaid dividend for and upto the Financial Year 31.03.1993 to the General Revenue Account of the Central Government. Members who have a valid claim to any unclaimed/unpaid dividends may claim the same from the Registrar of Companies, West Bengal, in the prescribed manner. No dividend was declared for the year 1994 and onwards.

SCHABLONA INDIA LIMITED**DIRECTORS' REPORT**

To The Members

Your Directors have pleasure in presenting their Sixteenth Annual Report together with the Audited Accounts of the company for the financial year ended 31st March 2000

ACCOUNTS

	31.03.2000	31.03.1999
	Rs./[000]	Rs./[000]
Gross Profit for the year under Review	4424	2794
Less : Depreciation for the year	2310	2144
Profit/(Loss) for the year	2114	650
Less : Provision for Income Tax	244	-
Less : Provision for Income Tax for earlier years	-	4430
	1870	(3780)
Add : Transfer from Investment Allowance Reserve	103	-
Add : Losses brought forward from previous year	(11957)	(8177)
Loss carried to Balance Sheet	(9984)	(11957)

DIVIDEND

Your Directors do not recommend any dividend for the year under review.

OPERATION

As reported last year, the industry is facing severe competition. Ceramic Crockery industry and to some extent Enamel Cookware industry has also faced competition from imports. They have now switched over a part of their requirement for transfer sheets, which they have been purchasing in the past from abroad, to the Indian industry. Thus your company has benefitted by a 40% increase, the number of sheets produced this year being 3.11 lacs as against 2.22 lacs last year. Your directors assume that this trend will continue.

MARKET AND FUTURE PROSPECTS

As reported last year, while your Company is looking for further improvement and consolidation, it is also likely to face bad debts, as many ceramic crockery manufacturing units are facing near closure situations. This may definitely lead into some bad debts as the sale of transfer is mostly on credit basis. Your Company has had to write off two such items amounting to Rs. 3.03 lacs as bad debts during the year.

From the present conditions, it looks that this industry can possibly revive and face the global competition.

AUDITOR'S REPORT

All the items on which comments have been made by the Auditors in their Report to the Shareholders are self explanatory, as explained by way of Notes to the Accounts.

DIRECTORS

In accordance with the provisions of the Companies Act 1956, Shri Abhishek Somany retires by rotation at the ensuing Annual General Meeting and offer himself for reappointment.

AUDITORS

M/s. D. K. Chhajer & Co., Chartered Accountants, Auditors of the company retire at the forthcoming Annual General Meeting and are eligible for reappointment.

ADDITIONAL INFORMATION

As regards Disclosure under section 217 (1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of particulars in the report of Board of Directors) Rules 1988, a statement showing particulars of Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo is annexed hereto and forms part of this report.

PARTICULARS OF EMPLOYEES

Information as required U/s. 217(2A) of the Companies Act, 1956 read with (Particulars of Employees) Rules, 1975 in respect of Company's employees are not being given since no employee is covered under this clause.

Calcutta

Dated : the 7th day of June, 2000

For and on behalf of the Board

H. L. SOMANY

Chairman

SCHABLONA INDIA LIMITED

ANNEX IRE TO THE DIRECTORS' REPORT

ADDITIONAL INFORMATION GIVEN AS REQUIRED under the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988.

A. CONSERVATION OF ENERGY

- a) Energy Conservation Measures taken :
The measures taken in the previous year have kept the consumption of energy at the lowest level.
- b) Additional investments and proposals, if any, being, implemented for reduction of consumption of energy :
No additional investments are considered necessary at present.
- c) Impact of measures at (a) and (b) above for reduction of energy consumption and consequent impact on the cost of production of goods :
Annual saving of around Rs. 1 Lac.
- d) Total energy consumption and energy consumption per unit of production.
The Company is not covered under the list of specified industries.

B. TECHNOLOGY ABSORPTION

F R O M B

1. Research and development (R & D)
 - i) Specific areas in which R & D carried out by the Company :
The development activities of the Company are mainly towards improvement of product quality, testing and introduction of new material, import substitution, process improvement and cost effectiveness.
 - ii) Benefits derived, as a result of the above R & D : Lower rejections, keeping pace with upgraded international technology and better quality.
 - iii) Future plan of Action and expenditure on R & D :
 - a) Optimisation of process parameters particularly in screen production.
 - b) To substitute more and more imported elements with indigenous ones.
 - c) Development of new products based on feed back from the market. No separate record of the expenditure incurred is maintained.
2. Technology absorption, adaptation and innovation.
Efforts in brief and benefits derived :
Continuous efforts are being made to check on the actual performance against design. Manufacturing technology for transfer (decals) imported from collaborators has been fully absorbed and new innovations have been made to suit our local needs.
3. Foreign Exchange Earnings & Outgo.

Rs./ (000)

A. Foreign Exchange Outgo

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B. Foreign Currency Earned

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Calcutta
Dated : the 7th day of June, 2000

For and on behalf of the Board
H. L. SOMANY
Chairman