



36<sup>th</sup>  
ANNUAL REPORT  
2019-2020

**Directors :**

Mr. N. Goenka, Chairman (DIN : 00060864)  
 Mr. Satish C. Vishwakarma, Executive Director and CFO (DIN :06891937)  
 Mr. Vinod Kumar Karwa, Independent Director (DIN : 00123284)  
 Ms. Shreya Kabra, Independent Director (DIN: 08276018)  
 Mr. Chandan Mal Borar, Independent Director (DIN: 07566782)

**Company Secretary and Compliance Officer :**

Ms. Ritika Mansata, Membership No. A - 34156

**Statutory Auditors :**

M/s. Shalin Poddar & Associates, Chartered Accountants  
 Firm Registration No. 020397C  
 519-A, 5th Floor, S.L. Tower, Alpha -1, Commercial Belt,  
 Greater Noida - 201308 (U.P.)

**Internal Auditors:**

M/s. D. P. Kapoor & Co., Chartered Accountants  
 Firm Registration No. 002251N  
 N-52, Connaught Circus, New Delhi - 110 001

**Bankers :**

State Bank of India  
 HDFC Bank Limited  
 Punjab National Bank

**CIN:**

L51109DL1983PLC318655

**Registered Office:**

82/19, Bhakerwara Road, Mundka, New Delhi - 110 041  
 Phone No. 011 - 2834 1085

**Share Department :**

2, Red Cross Place, Kolkata - 700 001  
 Phone No. : 033-22487406 / 5913  
 E-mail : silinvestors@schablona.in  
 Website : www.schablona.in

**Works :**

1) P. O. - Kassar, Bahadurgarh - 124 507  
 Dist. - Jhajjar, Haryana  
 2) 18/1, 18/2, G. I. D. C., Industrial Estate  
 Kadi - 382 715, Gujarat

**Registrar & Transfer Agent :**

M/s. Maheshwari Datamatics Pvt. Ltd.  
 23, R. N. Mukherjee Road, 5th Floor, Kolkata - 700 001  
 Phone : 033-2243 5029 / 2248 2248  
 Fax : 033-2248 4787  
 E-mail : mdpldc@yahoo.com

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**SCHABLONA INDIA LIMITED**

CIN: L51109DL1983PLC318655

Registered Office: 82/19 Bhakerwara Road, Mundka, New Delhi - 110 041; Phone No.: 011-2834 1085

Share Dept.:2, Red Cross Place, Kolkata-700 001, Phone No.: 033-2248 7406/5913

Email: silinvestors@schablona.in, Website: www.schablona.in

NOTICE is hereby given that the 36<sup>th</sup> Annual General Meeting of the Members of Schablona India Limited will be held on Friday, the 11<sup>th</sup> September, 2020 at 2.30 P.M. through Video Conferencing ("VC")/ Other Audio/ Visual Means ("OAVM") to transact the following business :

**ORDINARY BUSINESS**

1. To receive, consider and adopt the Audited Financial Statements of the Company for the year ended 31<sup>st</sup> March, 2020 together with the Reports of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. N. Goenka (DIN: 00060864), who retires by rotation and being eligible, offers himself for re-appointment.

By Order of the Board  
For **Schablona India Limited**

Place : Noida

Date : 25<sup>th</sup> June, 2020

**(Ritika Mansata)**  
Company Secretary

**NOTES:**

1. In view of the Covid-19 pandemic, the Ministry of Corporate Affairs ("MCA") has vide its circular dated May 05, 2020 read with circulars dated April 08, 2020, April 13, 2020 and May 5, 2020 ("MCA Circulars") and Securities and Exchange Board of India (SEBI) vide its circular dated May 12, 2020 ("SEBI Circular"), permitted the holding of the Annual General Meeting ("AGM") through VC/OAVM, without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 ("Act"), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and MCA Circulars, the AGM of the Company is being held through VC/OAVM. Hence, Members can attend and participate in the AGM through VC/OAVM only. The deemed venue for the 36<sup>th</sup> Annual General Meeting of the Company shall be the Registered Office of the Company. The detailed procedure for participating in the meeting through VC/OAVM is given below in the e-voting instructions.
2. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.
3. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to at least 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
4. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
5. Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars through VC/OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.

However, pursuant to Section 113 of the Companies Act, 2013, Corporate Members (i.e. other than Individuals/HUF, NRI, etc or Trust(s)) can appoint their representatives to attend the AGM through VC/OAVM and vote through e-voting. They are requested to send the scanned copy (PDF/JPG Format) of their Board or governing body Resolution/Authorization etc., authorizing their representative to attend the AGM through VC/OAVM to the Scrutinizer by email through its registered email address to ppincha@gmail.com with a copy marked to helpdesk.evoting@cdslindia.com

6. In compliance with the aforesaid MCA Circulars and SEBI Circulars, Notice of the AGM inter-alia, indicating the process and manner of voting through electronic means along with the Annual Report 2019-20 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/Depositories. Members may note that the Notice and Annual Report 2019-20 will also be available on the Company's website i.e. [www.schablona.in](http://www.schablona.in), website of the Stock Exchange i.e. BSE Limited at [www.bseindia.com](http://www.bseindia.com) and on the website of CDSL i.e. [www.evotingindia.com](http://www.evotingindia.com).
7. The Register of Members and the Share Transfer Books of the Company will remain closed from Friday, the 4<sup>th</sup> September, 2020 to Friday, the 11<sup>th</sup> September, 2020 (both days inclusive).
8. Members holding shares in physical form are requested to notify changes in their address, if any, quoting their Folio Number(s) to the Registrar & Share Transfer Agent M/s. Maheshwari Datamatics Private Limited.
9. Members having multiple folios in the same name(s) may inform the Company for consolidation into one folio.
10. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013 and Register of Contract or Arrangements in which Directors are interested, maintained under Section 189 of the Companies Act, 2013 will be available for inspection
11. Members may note that, as mandated by SEBI, request for effecting transfer of securities held in physical mode shall not be processed by the Company, effective April 1, 2019. Thus members are requested to dematerialize their shares held in physical form.
12. (a) Pursuant to the provisions of Sections 124 and 125 of the Companies Act, 2013, the unpaid/unclaimed dividend upto the year 2011-2012 has been transferred to Investor Education and Protection Fund ("IEPF"), however, the said dividend may be claimed from IEPF in accordance with the provisions under the Companies Act, 2013 and rules made thereunder. The Company has not declared any dividend for the year ended 31<sup>st</sup> March, 2013 onwards.
- (b) Pursuant to the provisions of Investor Education and Protection Fund (Uploading of information regarding unpaid and unclaimed amount lying with Companies) Rules, 2012, the Company has uploaded details of unpaid and unclaimed dividend lying with the Company as on 13<sup>th</sup> September, 2019 (the date of last Annual General Meeting) on the website of the Company [www.schablona.in](http://www.schablona.in)
- (c) Further, pursuant to the provisions of Section 124 of the Companies Act, 2013 and of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended, all shares in respect of which dividend has not been encashed/claimed by the Shareholders for seven consecutive years, the Company is required to transfer such Equity Shares of the members to the Demat Account of the IEPF. Accordingly, the Company has transferred 56,387 Equity Shares of Rs. 4/- each to IEPF whose dividend has not been encashed for consecutive 7 years from 2011-12, details of which are also available on website of the Company.
13. Additional information, pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in respect of Directors seeking appointment/re-appointment at the 36<sup>th</sup> Annual General Meeting is annexed to the Notice.

**INSTRUCTIONS FOR VOTING THROUGH ELECTRONIC MEANS (E-VOTING), JOINING THE AGM & OTHER INSTRUCTIONS RELATING THERETO ARE AS UNDER:**

**Voting through electronic means (remote e-voting):**

- I. In compliance with the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time and Regulation 44(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide its Members, facility to exercise their right to vote electronically through remote e-voting facility provided by Central Depository Services (India) Limited (CDSL).
- II. The Board of Directors of the Company has appointed Mr. Pradeep Pincha, Partner of M/s. Pinchaa & Co., Company Secretaries, (Membership No. 5369, CP No. 4426) as Scrutinizer to scrutinize the e-voting during the AGM and remote e-voting in a fair and transparent manner.
- III. Voting rights of the Members for voting through remote e-voting and voting during the AGM shall be in proportion to shares of the paid-up equity share capital of the Company as on the cut-off date i.e. Friday, September 4, 2020. A person, whose name is recorded in the Register of Members or in the Register of

Beneficial owners (as at the end of the business hours) maintained by the depositories as on the cut-off date shall only be entitled to avail the facility of remote e-voting and voting during the AGM.

- IV. The remote e-voting facility will be available during the following period:
  - a. Commencement of remote e-voting: 9.00 A.M. (IST) on Tuesday, September 8, 2020
  - b. End of remote e-voting: 5.00 P.M. (IST) on Thursday, September 10, 2020
  - c. The remote e-voting will not be allowed beyond the aforesaid date and time and the remote e-voting module shall be disabled by CDSL upon expiry of aforesaid period.
- V. Those Members, who will be present in the AGM through VC/OAVM facility and have not cast their vote on the Resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system during the AGM.
- VI. The Members who have cast their vote by remote e-voting prior to the AGM may also attend/ participate in the AGM through VC/OAVM but shall not be entitled to cast their vote again.
- VII. Any person, who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date, may follow the same procedure as given below for remote e-voting.

THE INSTRUCTIONS FOR SHAREHOLDERS FOR REMOTE E-VOTING ARE AS UNDER:

Process and manner for Remote e-voting:

- (a) Shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com)
- (b) Click on "Shareholders" tab.
- (c) Now Enter your User ID.
  - (i) For CDSL: 16 digits beneficiary ID,
  - (ii) For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - (iii) For shares held in Physical Form: Members should enter Folio Number registered with the Company.

OR

Alternatively, if you are registered for CDSL's EASI/EASIEST e-services, you can log-in at [www.cdslindia.com](http://www.cdslindia.com) from Login - Myeasi using your login credentials. Once you successfully log-in to CDSL's EASI/EASIEST e-services, click on e-Voting option and proceed directly to cast your vote electronically.

- (d) Next enter the Image Verification as displayed and Click on Login.
- (e) 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.
- (f) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <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 sent by the Company/RTA or contact Company.</li> </ul>
Dividend Bank Details of Date of Birth (DOB)	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. <ul style="list-style-type: none"> <li>If the details are not recorded with the depository or Company please enter the member id/ folio number in the Dividend Bank details field.</li> </ul>

- (g) After entering these details appropriately, click on "SUBMIT" tab.
- (h) 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 used by the demat holders for voting on resolutions of any other Company also 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.
- (i) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (j) Click on the EVSN for the relevant "Schablona India Limited" on which you choose to vote.
- (k) 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.
- (l) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (m) 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.
- (n) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (p) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.

- (q) If a demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (r) Shareholders can also cast their vote using CDSL's mobile app "m-Voting". The m-Voting app can be downloaded from respective Store. Please follow the instructions as prompted by the mobile app while Remote Voting on your mobile.

PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL ADDRESSES ARE NOT REGISTERED WITH THE DEPOSITORIES FOR OBTAINING LOGIN CREDENTIALS FOR E-VOTING FOR THE RESOLUTIONS PROPOSED IN THIS NOTICE:

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to RTA at mdpldc@yahoo.com.
2. For Demat shareholders - please provide Demat account details (CDSL-16 digit beneficiary ID or NSDL-16 digit DPID + CLID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to RTA at mdpldc@yahoo.com.

INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

1. Shareholder will be provided with a facility to attend the AGM through VC/OAVM through the CDSL e-Voting system. Shareholders may access the same at <https://www.evotingindia.com> under shareholders/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVSN of Company will be displayed.
2. Shareholders are encouraged to join the Meeting through Laptops /IPads for better experience.
3. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders/viewers/attendees to download the respective software/app of CISCO WebEx in advance and ready to connect fast for meeting.
6. Members seeking any information with regard to the accounts or any matter to be placed at the AGM, are requested to send an e-mail on [silinvestors@schablona.in](mailto:silinvestors@schablona.in) from .August 26, 2020 to August 31, 2020 (up to 5:00 p.m. IST). The same will be replied by the Company suitably. Further, members who would like to express their views or ask questions during the AGM may register themselves as a speaker by sending their request from their registered email address mentioning their name, DP ID and Client ID/folio number, PAN, mobile number at [silinvestors@schablona.in](mailto:silinvestors@schablona.in) from August 26, 2020 to August 31, 2020 (upto 5:00 p.m. IST).
7. Those Members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.

INSTRUCTIONS FOR SHAREHOLDERS FOR E-VOTING DURING THE AGM ARE AS UNDER:-

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for Remote e-voting.
2. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
3. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.
4. Shareholders who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

Note for Non-Individual Shareholders and Custodians :

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to <https://www.evotingindia.com> and register themselves as Corporates.
- 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 who would be able to link the account(s) 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.
- Alternatively, Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; [ppincha@gmail.com](mailto:ppincha@gmail.com) and [silinvestors@schalona.in](mailto:silinvestors@schalona.in), if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

For queries, if any or issues regarding attending AGM & e-Voting from the e-Voting System, please 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) or contact Mr. Nitin Kunder (022-23058738) or Mr. Mehboob Lakhani (022-23058543) or Mr. Rakesh Dalvi (022-23058542).

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Manager, Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call on 022-23058542/43.

General:

- (a) In case of joint shareholders attending the AGM, only such joint holder who is higher in the order of the names will be entitled to vote.
- (b) The results declared along with the Consolidated Scrutinizer's Report shall be placed on the website of the Company i.e. [www.schablona.in](http://www.schablona.in) and on the website of CDSL i.e. [www.evotingindia.com](http://www.evotingindia.com). The results shall simultaneously be communicated to BSE limited, where the equity shares of the Company are listed.
- (c) Subject to the receipt of requisite number of votes, the Resolutions set out in the Notice of the 36<sup>th</sup> AGM of the Company, shall deemed to be passed on the date of the AGM i.e. September 11, 2020.
- (d) A person who is not a Member as on the cut-off date should treat this Notice for information purposes only.

**BRIEF RESUME AND OTHER INFORMATION PURSUANT TO REGULATION 36(3) OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 IN RESPECT OF THE DIRECTORS SEEKING APPOINTMENT/ RE-APPOINTMENT AT THE ENSUING ANNUAL GENERAL MEETING**

Mr. N. Goenka (DIN: 00060864), Director of the Company, is aged about 55 years and is a graduate in Commerce. He has over 32 years of experience in Finance and Secretarial. He is a Non-Executive Non Independent Director and Chairman of the Company. He is also holding Chairmanship in the Stakeholders Relationship Committee of the Company and is a member of the Audit and Nomination and Remuneration Committee of the Company. His long standing experience and knowledge will be useful to the Company. At present he is not holding any shares in the Company.

By Order of the Board  
For **Schablona India Limited**

Place : Noida  
Date : 25<sup>th</sup> June, 2020

**Ritika Mansata**  
Company Secretary

**SCHABLONA INDIA LIMITED  
DIRECTORS' REPORT**

To the Members,

Your Directors presenting their Thirty-Sixth Annual Report together with the Financial Statements of the Company for the year ended 31 March, 2020.

**FINANCIAL SUMMARY**

<b>PARTICULARS</b>	<i>(Rs. in lacs)</i>	
	<b>31.03.2020</b>	<b>31.03.2019</b>
Revenue (Net Sales)	139.77	857.59
Loss for the year under review	143.89	442.64
Add: Depreciation for the year	38.06	48.50
Loss for the year before tax	181.95	491.14
Add: Tax for earlier years	0.40	7.89
Loss after Tax	182.35	499.03
Add: Brought forward loss from earlier years	2,092.00	1,592.97
Deficit carried to Balance Sheet	2,274.36	2,092.00

**OPERATIONS**

Net Sales of the Company decreased from Rs. 857.59 Lakh in previous year to Rs. 139.77 Lakh in the year under review. A de-growth of 80.87% was registered in the Decorated Tile Division while the de-growth was 88.28% in the Transfer (Decal) Division. Company's growth performance is under pressure on account of tough market situation on one hand and lower scale of operations on the other coupled with countrywide lockdown in March, 2020 due to Covid-19 pandemic.

**DIVIDEND**

In view of losses, your Directors do not recommend any dividend on equity shares for the year under review.

**INVESTOR EDUCATION & PROTECTION FUND (IEPF)**

Pursuant to the provisions of Section 125 of the Companies Act, 2013, the Company is required to transfer dividends which have remain unpaid/ unclaimed for a period of seven consecutive years from the date of transfer to unpaid dividend account, to the IEPF established by the Central Government.

Accordingly, the amount of unpaid/ unclaimed dividend in respect of the financial year 2011-12 was transferred to IEPF on 20<sup>th</sup> November, 2019. The Company has not declared any dividend thereafter hence no amount of unpaid/ unclaimed dividend is due for transfer to IEPF during 2020-21.

Further, pursuant to the provisions of Section 124 of the Companies Act, 2013 and of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended, all shares in respect of which dividend has not been encashed/claimed by the Shareholders for seven consecutive years, the Company is required to transfer such Equity Shares of the members to the Demat Account of the IEPF. Accordingly, the Company has transferred 56,387 Equity Shares of Rs. 4/- each to IEPF whose dividend has not been encashed for consecutive 7 years from 2011-12, details of which are also available on website of the Company. However, the Members may claim the same from the concerned authority/(ies) by complying with necessary formalities provided thereunder.

**PUBLIC DEPOSIT**

Your Company during the year under review has not accepted any fixed deposits within the meaning of Section 73 of the Companies Act, 2013.

**SCHEME OF AMALGAMATION**

A Scheme of Amalgamation of the Company with Somany Ceramics Limited was approved by the Board of Directors at their meeting held on 22<sup>nd</sup> August, 2019 with effect from 1<sup>st</sup> April, 2019, the appointed date, subject to various approvals, in the best interest of all the stakeholders. Approval of SEBI has been received to the said Scheme of Amalgamation and necessary application is being filed before the NCLT for its approval.

**SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES**

The Company does not have any Subsidiary, Joint venture or Associate Company during the financial year under review.

**AUDITORS****Statutory Auditor**

M/s. Shalin Poddar & Associates, Chartered Accountants, having Firm Registration No. 020397C, were appointed as Statutory Auditor of the Company for a period of 5 (five) consecutive years at the 34<sup>th</sup> Annual General Meeting (AGM) held on 19 September, 2018, to hold office till the conclusion of the 39<sup>th</sup> AGM of the Company.



All the items on which, comments have been made by the Auditors in their report to the Members are self-explanatory, as explained by way of notes to the Financial Statements and does not contain any qualification, reservation or adverse remark, therefore needs no further explanation by the Board in terms of Section 134(3)(f)(i) of the Companies Act, 2013.

#### **Secretarial Auditor**

The Secretarial Audit Report for the financial year 2019-20, in terms of Section 204(1) of the Companies Act, 2013, submitted by M/s. Drolia & Company, Practicing Company Secretaries, having Certificate of Practice No. 1362, the Secretarial Auditors appointed by the Board, forming part of this Report, is marked as '**Annexure A**'. The said Report does not contain any qualification, reservation or adverse remark, therefore need no explanation/s by the Board in terms of Section 134(3)(f)(ii) of the Companies Act, 2013.

#### **NUMBER OF BOARD MEETINGS**

During the year under review 6 (Six) Board Meetings were convened and held. Details of such meetings are given in the Corporate Governance Report, forming part of this Report.

#### **RISK MANAGEMENT**

The Company has in place mechanism to inform Board Members about the Risk Assessment and Minimization procedures which is periodically reviewed to ensure that risk is controlled by the Executive Management.

Details in respect of adequacy of internal financial controls with reference to the Financial Statements are given in the Management Discussion and Analysis, which forms part of this Report.

#### **INTERNAL FINANCIAL CONTROLS**

The Company has in place adequate internal control systems which is commensurate with the size, scale and complexity of the operations of the Company.

During the year under review, no material or serious observations has been received from the Internal Auditors of the Company for inadequacy or ineffectiveness of such controls.

#### **RELATED PARTY TRANSACTIONS**

All contracts/arrangements/transactions entered by the Company during the financial year 2019-20, with Related Parties, as defined under Section 188 of the Companies Act, 2013 and the Rules made thereunder and as per applicable provisions of the Listing Regulations, were in the ordinary course of business and on arm's length basis and were placed before the Audit Committee for review and approval. Further, there were no materially significant related party transactions during the year under review made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have potential conflict with the interest of the Company at large. Accordingly, the disclosure of related party transactions as required under Section 134(3)(h) of the Companies Act, 2013 in Form AOC-2, is not required.

Related Party Transactions Policy as approved by the Board has been uploaded on the Company's website [www.schablona.in](http://www.schablona.in) at the web link: <http://www.schablona.in/files/investors/1473321786SIL%20Related%20Party%20Transaction%20Policy.pdf>

However, members may refer Notes to the financial statements which set out related party disclosures pursuant to Accounting Standards.

#### **EVALUATION OF PERFORMANCE OF BOARD, ITS COMMITTEE AND OF DIRECTORS**

Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations), the Board has carried out an annual performance evaluation of its own performance, the performance of individual Directors as well as the evaluation of working of its Committees, on the various parameters and criteria's governing their performance, in form of circulation of Questionnaire among the Members of the Board and the same was taken on record. The criteria's for evaluation of the performance has been mentioned in the Corporate Governance Report forming part of this Report.

#### **EXTRACT OF ANNUAL RETURN**

The extract of Annual Return as provided under sub-section (3) of Section 92 of the Companies Act, 2013, in Form MGT-9, in terms of Section 134(3)(a) of the Companies Act, 2013 forms part of this Report and is marked as '**Annexure B**'.

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

The information pertaining to conservation of energy, technology absorption, foreign exchange earnings and outgo as required under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is annexed hereto and forms part of this report and marked as '**Annexure C**'.

**DIRECTORS AND KEY MANAGERIAL PERSONNEL**

As on 31<sup>st</sup> March, 2020, there were five (5) Directors on the Board of your Company consisting of three (3) Independent Directors, one (1) Executive Director and one (1) Non-Executive Non-Independent Director. In accordance with the provisions of Section 152 of the Companies Act, 2013, Mr. N. Goenka, Director of the Company, retires by rotation and being eligible, offers himself for re-appointment. Further, as stipulated under Regulation 36 of the Listing Regulations, his brief resume has been provided in the Notice of the 36<sup>th</sup> Annual General Meeting of the Company.

**DECLARATION BY INDEPENDENT DIRECTORS**

The Company has received necessary declaration from all the Independent Directors of the Company confirming that they meet the criteria of independence as stipulated under Section 149(6) of the Companies Act, 2013 read with Schedule IV to the Companies Act, 2013 and Listing Regulations.

There has been no change in the circumstances which may affect their status as Independent Director during the financial year under review.

**COMMITTEES OF THE BOARD**

Your Company has duly constituted the following Committees required under the Companies Act, 2013 read with applicable Rules made thereunder and the Listing Regulations:

- Audit Committee
- Share Transfer Committee
- Stakeholders Relationship Committee
- Nomination and Remuneration Committee

The Board of Directors of the Company has formed Audit Committee with all Non-Executive Directors wherein Independent Directors form the majority, consisting of Mr. Vinod Kumar Karwa, Independent Director as the Chairman, Ms. Shreya Kabra, Independent Director, Mr Chandan Mal Borar, Independent Director and Mr. N. Goenka, Non-Independent Director as other Members of the Committee as on 31 March, 2020. All recommendations made by the Audit Committee were accepted by the Board. More details on the Committee have been provided in the Corporate Governance Report, forming part of this Report.

**VIGIL MECHANISM**

Your Company has formulated a "Whistle Blower Policy/Vigil Mechanism", pursuant to Section 177 of the Companies Act, 2013 read with Rules made thereunder and Regulation 22 of the Listing Regulations, which provides a mechanism for its employees, Directors and other stakeholders of the Company to report concerns about unethical behaviour, actual or suspected fraud or violation of Company's code of conduct. During the financial year under review, no such complaints were received by the Company. The details of such Policy is explained in the Corporate Governance Report and has been uploaded on the Company's website, [www.schablona.in](http://www.schablona.in) at the web link: <http://www.schablona.in/files/investors/1473321759Mechanism%20and%20Whistle%20Blower%20Policy.pdf>

**CORPORATE GOVERNANCE**

The report on Corporate Governance and the Certificate of the Auditors of the Company regarding compliance of the conditions of the Corporate Governance as stipulated in Part C of Schedule V to the Listing Regulations, is enclosed as a separate section and forms part of this report. A declaration signed by the Executive Director in regard to compliance with the Code of Conduct by the members of the Board and Senior Management Personnel also forms part of this report.

**MANAGEMENT DISCUSSION AND ANALYSIS**

A detailed review of the operations, performance and future outlook of the Company and its business are given in the Management Discussion and Analysis, and forms part of this Report.

**PARTICULARS OF EMPLOYEES**

Information required as per Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended from time to time, is annexed hereto as 'Annexure D', forming part of this Report.

During the year under review, there were no managerial personnel/employee whose information required to be provided under Rule 5, sub-rule 2 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended from time to time.

**NOMINATION AND REMUNERATION POLICY**

The Company's Policy on appointment and remuneration of Directors and Key Managerial Personnel including criteria's for determining qualifications, positive attributes, independence of Directors and other related matters as provided under Section 178(3) of the Companies Act, 2013 and Listing Regulations is available on the Company's website [www.schablona.in](http://www.schablona.in) at the web link: <http://www.schablona.in/files/investors/1473321316N%20R%20POLICY-AR.pdf>