

## SCHABLONA INDIA LIMITED

### **Directors :**

Mr. N. Goenka, Chairman  
Mr. Anirudh Kabra (Upto 21.03.2015)  
Mr. Rakesh Kumar Borar  
Mr. Satish C. Vishwakarma (Executive Director w.e.f. 27.05.2014)  
Ms. Abha Kabra (w.e.f. 31.03.2015)

### **Company Secretary & Chief Financial Officer :**

Ms. Ritika Mansata

### **Auditors :**

A. K. Maheshwari & Associates  
Suite # 4G, Uppals, M6 Plaza  
Jasola District Centre  
New Delhi - 110 076

### **Bankers :**

State Bank of India  
HDFC Bank Limited  
Punjab National Bank

### **Registered Office :**

2, Red Cross Place  
Kolkata - 700 001  
Phone No. : 033-22487406 / 07  
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 :**

Maheshwari Datamatics Pvt. Ltd.  
6, Mangoe Lane  
Kolkata - 700 001  
Phone : 033-2243 5809 / 5029  
E-mail : mdpldc@yahoo.com

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## SCHABLONA INDIA LIMITED

### DIRECTORS' REPORT

To the Members,

Your Directors have pleasure in presenting their Thirty-First Annual Report together with the Audited Financial Statement of the Company for the financial year ended 31st March, 2015.

### FINANCIAL SUMMARY OR HIGHLIGHTS

	(Rs. in Lacs)	
PARTICULARS	31.03.2015	31.03.2014
Gross Sales	4567.84	4109.86
Less: Excise Duty	180.72	177.78
Net Sales	4387.12	3932.08
Gross Loss for the year under review	351.33	95.85
Less: Depreciation for the year	52.22	62.91
Loss for the year before tax	403.55	158.76
Add: Deferred Tax Assets	58.24	71.08
Loss after Tax	345.31	87.68
Less: Balance brought forward from earlier years	450.33	538.01
Balance Carried to Balance Sheet	105.02	450.33

### GENERAL DESCRIPTION

Your Company is in the highly creative Decorated Tile and Decal manufacturing. The concept has a tough competition with digital technology and copy from un-organised sector. But with our strong creative team base and expertise we expect to retain the growth.

### OPERATION

Sale of Transfer Division during the year was near to flat with a slight growth of 0.70% i.e. Rs. 1006.72 Lac (net of excise) from Rs. 999.71 Lac (net of excise) in the previous year.

Sale of Decorated Tiles Division during the year increased to Rs. 3525.60 Lac from Rs. 3158.79 Lac in the previous year reflecting a growth of 11.61%.

### MARKET AND FUTURE PROSPECTS

#### Ceramic Transfer Sheets (Decals)

Captive plant by buyers kept affecting our business prospects but simultaneously with the entry of few buyers in high end segment the requirement of Quality Decals is remain in the market where our Design Supremacy is established.

Your Company is responding to these challenges by adding new customer and increasing share of Decal consumption of each buyer and also increasing our reach to small buyers.

#### Decorated Tiles

The proliferation of Digital Printing on Tiles competed against our Designers Tiles and other medium like Glass, Resin, Steel, Aluminium and Sand Blasting also affected the business. The prevalent copying of our product by local suppliers affected our business badly.

#### Trading

With the launch of big Wall Tile range a growth in Trading Vertical was achieved and the same is expected to continue

## SCHABLONA INDIA LIMITED

in coming financial year also. Because of KERASPANA brand tiles the addition of new Independent dealers is taking place and our network is growing which will help in improving the sales of our manufacturing verticals also.

The allied activity in Trading Vertical also continued successfully.

### **DIVIDEND**

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

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

The Company is required to transfer dividends which have remained unpaid/ unclaimed for a period of seven years to the IEPF established by the Central Government. Accordingly, the amount of unpaid/ unclaimed dividend for the financial year ended 31st March, 2008 is due for transfer to IEPF on or after 26th September, 2015.

### **PUBLIC DEPOSIT**

Your Company has not accepted any fixed deposits within the meaning of Section 73 of the Companies Act, 2013, read with the Companies (Acceptance of Deposits) Rules, 2014.

### **SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES**

The Company does not have any Subsidiary, Joint venture or Associate Company.

### **AUDITORS**

#### **Statutory Auditor**

M/s. A. K. Maheshwari & Associates, Chartered Accountants, Statutory Auditors of the Company, having Firm Registration No. 500106N, were appointed as Statutory Auditors for a term of 4 (four) consecutive years at the 30th Annual General Meeting (AGM) held on 16th September, 2014, to hold office till the conclusion of the 34th AGM of the Company, subject to ratification of their appointment at every AGM, in terms of the first proviso to Section 139 of the Companies Act, 2013, read with Rule 3(7) of Companies (Audit and Auditors) Rules, 2014.

In this regard the Company has received a letter from the Auditors conforming that they are eligible for appointment as Auditors of the Company under Section 139 of the Companies Act, 2013 and meet the criteria for appointment specified under Section 141 of the said Act.

Based on the recommendations by the Audit Committee, the Board of Directors recommend the ratification of appointment of M/s. A. K. Maheshwari & Associates, Chartered Accountants, Statutory Auditors of the Company by the Shareholders at the ensuing AGM.

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 accounts 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**

Your Board, during the year, appointed M/s. Drolia & Company, Practicing Company Secretaries, having Certificate of Practice No. 1362 as Secretarial Auditors on such remuneration as may be determined by the Board, for the financial year ended 31st March, 2015, to undertake the Secretarial Audit of the Company, pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

The Secretarial Audit Report for the financial year 2014-15, in terms of Section 204(1) of the Companies Act, 2013, submitted by the said Auditors, forming part of this Report, is marked as '**Annexure A**'. The said Report does not contain any qualification, reservation or adverse remark, therefore no need for any explanation/s by the Board in terms of Section 134(3)(f)(ii) of the Companies Act, 2013.

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### NUMBER OF BOARD MEETINGS

During the year 5 (five) Board Meetings were convened and held. Details of which are given in the Corporate Governance Report, forming part of this Report.

### RISK MANAGEMENT

The Company has adopted the measures concerning the development and implementation of a Risk Management Policy in terms of Section 134(3)(n) of the Companies Act, 2013, after identifying the elements of risks which in the opinion of the Board may threaten the very existence of the Company itself. The Company has an elaborate Risk Management process of identification, assessment and prioritisation of risk followed by coordinated efforts to minimise, monitor and mitigate/control the probability and/or impact of unfortunate events or to maximise the realisation of opportunities. The Risk Management procedure is reviewed by the Audit Committee from time to time, to ensure that the executive management controls risks through means of a properly defined framework. Major risks identified are systematically addressed through mitigating actions on a continuing basis. Some of the identified risks relate to competitive intensity and cost volatility.

### INTERNAL FINANCIAL CONTROLS

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

### RELATED PARTY TRANSACTIONS

All transactions entered with Related Parties during the financial year 2014-15 were on arm's length basis and were in the ordinary course of business. 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/vigil/party.pdf>

### BOARD EVALUATION

Clause 49 of the Listing Agreement mandates that the Board shall monitor and review the Board evaluation framework. Clause (p) of sub-clause 3 of Section 134 of the Companies Act, 2013, states that a formal annual evaluation needs to be made by the Board of its own performance and that of its committees and the Directors individually. Schedule IV to the Companies Act, 2013, states that the performance evaluation of Independent Directors shall be done by the entire Board excluding the Directors being evaluated. Performance evaluation was made by the Board on the various parameters and criteria's governing performance of the Board and that of its committees and Directors 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, under the Nomination & Remuneration Policy of the Company.

### 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'.

### DECLARATION BY INDEPENDENT DIRECTORS

The Company has received necessary declaration from each Independent Director under Section 149(7) of the Companies Act, 2013, that he/she meets the criteria of independence as stipulated under Section 149(6) of the Companies Act, 2013 and Clause 49 of the Listing Agreement.

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## DIRECTORS AND KEY MANAGERIAL PERSONNEL

### Appointments

Mr. Satish C. Vishwakarma, was appointed as an Additional Director on the Board by the Board of Directors of the Company and was thereafter appointed as Regular Director and also as Key Managerial Personnel i.e. Whole-time Director, designated as Executive Director on Board w.e.f. 27th May, 2014 at the 30th Annual General Meeting of the Shareholders of the Company held on 16th September, 2014.

Mr. Satish C. Vishwakarma, Executive Director of the Company retire by rotation at the ensuing Annual General Meeting of the Company and, being eligible, offers himself for re-appointment.

Ms. Ritika Mansata, a Commerce Graduate and an Associate Member of the Institute of Company Secretaries of India, was appointed as Key Managerial Personnel, designated as Company Secretary, w.e.f. 11th June, 2014. She was also appointed as the Compliance Officer of the Company w.e.f. 30th July, 2014. Further, she was appointed as the Chief Financial Officer (CFO) of the Company and re-designated as Company Secretary and Chief Financial Officer of the Company w.e.f. 31st March, 2015.

Ms. Abha Kabra, was appointed as an Additional Director under Section 161 of the Companies Act, 2013. A notice in writing was received from a Member along with requisite deposit under Section 160 of the Companies Act, 2013, proposing candidature of Ms. Abha Kabra for the office of Regular Director and also as an Independent Director of the Company, for a term of 5 (five) consecutive years i.e. from the 31st Annual General Meeting till the conclusion of the 36th Annual General Meeting of the Company in terms of Section 149(10) of the Companies Act, 2013, not liable to retire by rotation. Necessary resolution for obtaining Members approval has been incorporated in the Notice of the 31st Annual General Meeting of the Company.

### Resignations

Mr. Anirudh Kabra, Independent Director of the Company, resigned from the Directorship of the Company, w.e.f. 21st March, 2015.

The Board placed on record its appreciation for the valued contribution made by him in the various deliberations, discussions and guidance during his association with the Company.

## NOMINATION AND REMUNERATION POLICY

The Company's Policy on Director's appointment and remuneration 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 Clause 49 of the Listing Agreement is stated in the Corporate Governance Report, forming part of this Report.

## DIRECTORS RESPONSIBILITY STATEMENT

As required by Section 134(3)(c) 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, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (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 the end of the financial year and of the profit and loss of the company for that period;
- (c) the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act 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 all applicable laws and that such systems were adequate and operating effectively.

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## AUDIT COMMITTEE AND VIGIL MECHANISM

In compliance with the requirements of Section 177(8) of the Companies Act, 2013, the Audit Committee comprises of Mr. R.K. Borar as the Chairman of the Committee with Mr. N. Goenka and Ms. Abha Kabra as other Members of the Committee. More details on the Committee have been provided in the Corporate Governance Report, forming part of this Report. All recommendations made by the Audit Committee were accepted by the Board.

The Company has established a vigil mechanism and oversees through the Audit Committee, the genuine concerns expressed by the employees and other Directors. The Company has also provided adequate safeguards against victimization of employees and Directors who express their concerns and in certain cases have also provided direct access to the Chairman of the Audit Committee for reporting issues. The Whistle Blower Policy (Vigil Mechanism) is put on the website of the Company. More details about the Whistle Blower Policy have been provided in the Corporate Governance Report, forming part of this Report.

## CORPORATE GOVERNANCE AND MANAGEMENT DISCUSSION & ANALYSIS REPORT

A report on Corporate Governance along with Management Discussion and Analysis Report in terms of Clause 49 of the Listing Agreement is annexed hereto and forms an integral 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 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.

## OTHER DISCLOSURES

- I. No loans, guarantees and investments under Section 186 of the Companies Act, 2013 were made by the Company during the year under review, hence disclosure in terms of Section 134(3)(g) of the Companies Act, 2013 does not arise.
- II. No issue of equity shares were made during the year under review with respect to differential rights, Employee Stock Options, Sweat Equity shares, Buy-back of shares and Bonus Issue under Companies (Share Capital and Debentures) Rules, 2014.
- III. No Corporate Social Responsibility (CSR) initiatives have been undertaken by the Company, as Section 135 of the Companies Act, 2013 on CSR is not applicable.
- IV. Business Responsibility Report as per Clause 55 of the Listing Agreement with the Stock Exchange, describing the initiatives taken by Company from an environmental, social and governance perspective is not applicable to the Company, as per SEBI Circular CIR/CFD/DIL/8/2012 dated 13 August, 2012.
- V. There were no significant material orders passed by the Regulators / Courts during the financial year 2014-15 which would impact the going concern status of the Company and its future operations.
- VI. There were no significant material changes and commitments in terms of Section 134(3)(l) of the Companies Act, 2013, affecting the financial position of the Company.

## ACKNOWLEDGEMENT

Your Directors acknowledge with sincere gratitude the co-operation and assistance extended by the Central and State Governments, Financial Institutions, Banks, Customers, Dealers, Vendors and Employees of the Company.

Place : New Delhi  
Date : 18th May, 2015

For and on behalf of the Board  
**N. Goenka**  
Chairman

# SCHABLONA INDIA LIMITED

## ANNEXURE 'A' TO THE DIRECTORS' REPORT

Form No. MR-3

### SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31st MARCH 2015

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

To,  
The Members,  
**Schablona India Limited**  
2, Red Cross Place,  
Kolkata-700 001

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/S SCHABLONA INDIA LIMITED (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing my opinion thereon.

Based on our verification of the M/S SCHABLONA INDIA LIMITED's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2015 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by M/S SCHABLONA INDIA LIMITED ("the Company") for the financial year ended on 31st March, 2015 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 Borrowing;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - (d) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;  
[The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') are not applicable to the Company for the financial year ended 31-03-2015:-
    - (a) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
    - (b) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
    - (c) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
    - (d) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;]
- (vi) Employees Provident Fund and Miscellaneous Provisions Act, 1952
- (vii) Employees State Insurance Act, 1948

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- (viii) Employers Liability Act, 1938
- (ix) Environment Protection Act, 1986 and other Environmental Laws
- (x) Equal Remuneration Act, 1976
- (xi) Factories Act, 1948
- (xii) Hazardous Wastes (Management and Handling) Rules, 1989 and Amendment Rule, 2003
- (xiii) Indian Contract Act, 1872
- (xiv) Income Tax Act, 1961 and Indirect Tax Laws
- (xv) Indian Stamp Act, 1999
- (xvi) Industrial Dispute Act, 1947
- (xvii) Maternity Benefits Act, 1961
- (xviii) Minimum Wages Act, 1948
- (xix) Negotiable Instruments Act, 1881
- (xx) Payment of Bonus Act, 1965
- (xxi) Payment of Gratuity Act, 1972
- (xxii) Payment of Wages Act, 1936 and other applicable Labour Laws

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

- (i) Secretarial Standards issued by the Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company with BSE;

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

We further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the 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 sent at least seven days 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.

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

We further report that during the audit period, the Company has not made any:

- (i) Public/Right/ Preferential issue of Shares/Debentures/Sweat Equity or any other Security.
- (ii) Redemption / buy-back of securities.
- (iii) Major decisions taken by the Members in pursuance to section 180 of the Companies Act, 2013.
- (iv) Merger/Amalgamation/Reconstruction etc
- (v) Foreign technical collaborations.

**FOR DROLIA & COMPANY**  
(Practicing Company Secretaries)  
**Pravin Kumar Drolia**  
(Proprietor)  
FCS:2366  
C P No.: 1362

Place: Kolkata  
Date: 14-05-2015



# SCHABLONA INDIA LIMITED

## ANNEXURE 'B' TO THE DIRECTORS' REPORT

Form No. MGT-9

### EXTRACT OF ANNUAL RETURN

As on the financial year ended on 31st March, 2015

[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	L51109WB1983PLC036899
ii)	Registration Date	5th November, 1983
iii)	Name of the Company	Schablona India Limited
iv)	Category/ Sub-category of the Company	Public Company limited by shares
v)	Address of the Registered office and contact details	2, Red Cross Place, Kolkata- 700 001 Phone No. :033-22487406/07 E-mail: silinvestors@schablona.in Website: www.schablona.in
vi)	Whether Listed Company (Yes/No)	Yes
vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any	Maheshwari Datamatics Pvt. Ltd. Address: 6, Mangoe Lane, Kolkata- 700 001 Phone No.: 033-2243 5809/5029, Fax No. : 033-2248 4787 E-mail: mdpldc@yahoo.com

#### II. PRINCIPLE BUSINESS ACTIVITIES OF THE COMPANY:

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

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service *	% to total turnover of the company
1.	Designer Tiles	475	77.09
2.	Transfer Sheets	181	22.91
			100.00

\*As per National Industrial Classification- Ministry of Statistics and Programme Implementation

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

The Company does not have any Holding, Subsidiary or Associate Company.

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### IV. SHARE HOLDING PATTERN (Equity Share Capital breakup as percentage of Total Equity) :

#### i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year i.e. 01.04.2014				No. of Shares held at the end of the year i.e. 31.03.2015				% 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) Individual/HUF	431,647	-	431,647	13.66	431,647	-	431,647	13.66	-
b) Central Govt / State Govt (s)	-	-	-	-	-	-	-	-	-
c) Bodies Corporate	1,338,910	-	1,338,910	42.38	1,338,910	-	1,338,910	42.38	-
d) Banks/FI	-	-	-	-	-	-	-	-	-
e) Any Others	-	-	-	-	-	-	-	-	-
<b>Sub-total (A)(1)</b>	<b>1,770,557</b>	<b>-</b>	<b>1,770,557</b>	<b>56.04</b>	<b>1,770,557</b>	<b>-</b>	<b>1,770,557</b>	<b>56.04</b>	<b>-</b>
<b>(2) Foreign</b>									
a) NRIs-Individuals	-	-	-	-	-	-	-	-	-
b) Other-Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corporate	-	-	-	-	-	-	-	-	-
d) Banks/FI	-	-	-	-	-	-	-	-	-
e) Any Others	-	-	-	-	-	-	-	-	-
<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>1,770,557</b>	<b>-</b>	<b>1,770,557</b>	<b>56.04</b>	<b>1,770,557</b>	<b>-</b>	<b>1,770,557</b>	<b>56.04</b>	<b>-</b>
<b>B. Public Shareholding</b>									
<b>(1) Institutions</b>									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks/FI	-	200	200	0.01	-	-	-	-	-0.01
c) Central Govt.	-	-	-	-	-	-	-	-	-
d) State Govt.	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Other(specify)	-	-	-	-	-	-	-	-	-
<b>Sub-total (B) (1)</b>	<b>-</b>	<b>200</b>	<b>200</b>	<b>0.01</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-0.01</b>

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(2) Non-Institutions									
a) Bodies Corporate									
i) Indian	64,750	7,400	72,150	2.28	57,857	7,400	65,257	2.07	-0.21
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	615,074	496,124	1,111,198	35.17	598,267	488,626	1,086,893	34.40	-0.77
ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	200,559	-	200,559	6.35	225,907	-	225,907	7.15	0.80
c) Others(specify)									
i) Non-Resident Individuals	3,651	700	4,351	0.14	9,701	700	10,401	0.33	0.19
ii) Trust	200	-	200	0.01	200	-	200	0.01	-
<b>Sub-total (B) (2)</b>	<b>884,234</b>	<b>504,224</b>	<b>1,388,458</b>	<b>43.95</b>	<b>891,932</b>	<b>496,726</b>	<b>1,388,658</b>	<b>43.96</b>	<b>0.01</b>
<b>Total Public Shareholding (B)-(B)(1) + (B)(2)</b>	<b>884,234</b>	<b>504,424</b>	<b>1,388,658</b>	<b>43.96</b>	<b>891,932</b>	<b>496,726</b>	<b>1,388,658</b>	<b>43.96</b>	<b>-</b>
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
<b>Grand Total (A+B+C)</b>	<b>2,654,791</b>	<b>504,424</b>	<b>3,159,215</b>	<b>100.00</b>	<b>2,662,489</b>	<b>496,726</b>	<b>3,159,215</b>	<b>100.00</b>	<b>-</b>

### ii) Shareholding of Promoters

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year i.e. 01.04.2014			Shareholding at the end of the year i.e. 31.03.2015			% change in shareholding during the year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	
1.	Hiralall Somany	431,647	13.66	-	431,647	13.66	-	-
2.	Bhilwara Holdings Limited	626,911	19.84	-	626,911	19.84	-	-
3.	SR Continental Limited	390,800	12.37	-	390,800	12.37	-	-
4.	Somany Ceramics Limited	200,000	6.33	-	200,000	6.33	-	-
5.	Sarvottam Vanijya Limited	121,199	3.84	-	121,199	3.84	-	-
	<b>Total</b>	<b>1,770,557</b>	<b>56.04</b>	<b>-</b>	<b>1,770,557</b>	<b>56.04</b>	<b>-</b>	<b>-</b>

## SCHABLONA INDIA LIMITED

### *iii) Change in Promoters' Shareholding*

There was no change in the Promoters' Shareholding during the financial year 2014-15.

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

Sl. No.	For each of the top 10 Shareholders	Shareholding at the beginning of the year i.e. 01.04.2014		Cumulative Shareholding during the year and at the close of the year on 31.03.2015	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
1.	<b>Jatinder Jagdishrai Agarwal</b>				
	Beginning of the Year	100,000	3.17	100,000	3.17
	31/12/2014- Folio Consolidation	5,100	0.16	105,100	3.33
	End of the Year			105,100	3.33
2.	<b>Anand Kumar Agrawal</b>				
	Beginning of the Year	74,059	2.34	74,059	2.34
	20/03/2015-Sale	52,259	1.65	21,800	0.69
	27/03/2015-Sale	21,800	0.69	0	0.00
	End of the Year			0	0.00
3.	<b>Laxmi Devi</b>				
	<b>Madangopal Damani</b>				
	Beginning of the Year	26,500	0.84	26,500	0.84
	End of the Year			26,500	0.84
4.	<b>Shashi Rani Gupta</b>				
	Beginning of the Year	20,887	0.66	20,887	0.66
	End of the Year			20,887	0.66
5.	<b>Uma Agrawal</b>				
	Beginning of the Year	20,000	0.63	20,000	0.63
	17/10/2014- Sale	10,000	0.32	10,000	0.32
	24/10/2014- Sale	10,000	0.32	0	0.00
	End of the Year			0	0.00
6.	<b>VSL Securities Pvt. Ltd.</b>				
	Beginning of the Year	19,000	0.60	19,000	0.60
	End of the Year			19,000	0.60
7.	<b>Rakesh Prakash Mittal</b>				
	Beginning of the Year	17,779	0.56	17,779	0.56
	End of the Year			17,779	0.56
8.	<b>CD Finvest Pvt. Ltd.</b>				
	Beginning of the Year	15,905	0.50	15,905	0.50
	13/06/2014- Sale	1,405	0.04	14,500	0.46
	20/06/2014- Sale	1,300	0.04	13,200	0.42
	30/06/2014- Sale	12,500	0.40	700	0.02
	04/07/2014- Sale	700	0.02	0	0.00
	End of the Year			0	0.00
9.	<b>Karuna Kothari</b>				
	Beginning of the Year	14,168	0.45	14,168	0.45
	End of the Year			14,168	0.45
10.	<b>S R Gupta</b>				
	Beginning of the Year	11,093	0.35	11,093	0.35
	19/12/2014- Sale	2,000	0.06	9,093	0.29
	End of the Year			9,093	0.29

## SCHABLONA INDIA LIMITED

<b>11. Sanjay Harikishan *</b>				
Beginning of the Year	0	0.00	0	0.00
30/01/2015- Purchase	25	0.00	25	0.00
06/02/2015- Purchase	92	0.00	117	0.00
20/03/2015- Purchase	15,000	0.47	15,117	0.48
27/03/2015- Purchase	16,383	0.52	31,500	1.00
End of the Year			31,500	1.00
<b>12. Pritty Devi Sarawagi *</b>				
Beginning of the Year	0	0.00	0	0.00
09/01/2015- Purchase	2,020	0.06	2,020	0.06
06/02/2015- Purchase	100	0.00	2,120	0.07
13/02/2015- Purchase	592	0.02	2,712	0.09
20/02/2015- Purchase	805	0.03	3,517	0.11
27/02/2015- Purchase	1,399	0.04	4,916	0.16
06/03/2015- Purchase	1,300	0.04	6,216	0.20
20/03/2015- Purchase	20,724	0.66	26,940	0.85
27/03/2015- Purchase	4,500	0.14	31,440	1.00
End of the Year			31,440	1.00
<b>13. Sanjaykumar Sarawagi *</b>				
Beginning of the Year	0	0.00	0	0.00
06/06/2014- Purchase	611	0.02	611	0.02
24/10/2014- Purchase	1,838	0.06	2,449	0.08
16/10/2015- Purchase	1,290	0.04	3,739	0.12
23/01/2015- Purchase	1,829	0.06	5,568	0.18
06/02/2015- Purchase	4,978	0.16	10,546	0.33
13/03/2015- Purchase	1,875	0.06	12,421	0.39
20/03/2015- Purchase	15,014	0.48	27,435	0.87
27/03/2015- Purchase	3,932	0.12	31,367	0.99
End of the Year			31,367	0.99
<b>14. Chirayush Pravin Vakil *</b>				
Beginning of the Year	0	0.00	0	0.00
04/07/2014	3,671	0.12	3,671	0.12
11/07/2014- Sale	300	0.01	3,371	0.11
18/07/2014- Sale	500	0.02	2,871	0.09
01/08/2014- Sale	100	0.00	2,771	0.09
05/09/2014- Sale	100	0.00	2,671	0.08
31/12/2014- Purchase	3,250	0.10	5,921	0.19
02/01/2015- Purchase	100	0.00	6,021	0.19
09/01/2015- Purchase	200	0.01	6,221	0.20
16/01/2015- Sale	500	0.02	5,721	0.18
06/03/2015- Purchase	12	0.00	5,733	0.18
27/03/2015- Purchase	7,780	0.25	13,513	0.43
End of the Year			13,513	0.12

\* Not in the list of top 10 shareholders as on 01.04.2014. The same has been reflected above since the shareholders were among the top 10 shareholders as on 31.03.2015

**v) Shareholding of Directors and Key Managerial Personnel:**

Sl. No.	For each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
1.	Mr. Rakesh Kumar Borar	3,000	0.09	3,000	0.09
2.	Ms. Abha Kabra	9,950	0.31	9,950	0.31

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### V. INDEBTEDNESS

*Indebtedness of the Company including interest outstanding/accrued but not due for payment: (Rs. In lacs)*

Particulars	Secured Laons excluding deposits	Unsecured loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	543.61	20.00	-	563.61
ii) Interest due but not paid	0.56	-	-	0.56
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	544.17	20.00	-	564.17
<b>Change in Indebtedness during the financial year</b>				
• Addition	27.51	175.00	-	202.51
• Reduction	24.25	-	-	24.25
<b>Net Change</b>	3.26	175.00	-	178.26
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	547.14	195.00	-	742.14
ii) Interest due but not paid	0.29	-	-	0.29
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	547.43	195.00	-	742.43

### VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Sl. No.	Particulars of Remuneration	Mr. Satish C. Vishwakarma (WTD, designated as Executive Director)	Total Amount
1.	Gross Salary (27/05/2014-31/03/2015) (a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961 (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	1,735,987 - -	1,735,987 - -
2.	Stock Option	-	-
3.	Sweat Equity	-	-
4.	Commission - As % of profit - Others, specify	-	-
5.	Other, please specify	-	-
	<b>Total (A)</b>	1,735,987	1,735,987
	Ceiling as per the Act	5% of the net profit of the company calculated as per section 197 & 198 of the Companies Act, 2013. In case of adequacy of profit, upto Rs. 42 Lacs best on the effect capital of the company.	

## SCHABLONA INDIA LIMITED

### B. Remuneration to other Directors:

(in Rs.)

Sl. No.	Particulars of Remuneration	Name of Directors				Total Amount
		Mr. N. Goenka	Mr. R. K. Borar	Mr. Anirudh Kabra	Ms. Abha Kabra	
1.	Independent Directors					
	• Fees for attending board committee meetings	-	13,500	11,500	1,500	26,500
	• Commission	-	-	-	-	-
	• Others, please specify	-	-	-	-	-
	<b>Total (1)</b>	-	13,500	11,500	1,500	26,500
2.	Other Non-Executive Directors					
	• Fees for attending board committee meetings	4,000	-	-	-	-
	• Commission	-	-	-	-	-
	• Others, please specify	-	-	-	-	-
	<b>Total (2)</b>	4,000	Nil	Nil	Nil	4,000
	<b>Total (B)= (1+2)</b>	4,000	13,500	11,500	1,500	30,500
3.	Total Managerial Remuneration					30,500
4.	Overall Ceiling as per the Act	1% of the net profit of the company calculated as per Section 197 & 198 of the Companies Act, 2013.				

### C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD:

(in Rs.)

Sl. No.	Particulars of Remuneration	Ms. Ritika Mansata (Company Secretary & CFO)	Total Amount
1.	Gross Salary (11/06/2014-31/03/2015)		
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	205,318	205,318
	(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.	Other, please specify	-	-
	<b>Total</b>	205,318	205,318

### VII. PENALTIES/ PUNISHMENT/ COMPUNDING OF OFFENCES

There were no penalties/punishment/compounding of offences for the year ending 31st March, 2015.

# SCHABLONA INDIA LIMITED

## ANNEXURE 'C' TO THE DIRECTORS' REPORT

[Information as required under sub rule 3 of Rule 8 of The Companies (Accounts) Rules, 2014]

### A) CONSERVATION OF ENERGY

#### i) Energy Conservation measures taken:

- (a) Timely maintenance of electric motors.
- (b) Grouping in lighting systems changed to separate lighting system to enable the disconnection of power when not in use.

#### Impact on conservation of energy:

Energy consumption vis-à-vis cost continues to be at the optimum level.

#### ii) Steps taken for utilizing alternate sources of energy:

Use of Solar Energy is being discussed with the different agencies and it is being planned to install 5% of the connected load as per the Government norms.

#### iii) Capital investment on energy conservation instruments:

No additional investments are considered necessary at present.

### B) TECHNOLOGY ABSORPTION

#### i) Efforts made towards technology absorption:

Research and Development (R & D) has been carried out by the Company in the following specific areas:

- Low Temperature Decal (Cold Transfers).
- Induction of new highlighters in designer tiles.
- Development of new sizes and up-gradation of manufacturing process.

#### ii) Benefits derived:

- Benefits derived as a result of R & D are lower rejections, keeping pace with the updated international technology and better quality;
- Installation of new machineries to the existing manufacturing process resulted lower rejections and better quality produced.

#### iii) In case of Imported Technology (imported during the last three years reckoned from the beginning of the financial year):

Not Applicable.

### C) FOREIGN EXCHANGE EARNINGS AND OUTGO

Rs./Lacs

A. Foreign Exchange Outgo	31.22
B. Foreign Currency Earned	5.27



## SCHABLONA INDIA LIMITED

### ANNEXURE 'D' TO THE DIRECTORS' REPORT

[Information pursuant to Section 197(12) of the Companies Act, 2013 read with sub rule (1) of Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

- (i) The ratio of remuneration of Mr. Satish C. Vishwakarma, Whole-time Director, designated as Executive Director of the Company, to the Median Remuneration of the Employees (MRE) of the Company for the financial year 2014-15 is around 11:1. (MRE for financial year 2014-15 is Rs. 16,641)
- (ii) There was no increase in the remuneration of Mr. Satish C. Vishwakarma, Executive Director and Ms. Ritika Mansata, Company Secretary & CFO of the Company, during the financial year 2014-15, as their appointment was made in that year itself.
- (iii) The percentage increase in the Median Remuneration of Employees (MRE) in the financial year 2014-15 (Rs.16,641) as compared to financial year 2013-14 (Rs.14,817) is around 12.31%.
- (iv) There were around 188 permanent employees on the rolls of the Company as on 31st March, 2015.
- (v) The Company follows prudent remuneration practices under the guidance of the Board and the Nomination & Remuneration Committee of the Board. The Company's approach to remuneration is intended to drive meritocracy within the framework of prudent risk management. Remuneration is linked to corporate performance, business performance and individual performance. The performance of the Company has bearing on the remuneration payable and increment provided thereto.
- (vi) Remuneration of KMP during the financial year 2014-15 was based upon the recommendation of the Nomination & Remuneration Committee and duly approved by the Board and as per the criteria's laid down in the Nomination & Remuneration Policy of the Company.
- (vii) Details of market capitalisation, P/E Ratio and price of the equity shares of the Company and variation thereto:

Particulars	F.Y ended 31.03.2014 (Rs.)	F.Y ended 31.03.2015 (Rs.)	% Increase/(decrease)
Market Capitalization	37,910,580	34,751,365	(8.33)
Price earnings ratio	(4.32)	(1.01)	(76.68)
Closing price on BSE	12.00	11.00	(8.33)

The closing price of the Company's equity shares on BSE Ltd. as on 30th March, 2015 was Rs. 11.00 representing a 10% increase over the price of Rs.10 at which the last Public Issue which was maiden Public offer was made during October, 1985.

- (viii) The average percentile increase already made in the salaries of employees other than managerial personnel in the financial year 2014-15 was around 13.58% over the financial year 2013-14.  
No Managerial Personnel was employed during the financial year 2013-14. Hence, the question of comparison with percentile increase in managerial remuneration and justification thereof in the financial year 2014-15 over financial year 2013-14 does not arise.
- (ix) Remuneration paid to KMP is in line with factors as outlined in point (v) above.

Name	Designation	Remuneration (Rs.)
Mr. Satish C. Vishwakarma	Executive Director	1,822,257
Ms. Ritika Mansata	Company Secretary & CFO	213,442

- (x) The key parameters for the variable component of remuneration availed by the Directors are considered by the Board of Directors based on the recommendations of the Nomination and Remuneration Committee as per the Nomination and Remuneration Policy for Directors, Key Managerial Personnel and Senior Management of the Company.
- (xi) The Executive Director is the highest paid Director. No employee received remuneration higher than the Executive Director.
- (xii) It is hereby affirmed that the remuneration paid during the year ended 31st March, 2015 is as per the Nomination and Remuneration Policy of the Company.

# SCHABLONA INDIA LIMITED

## MANAGEMENT DISCUSSION AND ANALYSIS

Operating results for the period, market and future prospects have been discussed in the Directors' Report. A further overview of Company's business by the management with a discussion on the Company's areas of strength and weakness, the opportunities that are available and the threats and concerns that are being experienced are given below.

### Industry Structure & Development

Even though construction Industry is in a positive growth trend yet, Decorated Tiles Industry is again going through a major upheaval like few year back. Widespread proliferation of digital printing on ceramic tiles is again usurped the third fired decorated tiles business, most of the units in the unorganised sector have had to close down owing to this sudden change in trends. Even organised units are shifting to alternatives printing which is a small reprieve but cannot compensate for the lost market in ceramic tiles segment.

Acceptance of brand "Keraspana" is continuously gaining acceptance and the trading vertical continues to grow but there is a huge pressure on margins, this division is significantly continuing contributing to better utilization of decorative tile manufacturing facility.

A High end Product range "Shapes" has been introduced which is based on the various cutting involved by Water-Jet and Linear using GVT and other Value added Tiles. Focus of selling will be specifically through the "Schablona Plus" counters.

Transfer division is facing challenges from captive manufacturing facilities put up by major crockery manufacturing units but Schablona has turned to its core competency of bringing out creative designs and presenting to these manufacturers and thereby trying to retrieve the share back. New High end Crockery decorating units are throwing open new opportunities and Schablona is all set to tap into them.

### Risk Factors and its Mitigations

- o **Obsolescence of Designs:** Designer Tile being a Fashion Product, Design obsolescence is a burning issue for this business. The Company is continuously organizing itself to go mostly for made to order manufacturing to combat this problem, and is strengthening its forecasting methods to be closer and in sync with market changes.
- o **Rising Cost of Inputs, Energy & Transportation:** All the three factors have a major bearing on the profitability; Company is taking effective steps towards improvements in Efficiency, Cost cutting and price adjustments wherever possible.
- o **Competition with Un-Organized Sector:** This sector poses threats primarily at the entry level bulk selling products thus impacting topline, the Company is working to fight this challenge by leveraging its capabilities to produce better designs through its state of the art studios and delivering high quality products using advanced machineries at competitive prices.

### Internal Control Systems

Budgetary system of control stands implemented and all efforts for full compliances are being made. An internal group of department heads working as Schablona Strategic Group examines, discusses every new initiative or expansion and suitable decision is taken thereafter. Regular audit of systems & accounts of the Company is carried out by the Internal Auditor and it is ensured that Internal Control Systems are adequate and reliable and there is proper compliance of all regulations & obligations. It has also been ensured that all data necessary for an effective internal control and analysis are available at various levels of management.

### Human Resources & Industrial Relations

The Company continues to have cordial relations with its staff & workers who are continuously being trained to acquire and develop necessary skills for conducting business of the Company in a better way. The Company has around 188 employees as on 31.03.2015. Industrial relations during the year continued to be cordial.

Place : New Delhi  
Date : 18th May, 2015

For and on behalf of the Board  
**N. Goenka**  
Chairman

## SCHABLONA INDIA LIMITED

### CORPORATE GOVERNANCE REPORT

#### **COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE**

Corporate Governance is an integral part of the Company's Management and Business Philosophy. Corporate Governance envisages the attainment of the highest levels of transparency, accountability and business prosperity with object of realising long term value for shareholders and all other stakeholders. We believe that Corporate Governance is a voluntary and self-discipline code which means not only ensuring compliance with regulatory requirements but by also being responsive to our stakeholders needs.

#### **BOARD OF DIRECTORS**

As on 31st March, 2015, Board comprises of Four Members and has an optimum combination of Executive and Non-Executive Directors, in compliance with the provisions of Section 149 of the Companies Act, 2013 and Clause 49(II)(A) of the Listing Agreement. There were 5 (five) Board meetings during the year 2014-15 i.e. on 27 May, 30 July, 16 October in 2014 and on 22 January, 31 March in 2015. Details of the Directors by category, their attendance and other directorship including Chairmanship/Membership of Board Committees in terms of Clause 49 (II)(D)(2) of the Listing Agreement and number of shares held are:-

Directors	Category	No. of Meetings held during the tenure of Member	No. of Board Meetings attended	Attended last AGM	Number of Directorships in other Companies(\$)	No. of Committee positions held in Companies (#)		No. of Shares held
						Chairman	Member	
Mr. N. Goenka	N	5	1	Yes	7	2	1	-
Mr. R. K. Borar	I	5	5	No	-	1	1	3,000
Mr. Satish C. Vishwakarma(*)	E	5	5	No	-	-	-	-
Mr. Anirudh Kabra (**)	I	4	4	No	-	-	-	-
Ms. Abha Kabra (***)	I	1	1	NA	-	-	2	9,950

Category: N= Non-Executive & Non-Independent; I= Non-Executive & Independent; E= Executive & Non-Independent  
 (\$) Excluding directorship in Private Limited Companies, other than those which are subsidiary of a Public Limited Company.

(#) Includes only the Chairmanship/ Membership in Audit Committee and Stakeholder's Relationship Committee of Public Limited Companies.

(\*) Appointed as Key Managerial Personnel (KMP) i.e. Whole-time Director, designated as Executive Director of the Company w.e.f. 27 May, 2014.

(\*\*) Resigned from the directorship of the Company w.e.f. 21 March, 2015.

(\*\*\*) Appointed as Additional Director and designated as Independent Director of the Company w.e.f. 31 March, 2015.

#### **Code of Conduct:**

The Board in terms of Clause 49 (II)(E)(1) of the Listing Agreement, has adopted a Code of Conduct for all its Board Members and Senior Management Personnel of the Company, after suitably incorporating Code of Conduct for Independent Directors as laid down under Schedule IV to Companies Act, 2013 and the same is being abided by all of them on annual basis in terms of Clause 49(II)(E)(2) of the Listing Agreement. The Company has obtained the confirmation of the compliances to the said effect from Mr. Satish C. Vishwakarma, Executive Director of the Company which is annexed hereto in this Report hereafter. A copy of the said Code of Conduct has been put on the Company's website i.e. www.schablona.in.

#### **CEO/CFO Certification:**

As required under Clause 49 (IX) of the Listing Agreement with the Stock Exchanges, the Executive Director and the Chief Financial Officer of the Company have certified regarding the Financial Statements for the year ended 31 March, 2015 which is annexed to this Report.

#### **COMMITTEES OF THE BOARD**

##### **AUDIT COMMITTEE**

In terms of the provisions of Section 177 of the Companies Act, 2013 and Clause 49 of the Listing Agreement Mr. R.K. Borar, Independent Director of the Company was appointed as the Chairman of the Committee w.e.f. 16 October, 2014

## SCHABLONA INDIA LIMITED

with Mr. N. Goenka and Mr. Anirudh Kabra as other members of the Committee. During the year under review, Mr. Anirudh Kabra resigned from the Board w.e.f. 21 March, 2015, consequent upon which ceased to be a member of this Committee from the said date. Ms. Abha Kabra was appointed as a member of the Committee w.e.f. 31 March, 2015. All the Members of the Audit Committee are Non-Executive Directors of the Company with majority of Independent Directors. The Company Secretary acts as the Secretary to the Committee. There were 5 (five) Audit Committee meetings held during the year 2014-15, i.e. on 27 May, 30 July, 16 October in 2014 and on 22 January, 24 March in 2015.

### Composition and Attendance of Audit Committee Meetings:

Name of Members	No. of meetings held	No. of meetings attended	Status
Mr. N. Goenka (*)	5	2	Member
Mr. R. K. Borar	5	5	Chairman
Mr. Anirudh Kabra	4	4	Member
Ms. Abha Kabra	-	-	Member

(\*) Chairman of the Audit Committee upto 15 October, 2014.

### Terms of reference

Terms of reference of the Audit Committee are as per the present guidelines set out in Clause 49 of the Listing Agreement, that inter-alia includes, review of reports of Internal and Statutory Auditors and ensure that suitable follow-up actions are taken, review of Quarter and Annual Financial Statements, review of adequacy of internal control systems, review of significant findings, adequacy of Internal Audit functions, review of the financial and risk management policies, recommendation for appointment of Statutory Auditors, Internal Auditors and fee payable to them, ensure disclosure of related party transactions, review functioning of Whistle Blower mechanism etc.

### SHARE TRANSFER COMMITTEE

The Company has a Share Transfer Committee comprising of Mr. N. Goenka, the Chairman of the Company (who Chairs the meeting), and Mr. S. Banerjee, a senior personnel of the Company. Ms. Ritika Mansata, Company Secretary and Chief Financial Officer (CFO) of the Company was inducted as member of the Committee w.e.f. 30 July, 2014. The Committee met 12 times during the year under review. Total 1200 shares received for transfer/ transmission were registered and dispatched within 15 days of receipt. There were no valid share transfers pending for registration for more than 15 days as on 31.03.2015.

### STAKEHOLDER'S RELATIONSHIP COMMITTEE

The nomenclature of Shareholders'/Investors' Grievance Committee was changed to Stakeholder's Relationship Committee in the meeting of the Board of Directors held on 27 May, 2014 and was subsequently re-constituted pursuant to Section 178 of the Companies Act, 2013 and Clause 49 of the Listing Agreement, to specifically look into the redressal of grievances of the Shareholders. There were 3 (three) Committee meetings held during the year 2014-15, i.e. on 27 May, 16 October in 2014 and on 22 January in 2015. Ms. Ritika Mansata, designated as Company Secretary and CFO of the Company is acting as the Compliance Officer. During the year 12 complaints were received and resolved. There were no complaints of Shareholders pending as on 31.03.2015.

### Composition and Attendance of Stakeholder's Relationship Committee Meetings:

Members	No. of meetings held during the tenure of member	No. of meeting attended	Status
Mr. N. Goenka	3	1	Chairman
Mr. Anirudh Kabra (*)	3	3	Member
Mr. R. K. Borar (**)	2	2	Member
Ms. Abha Kabra (***)	-	-	Member

(\*) Resigned from the directorship of the Company w.e.f. 21 March, 2015, hence ceased to be member of the Committee thereafter.

(\*\*) Inducted as a Member of the Committee w.e.f. 16 October, 2014.

(\*\*\*) Inducted as a Member of the Committee w.e.f. 31 March, 2015.

## SCHABLONA INDIA LIMITED

### NOMINATION AND REMUNERATION COMMITTEE

The nomenclature of Remuneration Committee was changed to Nomination and Remuneration Committee in the meeting of the Board of Directors held on 27 May, 2014 and was subsequently re-constituted pursuant to Section 178 of the Companies Act, 2013 and Clause 49 of the Listing Agreement. Mr. A. K. Beejawat resigned from the directorship of the Company w.e.f. 7 April, 2014, hence ceased to be member of the Committee thereafter. Mr. R. K. Borar, Non-Executive Independent Director of the Company was appointed as the Chairman of the Committee w.e.f. 27 May, 2014. Mr. N. Goenka and Mr. Anirudh Kabra, Non-Executive Directors of the Company were other members of the Committee. During the year under review, Mr. Anirudh Kabra resigned from the Board w.e.f. 21 March, 2015, consequent upon which ceased to be a member of this Committee from the said date. Ms. Abha Kabra was appointed as a member of the Committee w.e.f. 31 March, 2015. There were 2(two) Committee meetings held during the year 2014-15, i.e. on 27 May, 2014 and 24 March, 2015.

#### Composition and Attendance of Nomination & Remuneration Committee Meetings:

Members	No. of meetings held during the tenure of member	No. of meeting attended	Status
Mr. R. K. Borar	1	1	Chairman
Mr. N. Goenka (*)	2	2	Member
Ms. Anirudh Kabra	1	1	Member
Ms. Abha Kabra	-	-	Member

(\*) Ceased to be the Chairman of the Committee w.e.f. 27 May, 2014.

#### Terms of reference

Terms of reference of the Nomination and Remuneration Committee are as per the present guidelines set out in Clause 49 of the Listing Agreement and Section 178 of the Companies Act, 2013, that inter-alia includes, formulating 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, formulating criteria for evaluation of Independent Directors and the Board, devising a Policy on Board's diversity, identifying persons who are qualified to become Directors and who may be appointed in the senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal and such other matters as may be prescribed in the Nomination and Remuneration Policy of the Company.

#### NOMINATION AND REMUNERATION POLICY

The Nomination and Remuneration Policy of the Company, duly recommended by the Nomination & Remuneration Committee and approved by the Board of Directors thereafter at its meeting held on 31 March, 2015, includes the aims and objectives, criteria for identification of the Board Members, principles of remuneration, guidelines for remuneration to Executive Directors and Non-Executive Directors, fixed and variable component in the remuneration package etc.

#### Board Membership Criteria

The Nomination and Remuneration Committee of the Company follows a defined criteria for identifying, screening, recruiting and recommending candidates for appointment as Director on the Board. The criteria for appointment as Director on the Board include:

- composition of the Board, which is commensurate with the size of the Company, its portfolio, geographical spread and its status as a listed Company;
- desired age and diversity on the Board;
- size of the Board with optimal balance of skills and experience and balance of Executive and Non-Executive Directors consistent with the requirements of law;
- professional qualifications, expertise and experience in specific area of business;
- balance of skills and expertise in view of the objectives and activities of the Company;

## SCHABLONA INDIA LIMITED

- avoidance of any present or potential conflict of interest;
- availability of time and other commitments for proper performance of duties;
- personal characteristics being in line with the Company's values, such as integrity, honesty, transparency, pioneering mindset;
- Independent of management, in case of appointment as an Independent Director.

### **Remuneration Policy for Directors, Key Managerial Personnel and Senior Management**

This Policy and the compensation structure has been devised after taking into account all relevant factors and giving due regard to the interest of the shareholders and financial and commercial health of the Company.

**Board to determine the remuneration:** The Board while determining the remuneration package of the Directors, Key Managerial Personnel and Senior Management may take into account, all or any of the following:

- a) The requirement of the Company, specifically in terms of the skill sets required, the qualification of the persons being considered and the long term and short term goals of the Company;
- b) Interests of the shareholders and the financial and commercial health of the Company;
- c) Individual performance of the persons being considered;
- d) Performance of the Company;
- e) Remuneration packages offered by companies of comparable size in the same business as the Company;
- f) Remuneration package offered at the same level by companies of comparable size in other businesses; and
- g) Other relevant factors it deems necessary.

**Maximum Threshold:** Except as otherwise provided under the Companies Act, 2013 or with the prior approval of the Central Government, the total managerial remuneration payable by the Company, to its Directors (including Managing Director and Whole-time Director) and its Manager in respect of a financial year shall not exceed 11% (eleven per cent) of the net profits of the Company in the relevant financial year, computed in the manner prescribed under the Companies Act, 2013.

**Manner of payment:** Remuneration payable to Directors, Key Managerial Personnel and Senior Management may be mix of (i) fixed components such as salary, perquisites and allowances and (ii) variable components including commission, based on the individual performance and the performance of the Company, as determined by the Board, provided that the remuneration payable to the Directors shall be subject to the prior/post approval of the shareholders of the Company and/or the Central Government, as may be required under the applicable laws.

**Stock Options:** The Company may issue stock option to its Directors (other than Independent Directors), Key Managerial Personnel and Senior Management, as it may deem fit, subject however to the necessary approvals.

**Remuneration to Non-Executive Directors:** Non-Executive Directors may receive remuneration by way of (i) Sitting Fees, as determined by the Board or the Company (ii) profit related commission as may be approved by the shareholders and (iii) in such other manner as may be permitted under the applicable laws. Executive Directors are not entitled to receive a sitting fee for attending Board meetings of the Company. Sitting fee will not be considered as a part of remuneration for determining the aggregate managerial remuneration being paid to Directors in accordance with this Policy.

**Fee for professional services:** It is clarified that, the fee payable to a Director for any professional services rendered by him to the Company shall not be considered as a part of the relevant Director's remuneration. Further, payment of such professional fee shall not require approval of the shareholders, if the Committee is satisfied that the Director possess the relevant qualifications for practicing the profession. Provided, however that in case approval of the shareholders is required pursuant to the related party transactions policy of the Company or under the Companies Act, 2013 (by virtue of such a transaction being considered as a contract or arrangement for availing any services and/or for appointment of a related party to any office or place of profit in the Company), such approval shall be obtained, in accordance with the provisions of the Companies Act, 2013 or the Listing Agreement.

## SCHABLONA INDIA LIMITED

**Professional Indemnity:** The Company may take such professional indemnity and liability insurance policy for its Directors, Key Managerial Persons and Senior Management, as the Board may deem fit and the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel, except as otherwise provided under the Companies Act, 2013.

**Minimum Remuneration:** If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Whole-time Directors in accordance with the provisions of Section II of Part II of Schedule V to the Companies Act, 2013 and if it is not able to comply with such provisions, with the prior approval of the Central Government.

**Provisions for excess remuneration:** If any Director draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Companies Act, 2013 or without the prior sanction of the Central Government, where required, he/she shall refund such sums to the Company and until such sum is refunded, hold it in trust for the Company. The Company shall not waive recovery of such sum refundable to it, unless permitted by the Central Government.

### Evaluation

The Committee shall review the performance of every Director on the basis of the criteria laid down by the Committee as detailed below for evaluation of performance and submit its report to the Board.

#### Criteria for Evaluation of Independent Director and the Board:

The Independent Directors and the Board shall be evaluated on the basis of the following criteria's i.e. whether they:

- (a) Act objectively and constructively while exercising their duties;
- (b) Exercise their responsibilities in a bona fide manner in the interest of the Company;
- (c) Devote sufficient time and attention to their professional obligations for informed and balanced decision making;
- (d) Do not abuse their position to the detriment of the Company or its shareholders or for the purpose of gaining direct or indirect personal advantage or advantage for any associated person;
- (e) Refrain from any action that would lead to loss of his independence;
- (f) Inform the Board immediately when they lose their independence;
- (g) Assist the Company in implementing the best corporate governance practices;
- (h) Strive to attend all meetings of the Board of Directors and the Committees;
- (i) Participate constructively and actively in the committees of the Board in which they are chairpersons or members;
- (j) Strive to attend the general meetings of the Company;
- (k) Keep themselves well informed about the Company and the external environment in which it operates;
- (l) Do not to unfairly obstruct the functioning of an otherwise proper Board or Committee of the Board;
- (m) Moderate and arbitrate in the interest of the Company as a whole, in situations of conflict between management and shareholder's interest;
- (n) Abide by Company's Memorandum and Articles of Association, Company's Policies and procedures including code of conduct, insider trading guidelines etc.

The performance of Executive Directors shall also be evaluated on the basis of Targets/ Criteria met by them, as given by the Board from time to time.

## SCHABLONA INDIA LIMITED

### Remuneration paid to Mr. Satish C. Vishwakarma, Executive Director of the Company, during the period from 27 May, 2014 to 31 March, 2015:

Particulars	Amount (Rs.)
Salary	718,911
Perquisites and Allowances	618,539
Ex-gratia	59,908
Provident Fund	86,269
Performance linked incentive	338,630
Total	1,822,257
Stock Options granted	Nil

#### Service contracts, notice period, severance fees

Mr. Satish C. Vishwakarma, Executive Director of the Company, has entered into employment contact with the Company. His contract begins on 27 May, 2014 and terminates on 26 May, 2017. His service can be terminated by giving 6 months' notice or alternatively 6 months' salary in lieu of Notice. No severance fees is payable to him under the Service Agreement entered into between the Company and Mr. Satish C. Vishwakarma.

#### Remuneration paid to Non-Executive Directors of the Company during the year 2014-15:

Name	Sitting Fees (Rs.)
Mr. Anirudh Kabra	11,500
Mr. R. K. Borar	13,500
Mr. N. Goenka	4,000
Ms. Abha Kabra	1,500
Total	30,500

The Non-Executive Directors are entitled to receive Directors' Commission in accordance with a special resolution passed by the Shareholders at their Annual General Meeting held on 28th September, 2012.

No Director's Commission was paid in the year 2014-15, for the year 2013-14, due to losses in the Company during that year.

Besides the above, no other pecuniary relationship or transactions vis-a-vis the Company exists with the Non-Executive Directors.

#### SEPARATE MEETING OF INDEPENDENT DIRECTORS

As stipulated by the Code of Conduct for Independent Directors under Schedule IV to the Companies Act, 2013 and Clause 49(II)(B)(6) of the Listing Agreement, a separate meeting of the Independent Directors of the Company was held on 31 March, 2015, to review the performance of Non-Independent Directors and the Board as a whole and also the performance of Mr. N. Goenka, the Chairperson of the Company. The Independent Directors also reviewed the quality, content and timeliness of the flow of information between the Company management and the Board which is necessary to effectively and reasonably perform and discharge their duties.

#### INDUCTION AND TRAINING OF INDEPENDENT DIRECTORS

Independent Directors are familiarised with their roles, rights and responsibilities in the Company as well as the nature of industry in which the Company operates through induction programmes at the time of their appointment as Directors. Upon appointment, the concerned Director is issued a letter of appointment setting out in detail, the terms of appointment, duties, responsibilities and expected time commitments. Formal induction programmes undertaken by the Company for



## SCHABLONA INDIA LIMITED

the Independent Directors involves giving brief description on Company's manufacturing, marketing, finance and other important aspects. The Company Secretary, briefs the Director about their legal and regulatory responsibilities as a Director. The induction for Independent Directors also includes interactive sessions with Business and Functional heads, visit to manufacturing sites etc. On matters of specialized nature, the Company engages outside experts/consultants for presentation and discussion with the Board members. The details of familiarisation programmes for Independent Directors are uploaded on the website of the Company, i.e. [www.schablona.in](http://www.schablona.in) at the weblink: <http://www.schablona.in/vigil/familiar.pdf>

### EVALUATION OF THE BOARD'S PERFORMANCE

One of the key functions of the Board is to monitor and review the Board evaluation framework. During the year, the Board adopted a formal mechanism for evaluating its performance and as well as that of its Committees and individual Directors, including Chairman of the Board. The exercise for evaluation of performance of the Board as a whole and that of its Committees was carried out through a structured evaluation process covering various aspects of Board's and its Committees functioning such as composition of Board & its Committees, experience and competencies, performance of specific duties & obligations, governance issues etc. Separate exercise was carried out to evaluate the performance of individual directors, including the Board, Chairman, who were evaluated on parameters such as attendance, contribution at the meetings and otherwise, independent judgement, safeguarding of minority shareholder's interest etc.

### WHISTLE BLOWER POLICY/ VIGIL MECHANISM

With the rapid expansion of business in terms of volume, value and geography, various risks associated with the business have also increases considerably. One such risk identified is the risk of fraud & misconduct. The Audit Committee is committed to ensure fraud free work environment and to this end the Committee has laid down a Whistle Blower Policy, duly approved by the Board, providing a platform to all the employees, vendors and customers to report any suspected fraud or error or confirmed incident of fraud /misconduct. The Board has approved the Policy on Vigil Mechanism and uploaded the same on the Company's website i.e. [www.schablona.in](http://www.schablona.in)

### SUBSIDIARY COMPANIES

The Company does not have Subsidiary Company.

### GENERAL BODY MEETINGS

The details of Annual General Meetings conducted and Special Resolution passed in the past three years:

Year	Date	Time	Special Resolution passed
2013-2014	16.09.2014(*)	11.30 A.M.	None
2012-2013	11.09.2013(*)	11.30 A.M.	None
2011-2012	28.09.2012(**)	3.00 P.M.	Authorisation for payment of Directors' Commission @1% of the net profits of the Company calculated in accordance with limits prescribed under the Act.

(\*) Held at Jhaharia Committee Room of MCC Chamber of Commerce & Industry, 15B, Hemanta Basu Sarani, 2nd Floor, Kolkata - 700 001.

(\*\*) Held at Somany Conference Hall, MCC Chamber of Commerce & Industry, 15B, Hemanta Basu Sarani, 2nd Floor, Kolkata - 700 001.

No Special Resolution was passed through Postal Ballot during the financial year ended 31 March, 2015 and no Special Resolution is proposed to be conducted through Postal Ballot at the ensuing Annual General Meeting.

### DISCLOSURES

- (i) There were no materially significant related party transactions i.e. the Company's transactions that are of material nature with its directors or management or promoters and their relatives that may have potential conflict with the interests of the Company. Related party transactions have been disclosed in the notes to the accounts in the

## SCHABLONA INDIA LIMITED

financial statements as at 31.03.2015.

- (ii) There has been no instance of non-compliance by the Company on any matter related to capital markets during the last three years, hence the question of imposition of penalties or strictures on the Company by the Stock Exchange or SEBI or any statutory authority, does not arise.
- (iii) The Company complies with all mandatory requirements of Clause 49 of Listing Agreement. It also complies with one of the non-mandatory requirements of said Agreement of having separate post for Chairman and Executive Director of the Company.
- (iv) The Company has followed Accounting Standards notified by the Companies (Accounting Standards) Rules, 2006, as amended from time to time, read with Companies (Accounts) Rules, 2014, in preparation of its Financial Statements.
- (v) During the year under review, no employee of the Company has been denied access to the Audit Committee in respect of suspected fraud or error, under the vigil mechanism adopted by the Board.
- (vi) The Company has in place a mechanism to inform the Board Members about the risk assessment and mitigation plans and periodical reviews to ensure that the critical risks are controlled by the executive management.
- (vii) Information under Clause 49 VIII(E)(1)(a) of the Listing Agreement, in respect of the particulars of the Directors seeking appointment or re-appointment, forms part of the Notice convening the 31st Annual General Meeting of the Company.

### MEANS OF COMMUNICATION

The annual, half-yearly and quarterly Results are usually published in Business Standard, Kolkata (English edition) & Kalantar, Kolkata (Bengali edition). These are submitted to BSE Limited in accordance with the Listing Agreement and regularly posted in Company's website: [www.schablona.in](http://www.schablona.in)

During the year the Company has not made any presentation to Institutional investors or analysts.

### MANAGEMENT DISCUSSION AND ANALYSIS (MD&A)

The MD&A giving an overview of the Industry, Company's business and its financials is appearing elsewhere separately as a part of this Annual Report.

### GENERAL SHAREHOLDER'S INFORMATION

#### Date and Venue of Annual General Meeting:

Wednesday, the 16 September, 2015 at 11.30 A.M. at Somany Conference Hall, MCC Chamber of Commerce & Industry, 15B, Hemanta Basu Sarani, 2nd Floor, Kolkata - 700 001.

**Financial Year:** 1st April to 31st March.

**Book Closure Date :** 9 September, 2015 to 16 September, 2015 (both days inclusive).

#### Financial Calendar: The schedules of the results for 2015-2016 are as follows:

First Quarter	:	Within 45 days of end of June quarter 2015
Second Quarter	:	Within 45 days of end of September quarter 2015
Third Quarter	:	Within 45 days of end of December quarter 2015
Fourth Quarter	:	Within 60 days of end of Financial Year March, 2016

**Contact for Clarification on Financial Statements:** Individual may contact

Mr. N. Goenka, Director  
2, Red Cross Place, Kolkata - 700 001  
Phone : 033 - 22487406/07 Fax : 033 - 22487045  
E-mail : [silinvestors@schablona.in](mailto:silinvestors@schablona.in)

## SCHABLONA INDIA LIMITED

### Dividend:

The Board of Directors has not recommended payment of any dividend on equity shares of Rs. 4/- each of the Company, for the year 2014-15, at its meeting held on 18 May, 2015.

### Listing on Stock Exchange and payment of listing fees:

Shares of the Company are listed at BSE Limited (BSE) and the listing fee for the year 2015-16 has been paid by the Company to the said Exchange. Though the Equity Shares of the Company delisted from The Calcutta Stock Exchange Limited (CSE) with effect from 10th March, 2008, in terms of its application for voluntary delisting of shares from CSE, however, the Company's shares are eligible for trade at CSE under the permitted category. The address of the Stock Exchanges where the shares of the Company are listed are as follows:

BSE Limited (Stock Code: 507894): Phiroz Jeejeebhoy Towers, Dalal Street, Mumbai 400 001, Tel: 91 22 2272 1233; Fax: 91 22 2272 1919.

Calcutta Stock Exchange Ltd. (Stock Code: 10029005): 7, Lyons Range, Kolkata 700 001, Tel:033 4025 3000, Fax: (033) 2210 4500, 4025 3030

Demat ISIN Number for NSDL & CDSL: INE 024C01026 for the paid-up value of Rs. 4/- each.

### Market Price Data & Comparison with BSE Index :

Month	BSE Limited (*)			B S E Index	
	High (Rs.)	Low (Rs.)	No. of Shares Traded	High	Low
April, 2014	13.20	12.59	744	22,939.31	22,197.51
May, 2014	13.80	12.50	836	25,375.63	22,277.04
June, 2014	16.38	10.80	34,872	25,725.12	24,270.20
July, 2014	24.50	17.15	24,083	26,300.17	24,892.00
August, 2014	23.55	22.15	2,790	26,674.38	25,232.82
September, 2014	22.50	12.50	5,793	27,354.99	26,220.49
October, 2014	11.88	9.22	27,500	27,894.32	25,910.77
November, 2014	13.06	11.18	5,438	28,822.37	27,739.56
December, 2014	18.70	13.26	12,033	28,809.64	26,469.42
January, 2015	18.50	12.50	15,662	29,844.16	26,776.12
February, 2015	13.86	12.00	10,734	29,560.32	28,044.49
March, 2015	13.95	10.83	1,21,391	30,024.74	27,248.45

\*Source : Official website of BSE.

**Registrar & Share Transfer Agent :**  
(Both for physical and demat segment)

Maheshwari Datamatics Private Limited  
6, Mangoe Lane, Kolkata - 700 001  
Phone No. 033-2243 5809/5029, Fax No. 033-2248 4787  
E-mail : mdpldc@yahoo.com

### Share Transfer System :

The Company's share are traded on BSE Ltd. in compulsory demat mode. Shares in physical mode are lodged with the Company/RTA, which are transferred within stipulated period provided the documents are complete in all respect. With a view to expedite the share transfer process, Mr. N. Goenka, Chairman of the Company has been delegated with the authority to approve the transfer. The RTA of the Company dispatches the transferred shares to the transferee immediately after transfers take place.

## SCHABLONA INDIA LIMITED

### Distribution of Shareholding as on 31st March, 2015 :

No. of Equity Shares	No. of Shareholders	Percentage of Shareholders	No. of Shares	Percentage of Shareholding
1- 500	3,163	90.14	534,949	16.93
501-1000	201	5.73	154,952	4.90
1001-2000	73	2.08	107,338	3.40
2001-3000	22	0.63	59,099	1.87
3001-4000	7	0.20	24,035	0.76
4001-5000	11	0.31	51,325	1.62
5001-10000	12	0.34	93,744	2.97
10001 and above	20	0.57	2,133,773	67.55
<b>Total</b>	<b>3,509</b>	<b>100.00</b>	<b>3,159,215</b>	<b>100.00</b>

### Shareholding Pattern as on 31st March, 2015 :

Shareholders Category	No. of holders	No. of Shares	Percentage
Indian Promoters, Directors & Relatives	7	1,783,507	56.45
Mutual Funds & UTI	-	-	-
Banks, Financial Institutions, Insurance Companies	-	-	-
FII's	-	-	-
Private Corporate Bodies	46	65,257	2.07
Indian Public	3,442	1,299,850	41.14
NRIs/OCBs	12	10,401	0.33
Trusts	2	200	0.01
Clearing Members	-	-	-
<b>Total</b>	<b>3,509</b>	<b>3,159,215</b>	<b>100.00</b>

### Dematerialisation of Shares :

The Company's equity shares enjoy the DEMAT facilities with NSDL as well as CDSL and 2,662,489 shares representing 84.28% of the equity capital as on 31.03.2015 were in demat form.

**The Company has not issued any GDRs/ADRs/Warrants or any Convertible Instruments.**

### Plant Location :

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

**Shareholder Enquiries :** Individual may contact Mr. Shyamalendu Banerjee at :

2, Red Cross Place, Kolkata - 700 001, Phone : 033-22487406/7, Fax : 033-22487045, Email : silinvestors@schablona.in

### Declaration on Code of Conduct

18th May, 2015

I hereby confirm and declare that, all the Directors and Senior Management Personnel of the Company have affirmed their compliance with the Code of Conduct of the Company for the year ended 31 March, 2015.

Place : New Dehi

Satish C. Vishwakarma  
Executive Director

# SCHABLONA INDIA LIMITED

## CEO/CFO CERTIFICATION

To the Board of Directors of  
**Schablona India Limited**

We have reviewed the financial statements and the cash flow statement of Schablona India Limited for the year ended 31 March, 2015 and to the best of our knowledge and belief, state that:

- (a) (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
- (ii) 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 the internal control systems of the Company pertaining to financial reporting and 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 for rectifying these deficiencies.
- (d) We have indicated to the Auditors and the Audit Committee:
  - (i) significant changes in internal control over financial reporting during the year;
  - (ii) significant changes in accounting policies made during the year and the same have been disclosed in the notes to the financial statements; and
  - (iii) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

For Schablona India Limited

**Satish C. Vishwakarma**  
Executive Director

**Ritika Mansata**  
Company Secretary & CFO

Place: New Delhi  
Date: 18th May, 2015

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## AUDITOR'S CERTIFICATE

To the Members of  
**Schablona India Limited**

We have examined the Compliance of Corporate Governance by SCHABLONA INDIA LIMITED for the year ended 31 March, 2015 as stipulated in Clause 49 of the Listing Agreement of the Company with the Stock Exchange.

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 corporate governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of corporate governance as stipulated in the above-mentioned listing agreement with the Stock Exchange.

We state that generally no investor grievances are pending for a period exceeding one month against the Company as per records maintained by the Company.

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.

Place : New Delhi  
Dated : 18th May, 2015

For **A. K. Maheshwari & Associates**  
Chartered Accountants  
**(CA. Shalin Poddar)**  
Partner  
Membership No. 515616

# SCHABLONA INDIA LIMITED

## INDEPENDENT AUDITORS' REPORT

To the Members of  
**SCHABLONA INDIA LIMITED**

### Report on the Financial Statements

We have audited the accompanying financial statements of SCHABLONA INDIA LIMITED, which comprise the Balance Sheet as at 31 March 2015, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

### Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give true and fair view, in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- a) In the case of Balance Sheet, of the state of affairs of the Company as at 31st March, 2015,
- b) In the case of Statement of Profit & Loss, of the loss for the year ended on that date; and
- c) In the case of Cash Flow Statement, of the cash flows for the year ended on that date.

### Report on other Legal and Regulatory Requirements

1. In our opinion and to the best of our information and according to the explanations given to us, the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure a statement on the matters Specified in paragraphs 3 and 4 of the Order.

## SCHABLONA INDIA LIMITED

2. As required by section 143(3) of the Act, we report that:
- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - b) In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - c) The Balance Sheet, the Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
  - d) In our opinion, the Balance Sheet, Statement of Profit and Loss and Cash Flow comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - e) On the basis of written representations received from the directors as on 31 March, 2015, taken on record by the Board of Directors, none of the director is disqualified as on 31 March, 2015, from being appointed as a director in terms of Section 164(2) of the Act.
  - f) In our opinion and to the best of our information and according to the explanations given to us, we report as under with respect to other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014:
    - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements as referred to in Note 2.1 to the financial statements;
    - ii. The Company does not require any provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long term contracts including derivative contracts;
    - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For **A. K. Maheshwari & Associates**  
Chartered Accountants  
(Firm Registration No. 500106N)  
**(CA. Shalin Poddar)**  
Partner  
Membership No. 515616

Place : New Delhi  
Dated : 18th day of May, 2015

### ANNEXURE TO THE AUDITORS' REPORT

**Referred to in paragraph 1 under the heading of 'Report on Other Legal and Regulatory Requirements' of our Report of even date to the members of Schablona India Limited on the accounts of the company for the year ended 31st March, 2015**

On the basis of such checks as we considered appropriate and according to the information and explanations given to us during the course of our audit, we report that:

- I. In respect of its fixed assets:
  - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of the fixed assets.
  - (b) As explained to us, fixed assets have been physically verified by the management during the year in accordance with the phased programme of verification adopted by the management which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanations given to us, no material discrepancies were noticed on such verification and the same have been properly dealt with in the books of accounts.
- II. In respect of its inventory:
  - a) As explained to us, the inventories of finished goods, semi-finished goods, stores, spare parts and raw materials were physically verified at regular intervals by the Management.
  - b) In our opinion and according to the information and explanation given to us, the procedures of physical verification of inventories followed by the Management were reasonable and adequate in relation to the size of the Company and the nature of its business.
  - c) In our opinion and according to the information and explanations given to us, the Company has maintained proper records of its inventories and no material discrepancies were noticed on physical verification of stocks as compared to book records.

## SCHABLONA INDIA LIMITED

- III. According to the information and explanations given to us, the Company has not granted any loans to companies, firms or other parties covered in the Register maintained under Section 189 of the Companies Act, 2013; and therefore paragraph 3(iii) of the Order is not applicable.
- IV. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business for the purchase of inventory, fixed assets and for the sale of goods. During the course of our Audit, we have not observed any continuing failure to correct major weaknesses in internal control.
- V. The Company has not received any public deposits covered under section 73 to 76 of the Companies Act, 2013 during the year, hence clause 3(v) is not applicable.
- VI. The maintenance of cost records has not been prescribed by the Central Government under section 148(1) of the Companies Act, 2013 read with Companies (Cost Records and Audit) Rules, 2014 for the goods/products manufactured the Company.
- VII. In respect of statutory dues:
- (a) According to the records of the Company and information and explanations given to us, the Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees State Insurance (ESI), Investor Education and Protection Fund, Income Tax, Tax deducted at source, Tax collected at source, Professional Tax, Sales Tax, Value Added Tax (VAT), Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess and other material statutory dues applicable to it, with the appropriate authorities.
- (b) According to the information and explanations given to us, there were no undisputed amounts payable in respect of Income Tax, Wealth Tax, Custom Duty, Excise Duty, Sales Tax, VAT, Cess and other material statutory dues in arrears /were outstanding as at 31 March, 2015 for a period of more than six months from the date they became payable except in case of sales tax and income tax as detailed below.

Name of Statute	Nature of Dues	Period to which the amount relates	Amount (Rs. in lacs)	Forum where the dispute is pending
Sales Tax Act	Central Sales Tax	2012-13	8.02	Excise and Taxation Officer-cum-Assessing Authority, Bahadurgarh
Income Tax Act, 1961	Income Tax	AY 2012-13	0.47	CIT(A)-2, Kolkata
<b>Total</b>			<b>8.49</b>	

- (c) There has not been an occasion in case of the Company during the year under report to transfer any sums to the Investor Education and Protection Fund. The question of reporting delay in transferring such sums does not arise as at 31st March, 2015.
- VIII. The Company does not have the accumulated losses at the end of financial year. The Company has incurred Cash losses of Rs 346.69 lacs during the financial year covered by our audit and Rs. 89.68 lacs during the immediately preceding financial year.
- IX. In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to financial institutions and banks.
- X. In our opinion, and according to the information and the explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions during the year;
- XI. The Term loans taken by the Company have been applied for the purpose for which they were raised.
- XII. To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

For **A. K. Maheshwari & Associates**  
Chartered Accountants  
(Firm Registration No. 500106N)  
**(CA. Shalin Poddar)**  
Partner  
Membership No. 515616

Place : New Delhi  
Dated : 18th day of May, 2015



## SCHABLONA INDIA LIMITED

### BALANCE SHEET AS AT 31ST MARCH , 2015

<u>Particulars</u>	<u>Note No.</u>	<u>31.03.2015</u>	<u>(Rs. in Lacs)</u> <u>31.03.2014</u>
<b>I. EQUITY AND LIABILITIES</b>			
<b>(1) Shareholder's Funds</b>			
(a) Share Capital	3	126.37	126.37
(b) Reserves and Surplus	4	148.90	525.96
		<u>275.27</u>	<u>652.33</u>
<b>(2) Non-Current Liabilities</b>			
(a) Long-Term Borrowings	5	4.60	20.91
(b) Other Long-Term Liabilities	6	212.43	209.83
(c) Long-Term Provisions	7	33.66	27.51
		<u>250.69</u>	<u>258.25</u>
<b>(3) Current Liabilities</b>			
(a) Short-Term Borrowings	8	737.83	543.26
(b) Trade Payables	9	1,118.73	884.77
(c) Other Current Liabilities	10	181.49	154.28
(d) Short-Term Provisions	11	18.09	14.60
		<u>2,056.14</u>	<u>1,596.91</u>
<b>TOTAL</b>		<u>2,582.10</u>	<u>2,507.49</u>
<b>II. ASSETS</b>			
<b>(1) Non-Current Assets</b>			
(a) Fixed Assets	12		
- Tangible Assets		482.15	562.65
(b) Deferred Tax Assets (Net)	13	111.91	53.67
(c) Long-Term Loans And Advances	14	10.40	11.07
		<u>604.46</u>	<u>627.39</u>
<b>(2) Current Assets</b>			
(a) Inventories	15	690.43	736.63
(b) Trade Receivables	16	1,010.36	894.33
(c) Cash and Cash Equivalents	17	79.76	43.50
(d) Short-Term Loans and Advances	18	197.09	205.64
		<u>1,977.64</u>	<u>1,880.10</u>
<b>TOTAL</b>		<u>2,582.10</u>	<u>2,507.49</u>
Significant Accounting Policies	1		
General Notes to the financial statements	2		
<b>For A. K. Maheshwari &amp; Associates</b>			
Chartered Accountants			
(Firm Regn. No. 500106N)			
<b>(CA. Shalin Poddar)</b>		<b>N. Goenka</b>	<b>Satish C. Vishwakarma</b>
Partner		Director	Executive Director
Membership No. 515616		(DIN - 00060864)	(DIN - 06891937)
Place : New Delhi		<b>Ritika Mansata</b>	
Dated : 18th day of May, 2015		Company Secretary and CFO	
		(ACS 34156)	

## SCHABLONA INDIA LIMITED

### STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2015

<u>Particulars</u>	<u>Note No.</u>	<u>31.03.2015</u>	<u>(Rs. in Lacs)</u> <u>31.03.2014</u>
<b>INCOME</b>			
Revenue from operations	19	4,393.78	3,950.29
Other Income	20	8.85	8.18
		<u>4,402.63</u>	<u>3,958.47</u>
<b>EXPENDITURE</b>			
Cost of Materials consumed	21	1,037.93	1,084.68
Purchase of Stock-In-Trade		2,085.19	1,684.71
Changes in Inventories	22	36.95	(121.93)
Employees Benefit expenses	23	661.36	591.65
Financial Costs	24	106.38	91.14
Depreciation and Amortization expenses	12	52.22	62.91
Other Administrative Expenses	25	825.56	717.76
		<u>4,805.59</u>	<u>4,110.92</u>
Profit/(Loss) before exceptional and extraordinary items and tax		<u>(402.96)</u>	<u>(152.45)</u>
Exceptional Items		0.59	6.31
Profit/(Loss) before extraordinary items and tax		<u>(403.55)</u>	<u>(158.76)</u>
Extraordinary Items		-	-
Profit/(Loss) before tax		<u>(403.55)</u>	<u>(158.76)</u>
Tax expense:			
(1) Current tax		-	-
(2) Deferred tax		(58.24)	(71.08)
Profit/(Loss) For the Year		<u>(345.31)</u>	<u>(87.68)</u>
<b>Earning per equity share of face value of Rs. 4/- each</b>	2.3		
- Basic		(10.93)	(2.78)
- Diluted		(10.93)	(2.78)
Significant Accounting Policies	1		
General Notes to the Financial Statements	2		

**For A. K. Maheshwari & Associates**

Chartered Accountants  
(Firm Regn. No. 500106N)  
**(CA. Shalin Poddar)**  
Partner  
Membership No. 515616

**N. Goenka**  
Director  
(DIN - 00060864)

**Satish C. Vishwakarma**  
Executive Director  
(DIN - 06891937)

Place : New Delhi  
Dated : 18th day of May, 2015

**Ritika Mansata**  
Company Secretary and CFO  
(ACS 34156)

## SCHABLONA INDIA LIMITED

### NOTES TO THE BALANCE SHEET

<u>Particulars</u>	<u>31.03.2015</u>	<u>(Rs. in Lacs)</u> <u>31.03.2014</u>		
<b>3 Share Capital</b>				
Authorised :				
50,00,000 (Previous Year 50,00,000) Equity Shares of Rs. 10/- each	<u>500.00</u>	<u>500.00</u>		
Issued, Subscribed & Paid Up :				
31,59,215 (Previous Year 31,59,215) Equity Shares of Rs. 4/- each fully paid up (paid up value of the equity shares were reduced from Rs. 10/- each to Rs. 4/- each in terms of order dt. 14.12.04 of Hon'ble High Court, Calcutta)	<u>126.37</u>	<u>126.37</u>		
	<b><u>126.37</u></b>	<b><u>126.37</u></b>		
<b>Note :</b>				
(a) Reconciliation of Equity Share Capital (In Number) :				
Shares outstanding at the beginning of the year	3,159,215	3,159,215		
Add: Shares issued during the year	-	-		
Less: Shares bought back during the year	-	-		
Shares outstanding at the end of the year	3,159,215	3,159,215		
(b) Equity Shares :				
The Company has only one class of Equity Shares having paid-up value of Rs. 4/- each and each shareholder is entitled to one vote per share. Each shareholder have the right in profit/surplus in proportion to amount paid up with respect to share holder. In the event of winding up, the equity shareholders will be entitled to receive the remaining balance of assets, if any, in proportionate to their individual shareholding in the paid up equity capital of the Company.				
(c) List of shareholders holding more than 5% of the Equity Share Capital of the Company :				
	<b><u>31.03.2015</u></b>	<b><u>31.03.2014</u></b>		
<u>Name of the Shareholders</u>	<u>No. of Shares</u>	<u>%</u>	<u>No. of Shares</u>	<u>%</u>
Bhilwara Holdings Limited	626,911	19.84	626,911	19.84
Hiralall Somany	431,647	13.66	431,647	13.66
SR Continental Limited	390,800	12.37	390,800	12.37
Somany Ceramics Limited	200,000	6.33	200,000	6.33
	<u>1,649,358</u>	<u>52.20</u>	<u>1,649,358</u>	<u>52.20</u>
<b>4 Reserves and Surplus</b>				
<b>Capital Reserve</b>				
As per last year	<u>0.63</u>		<u>0.63</u>	
<b>General Reserve</b>				
As per last year	<u>75.00</u>		<u>75.00</u>	
<b>Surplus in Statement of Profit and Loss</b>				
Balance at the beginning of the year	450.33		538.01	
Adjustment of Depreciation *	(31.75)		-	
Net Profit/(Loss) for the current year	<u>(345.31)</u>		<u>(87.68)</u>	
Closing Balance	<u>73.27</u>		<u>450.33</u>	
	<b><u>148.90</u></b>		<b><u>525.96</u></b>	

\* Depreciation on assets whose life have expired but WDV is remaining in books, have been adjusted with retained earnings as per schedule II of the Companies Act, 2013.

## SCHABLONA INDIA LIMITED

### NOTES TO THE BALANCE SHEET

<u>Particulars</u>	<u>31.03.2015</u>	<u>(Rs. in Lacs)</u> <u>31.03.2014</u>
<b>5 Long-Term Borrowings</b>		
<b>Secured :</b>		
<b>Term Loans</b>		
- From Banks	19.82	37.98
<b>Car Loans</b>		
- From Banks	7.28	13.37
	<u>27.10</u>	<u>51.35</u>
<b>Less: Current Maturities of Long Term Borrowings</b>		
<b>Term Loans</b>		
- From Banks	19.82	25.75
<b>Car Loans</b>		
- From Banks	2.68	4.69
	<u>22.50</u>	<u>30.44</u>
	<u>4.60</u>	<u>20.91</u>
(a) Term loan from State Bank of India is secured against first charge on all present & future fixed assets of the Company except Land & Building and a second charge on all present and future Current Assets of the Company. The said loan to be secured additionally by way of creation of mortgage on Land & Building of the Company at Kassar, Bahadurgarh, Haryana in due course of time.		
(b) The term loan is also secured by way of a Corporate Guarantee of M/s Somany Ceramics Limited.		
(c) Term Loan II is repayable in monthly installments of Rs.1.75 lac (previous year Rs. 1.75 lac).		
(d) Car loan is secured against hypothecation of vehicles purchase thereunder and repayable in monthly installments as per stipulation in the loan agreement.		
<b>6 Other Long Term Liabilities</b>		
Security Deposit	212.43	209.83
	<u>212.43</u>	<u>209.83</u>
<b>7 Long-Term Provisions</b>		
Provision for Leave Encashment	35.43	29.29
Less: Provision for Short term leave encashment	1.77	1.78
	<u>33.66</u>	<u>27.51</u>
<b>8 Short-Term Borrowings</b>		
<b>From Bank</b>		
Cash Credit	520.33	492.82
Cash Credit is secured by way of First charge on all current assets of the Company by way of hypothecation of store, stocks, book debts and other current assets and Second charge on entire present and future fixed assets of the Company, except land & building which will be mortgaged in due course of time. The said financial assistance is additionally secured by way of a Corporate Guarantee of M/s. Somany Ceramics Limited		
Current Maturities of Long-Term Borrowings	22.50	30.44
	<u>542.83</u>	<u>523.26</u>
<b>Unsecured :</b>		
Inter Corporate Deposits	195.00	20.00
	<u>737.83</u>	<u>543.26</u>

## SCHABLONA INDIA LIMITED

### NOTES TO THE BALANCE SHEET

<u>Particulars</u>	<u>31.03.2015</u>	<u>31.03.2014</u>
<b>(Rs. in Lacs)</b>		
<b>9 Trade Payables</b>		
Sundry Creditors	1,118.73	884.77
	<u>1,118.73</u>	<u>884.77</u>
<b>10 Other Current Liabilities</b>		
Statutory Dues	34.37	34.66
Advances From Customers	45.43	36.50
Other Liabilities	101.69	83.12
	<u>181.49</u>	<u>154.28</u>
<b>11 Short-Term Provisions</b>		
Provision For Leave Encashment	1.77	1.78
Unclaimed dividend	6.38	6.42
Provision for Gratuity	9.94	6.40
	<u>18.09</u>	<u>14.60</u>

### 12 Fixed Assets

(Rs. in Lacs)

Sl. No.	Particulars	GROSS BLOCK			DEPRECIATION					NET BLOCK		
		As at	Additions during the year	Sales/ Adjustments during the year	As at 31.03.15	Upto 31.03.14	Adjustment*	For the Year	Adjustments during the	Upto 31.03.15	As at 31.03.15	As at 31.03.14
1	Land	9.53	-	-	9.53	-	-	-	-	-	9.53	9.53
2	Building											
	- Own	197.27	-	-	197.27	50.34	6.32	7.06	-	63.72	133.55	146.93
	- Leasehold Improvements	39.38	-	-	39.38	7.28	0.52	1.25	-	9.05	30.33	32.10
3	Plant & Machinery	546.00	4.05	-	550.05	238.04	1.35	35.17	-	274.56	275.49	307.96
4	Furniture & Fixture	25.14	0.60	-	25.74	9.63	5.03	2.21	-	16.87	8.87	15.51
5	Computer	61.31	3.04	-	64.35	50.79	6.31	1.66	-	58.76	5.59	10.52
6	Office Equipment	27.56	0.23	-	27.79	12.78	10.13	0.72	-	23.63	4.16	14.78
7	Vehicles	37.47	-	5.12	32.35	12.15	2.09	4.15	0.67	17.72	14.63	25.32
	<b>Total</b>	<b>943.66</b>	<b>7.92</b>	<b>5.12</b>	<b>946.46</b>	<b>381.01</b>	<b>31.75</b>	<b>52.22</b>	<b>0.67</b>	<b>464.31</b>	<b>482.15</b>	<b>562.65</b>
	Previous Year	948.62	22.12	27.08	943.66	331.70	-	62.91	13.60	381.01	562.65	616.92

\* As per requirements of Schedule-II to the Companies Act, 2013 ('Act') effective from 1st April, 2014, the Company has revised the useful life of the fixed assets during the year. As a result Rs.31.75 lacs pertaining to assets for which the remaining useful life was Nil as on 1st April, 2014 has been adjusted from retained earnings.

## SCHABLONA INDIA LIMITED

### NOTES TO THE BALANCE SHEET

<u>Particulars</u>	<u>31.03.2015</u>	<u>(Rs. in Lacs)</u> <u>31.03.2014</u>
<b>13. Deferred Tax Liabilities / (Assets) (Net)</b>		
Beginning of the year	(53.67)	17.41
Provided during the year	(58.24)	(71.08)
	<u>(111.91)</u>	<u>(53.67)</u>
<b>14 Long Term Loans and Advances</b>		
Secured, Considered Good		
Security Deposit		
- With Government Departments	8.45	7.37
- Other Deposits	1.95	3.70
	<u>10.40</u>	<u>11.07</u>
<b>15 Inventories</b>		
(As taken, valued and certified by the Management)		
Raw Material	149.04	151.97
Work-in-Progress	18.02	19.64
Finished Goods	296.75	354.50
Stock-in-Trade	213.64	195.01
Stores & Spares	12.98	15.51
	<u>690.43</u>	<u>736.63</u>
<b>16 Trade Receivables</b>		
<b>Outstanding for more than Six Months from due date</b>		
Unsecured, Considered Good	121.42	78.22
Doubtful	9.36	4.90
Less : Provision for Doubtful Debts	9.36	4.90
	<u>121.42</u>	<u>78.22</u>
<b>Others</b>		
Unsecured, Considered Good	888.94	816.11
	<u>1,010.36</u>	<u>894.33</u>
<b>17 Cash &amp; Cash Equivalents</b>		
Cash in hand (including cheques & stamps)	1.14	1.16
With Scheduled Banks :		
In Current Accounts	58.94	23.64
In Fixed Deposit Accounts (lodged as security)	13.30	12.28
In Unpaid Dividend Accounts	6.38	6.42
	<u>79.76</u>	<u>43.50</u>
<b>18 Short-Term Loans and Advances</b>		
Deposit with Others	23.83	30.94
Advance Payment of Income Tax (net of provisions)	26.25	24.98
Balances with Government Authorities	140.13	144.90
Prepaid expenses	2.25	2.59
Advance to Suppliers	4.63	2.23
	<u>197.09</u>	<u>205.64</u>

## SCHABLONA INDIA LIMITED

### NOTES TO THE STATEMENT OF PROFIT AND LOSS

<u>Particulars</u>	<u>31.03.2015</u>	<u>(Rs. in Lacs)</u> <u>31.03.2014</u>
<b>19 Revenue from Operations</b>		
Sales	2,092.53	2,111.38
Sale of traded goods	<u>2,475.31</u>	<u>1,998.48</u>
	4,567.84	4,109.86
<u>Other Operating revenue</u>		
Job Work Income	-	0.09
Insurance recovered on Sales	-	13.87
Miscellaneous Sales	<u>6.66</u>	<u>4.25</u>
	4,574.50	4,128.07
Less: Excise Duty	<u>180.72</u>	<u>177.78</u>
	<b><u>4,393.78</u></b>	<b><u>3,950.29</u></b>
<b>20 Other Income</b>		
Liabilities no longer required written back	0.41	0.15
Interest received	<u>8.44</u>	<u>8.03</u>
	<b><u>8.85</u></b>	<b><u>8.18</u></b>
<b>21 Cost of Materials Consumed</b>		
Raw Material (with processing charges)	942.46	978.54
Packing Material	<u>95.47</u>	<u>106.14</u>
	<b><u>1,037.93</u></b>	<b><u>1,084.68</u></b>
<b>22 Change in Inventories</b>		
<b>Closing Stock</b>		
Finished goods	296.75	354.50
Work-in-progress	18.02	19.64
Stock-in-trade	<u>213.64</u>	<u>195.01</u>
	<b><u>528.41</u></b>	<b><u>569.15</u></b>
<b>Opening Stock</b>		
Finished goods	354.50	240.82
Work-in-progress	19.64	30.16
Stock-in-trade	<u>195.01</u>	<u>168.67</u>
	<b><u>569.15</u></b>	<b><u>439.65</u></b>
Increase/(Decrease) in Stock	(40.74)	129.50
Add : (Increase)/Decrease in excise duty on stock	<u>3.79</u>	<u>(7.57)</u>
	<b><u>(36.95)</u></b>	<b><u>121.93</u></b>
<b>23 Employees Benefit Expenses</b>		
Salary, Wages, Bonus & Gratuity	600.99	536.90
Contribution to Provident Fund and Other Funds	29.74	27.54
Workmen & Staff Welfare	<u>30.63</u>	<u>27.21</u>
	<b><u>661.36</u></b>	<b><u>591.65</u></b>
<b>24 Finance Costs</b>		
Interest on Borrowings	106.38	86.96
Other Borrowing Cost	-	4.18
	<b><u>106.38</u></b>	<b><u>91.14</u></b>

## SCHABLONA INDIA LIMITED

### NOTES TO THE STATEMENT OF PROFIT AND LOSS

<u>Particulars</u>	<u>(Rs. in Lacs)</u>	
	<u>31.03.2015</u>	<u>31.03.2014</u>
<b>25 Other Administrative Expenses</b>		
Power & Fuel	106.55	115.87
Stores & Spares	104.78	88.64
Insurance	1.31	10.14
Travelling Expenses	110.69	124.23
Repair & Maintenance	17.06	11.85
Training & Recruitment Expenses	31.78	29.01
General Expenses	1.24	1.58
Miscellaneous Expenses	3.94	3.95
Legal & Professional Expenses	15.85	8.65
Postage, Telegram & Telephone Expenses	20.02	21.40
Rent	45.26	52.30
Rates & Taxes	11.62	2.75
Freight Outward and Handling Charges	30.41	30.97
Rebate & Discounts	95.80	72.13
Selling & Distribution Expenses	220.02	138.71
Exchange Rate Difference	(0.05)	0.76
Director Fees	0.30	0.44
Prior Period Adjustment	-	0.09
Provision for Doubtful Debts	4.46	-
Bank Charges	2.67	2.63
Payment to Auditors		
- Audit Fees	1.12	1.12
- Out of pocket expenses	0.73	0.54
	<u>825.56</u>	<u>717.76</u>



# SCHABLONA INDIA LIMITED

## SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO THE ACCOUNTS

### NOTE 1 SIGNIFICANT ACCOUNTING POLICIES

#### a) Method of Accounting

These financial statements have been prepared to comply with the Generally Accepted Accounting Principles in India (Indian GAAP), including the Accounting Standards notified under the relevant provisions of the Companies Act, 2013.

The financial statements are prepared on accrual basis under the historical cost convention, except for certain Fixed Assets which are carried at revalued amounts. The financial statements are presented in Indian rupees rounded off to the nearest rupees in Lacs.

#### b) Use of Estimates

The preparation of financial statements are in conformity with the generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the result of operations during the reporting period.

#### c) Fixed Assets & Depreciation

- i) Fixed assets are accounted for at cost of acquisition inclusive of freight, duties, taxes, erection, installation and other incidentals related to acquisitions and installation but exclusive of Excise Modvat recoverable on purchase of Capital Goods.
- ii) Cost of fixed assets acquired from outside India is converted into Indian rupees at the exchange rates prevailing on the date of disbursements.
- iii) Fixed assets are stated at cost less accumulated depreciation.
- iv) However, Fixed Assets relating to "Transfers Division" have been stated at the revalued cost as on 31st August 2003; pursuant to order dt. 14-12-2004 of Hon'ble Calcutta High Court, under the Capital Reduction Scheme approved by them as per provisions of Section 100(1)(b) of the Companies Act, 1956.
- v) Depreciation on Fixed Assets has been provided on a straight line method, considering the estimated useful life as specified in Schedule II to the Companies Act, 2013 as notified by the Department of Company Affairs vide notification no. GSR. 237(E) dated 31.03.2014. Impaired assets are amortized over the estimated balance useful life.
- vi) On assets sold/discarded during the year, depreciation is provided up to the date of sale/discarding of such assets.
- vii) On the assets acquired during the year, depreciation is calculated on pro-rata basis from the date of acquisition/installation of the assets except the assets costing upto Rs. 5000/- each which are fully depreciated in the year of purchase.

#### d) Inventories

- i) Raw material, Stores and Spare parts, Tools & Implements and Packing material are valued at average weighted cost.
- ii) Stock of Work in process is valued at cost of Raw Material.
- iii) Finished stocks are valued at lower of cost or net realizable value. Cost includes raw material cost and appropriate share of manufacturing expenses and other expenses directly attributable to production and are inclusive of depreciation on plant and machinery and factory building and excise duty paid/payable thereon.
- iv) Traded goods are valued at lower of cost and net realisable value by adopting FIFO method. Cost includes purchase price and other associated cost directly incurred in bringing the inventory to its present location.

#### e) Foreign Exchange Transaction

Transaction in foreign currency is recorded in Indian rupees using the rates of exchange prevailing on the date of transaction. At each balance sheet date, recorded monetary balances are reported in Indian rupees at rates of exchange prevailing at the balance sheet date. All realized or unrealized exchange adjustment, gains and losses are dealt with in the Statement of Profit and Loss.

## SCHABLONA INDIA LIMITED

### f) Excise & Customs Duty

Excise duty is accounted on the basis of both payments made in respect of goods cleared and also provision made for finished goods lying in bonded warehouse.

### g) CENVAT Credit

The CENVAT credit available on purchase of raw material, other eligible inputs and capital goods is adjusted against excise duty payable on clearance of goods produced. The un-availed CENVAT credit is shown under the head "Short Term Loans and Advances".

### h) Research & Development Expenditure

Revenue expenditure is charged to Statement of Profit and Loss and capital expenditure is added to the cost of fixed assets in the year in which it is incurred.

### i) Earning Per Share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average numbers of equity shares outstanding during the period are adjusted for events of bonus issue and share split, if any. For the purpose of calculating diluted earnings per share, the net profit or loss 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.

### j) Taxes on Income

Provision for tax for the year comprises estimated current income tax determined to be payable in respect of taxable income and deferred tax being the tax effect of timing differences representing the difference between taxable and accounting income that originate in one period and are capable of reversal in one or more subsequent periods and is calculated in accordance with the relevant domestic tax laws. Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

### k) Impairment of Assets

The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss, if any. Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. An intangible asset with an indefinite useful life is tested for impairment annually and whenever there is an indication that asset may be impaired.

### l) Revenue Recognition

- i) Sales represent invoiced value of goods, net of sales return and trade discount but inclusive of Excise Duty, wherever applicable.
- ii) Domestic Sale of goods is recognized at the point of dispatch of material to customers. Export Sales are accounted for on the basis of Bill of Lading.
- iii) Profit/Loss on sale of fixed assets are recognized in the year of sale.
- iv) Interest is accounted on accrual basis.

### m) Borrowing Cost

Borrowing Costs that are attributable to the acquisition or construction of qualifying assets are capitalized up to the date of its commissioning as part of the cost of such assets. All other borrowing costs are charged to Statement of Profit and Loss.

## SCHABLONA INDIA LIMITED

### n) Gratuity and Other Retirement Benefits

- i) Retirement benefits in the form of Provident Fund are treated as a defined contribution scheme and the contributions are charged to the Statement of Profit and Loss of the year when the contributions to the respective funds are due.
- ii) Gratuity liability is a defined obligation and is provided for on the basis of an actuarial valuation made at the end of each financial year.
- iii) Provision for Leave encashment is made on the basis of estimation made by actuarial.
- iv) Other short term compensated absences are provided for based on past experience of leave availed.

### o) Provisions and Contingent Liabilities

A provision is recognized if material when the Company has a present obligation as a result of past event 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 based on technical valuation and past experience. Provisions are not discounted to its present value and are determined based on management estimate required to settle the obligation at the balance sheet date. No provision is recognized for liabilities whose future outcome cannot be ascertained with reasonable certainties. Such contingent liabilities are not recognized but are disclosed in the schedule of contingent liability on the basis of judgment of the management/independent expert. These are reviewed at each balance sheet date and adjusted to reflect the current management estimate.

### NOTE 2 GENERAL NOTES TO THE FINANCIAL STATEMENTS

	<u>31.03.2015</u>	<u>31.03.2014</u>
(Rs. in Lacs)		
<b>2.1 Contingent Liabilities not provided for</b>		
a) Contingent liabilities not provided for in respect of Co-surety given to Sales Tax authorities on behalf of M/s. Somany Ceramics Limited	12.50	12.50
b) Sales Tax demand against which appeal has been filed by the Company	8.02	108.26
c) Income Tax demand against which appeal has been filed by the Company	0.47	-
	<u>20.99</u>	<u>120.76</u>

In terms of Long Term Gas supply Agreement (GSA) with GAIL (India) Limited (referred to as 'Seller') which is valid till period ending December 2025, there are under drawn quantities of Re-Liquidified Natural Gas (RLNG) by the Company equivalent to Rs.63.90 Lacs for the calendar year 2014. Against this the Company has received a demand notice from Seller aggregating to Rs.24.44 Lacs only representing an aggregate under drawn quantity of 2548.42 MMBTU. If this demand is paid, the same will be treated as advance in accounts as the Company will be eligible to take under drawn quantities of RLNG including that for calendar year 2014 in subsequent contract years subject to Seller's operational flexibility and price adjustment. The Company has also represented to Seller for review the said demand which is pending for its resolution.

### 2.2 Related party disclosure in accordance with the Accounting Standard "18" issued by The Institute of Chartered Accountants of India:

Related Parties with whom transactions have taken place & description of relationship :

Name of Related Party	Nature of Related Party	Amount Paid	Outstandings as at 31.03.2015
Mr. Satish C Vishwakarma - Executive Director	Key Management Personnel	Rs. 1,822,257	Rs. 19,210
Ms. Ritika Mansata - Company Secretary and CFO	- do -	Rs. 213,442	Rs. 20,443

## SCHABLONA INDIA LIMITED

### 2.3 Earnings Per Share (EPS) :

	<u>31.03.2015</u>	<u>31.03.2014</u>
Profit/(Loss) attributable to the equity shareholders (Rs. in lacs)	(345.31)	(87.68)
Weighted Average No. of Equity Shares outstanding during the year	3,159,215	3,159,215
Paid up Value of each Equity share (Rs.)	<u>4</u>	<u>4</u>
EPS (Rs.)	<u>(10.93)</u>	<u>(2.78)</u>

- 2.4 In terms of Accounting Standard "22" issued by The Institute of Chartered Accountants of India, the Company has recognized a net deferred tax assets of Rs. 111.91 lacs (previous year Rs.53.67 lacs) on a reasonable and conservative basis, which would be available for set off against the future profits of the Company.

	<u>31.03.2015</u>	<u>31.03.2014</u>
(Rs. in Lacs)		
Deferred Tax Liability/(Assets) at the beginning of the year	(53.67)	17.41
<b>Deferred Tax Assets</b>		
Depreciation	11.38	(4.96)
Leave Encasement	(1.90)	(2.46)
Gratuity	(1.09)	0.93
Bonus & Ex-gratia	(2.08)	3.21
On losses	<u>(64.55)</u>	<u>(67.80)</u>
<b>Net Deferred Tax Liability/ ( Assets)</b>	<u>(111.91)</u>	<u>(53.67)</u>

- 2.5 In accordance with the Accounting Standard "17" issued by The Institute of Chartered Accountants of India, the necessary disclosure in respect of reportable segments has been given in Annexure "A" which forms part of the Balance Sheet.
- 2.6 Pursuant to Notification No. G S R 129(E) dated 22nd February, 1999 issued by Ministry of Law & Justice and Company Affairs and The Micro, Small & Medium Enterprises Development Act, 2006, the name(s) of the small scale industrial undertaking(s) to whom the Company owe a sum exceeding Rs. 1.00 Lac which is outstanding for more than 30 days as on 31.03.2015 have not been furnished in view of insufficient information from the suppliers regarding their status as SSI unit hence amount overdue to small scale industrial undertakings as on 31.03.2015 cannot be ascertained. However, no specific claims have been received for interest from suppliers with reference to the "Interest on Delayed Payments Small Scale Ancillary Industrial Undertakings Act, 1993".
- 2.7 In accordance with Accounting Standard "9", "Recognition of Revenue", issued by the Institute of Chartered Accountants of India, the Company has reduced inter unit sales/purchase from the purchase & sales of respective units amounting to Rs. 138.55 lacs (previous year Rs. 208.21 lacs). However, the above has no impact on the profitability of the Company for the year. Further, sales for the year includes export sales of Rs. 5.27 lacs (previous year Rs. 4.74 lacs).
- 2.8 In the opinion of the management, Current Assets and Loans & Advances have a value on realization in ordinary course of business at least equal to the amount at which they are stated.
- 2.9 Balances in Trade Receivables, Trade Payables, Short Term Loans and Advances, Long Term Loans and Advances are subject to confirmation/ reconciliation/ adjustment, if any. The effect of such adjustments shall be determined and accounted for in the year of determination.

### 2.10 Payments to Auditors (Exclusive of Service Tax)

	<u>31.03.2015</u>	<u>31.03.2014</u>
(Rs. in Lacs)		
i) Audit Fees	0.75	0.75
ii) Tax Audit Fees	0.25	0.25
iii) Out of Pocket Expenses	0.73	0.54

- 2.11 As per requirements of Schedule-II to the Companies Act, 2013 (' Act') effective from 1st April,2014, the Company has revised the useful life of the fixed assets during the year. As a result Rs.31.75 lacs pertaining to assets for which the remaining useful life was Nil as on 1st April, 2014 has been adjusted from retained earnings. Further depreciation charged for the year ended 31st March, 2015 would have been lower by Rs. 10.69 lacs respectively.

## SCHABLONA INDIA LIMITED

### 2.12 Employee Benefit :

Statement of the Gratuity, Leave encashment & Sick Leave as at 31 March, 2015 is as follow :

(Rs. in lacs)

		Gratuity	Leave Encashment	Gratuity	Leave Encashment
		(Funded)	and Sick Leave (Non-Funded)	(Funded)	and Sick Leave (Non-Funded)
		31.03.2015		31.03.2014	
<b>I</b>	<b>Expense recognized in the Statement of Profit and Loss</b>				
a	Current Service cost	7.60	5.27	5.77	5.00
b	Interest cost	3.70	2.84	3.72	1.94
c	Expected return on plan asset	(3.42)	-	(3.08)	-
d	Net actuarial (gain)/loss recognised in the period	5.07	2.86	(0.01)	5.06
e	Expenses recognized in Statement of Profit and Loss	<b>12.95</b>	<b>10.97</b>	<b>6.40</b>	<b>12.00</b>
<b>II</b>	<b>Net Assets/(Liabilities) recognised in the Balance Sheet</b>				
a	Present value of obligation as at the end of the period	66.50	35.43	49.20	29.29
b	Fair Value of plan asset as at the end of the period	56.56	-	42.80	-
c	Funded status	(9.94)	(35.43)	(6.40)	(29.29)
d	Net Assets/(Liabilities) recognised in the balance sheet	<b>(9.94)</b>	<b>(35.43)</b>	<b>(6.40)</b>	<b>(29.29)</b>
<b>III</b>	<b>Change in present value of obligation</b>				
a	Present value of obligation as at beginning of the period	49.20	29.29	43.48	21.71
b	Interest cost	3.70	2.84	3.72	1.94
c	Current Service cost	7.60	5.27	5.77	5.00
d	Benefits Paid	(5.78)	(4.83)	(4.33)	(4.42)
e	Actuarial (Gain)/Loss on obligation	11.78	2.86	0.56	5.06
f	Present value of obligation at the end of the period	<b>66.50</b>	<b>35.43</b>	<b>49.20</b>	<b>29.29</b>
<b>IV</b>	<b>Changes in the fair value of plan assets</b>				
a	Fair value of plan assets as at beginning of the period	42.80	-	34.23	-
b	Expected return on plan assets	3.42	-	3.08	-
c	Contributions	9.40	-	9.25	-
d	Benefits Paid	(5.78)	-	(4.33)	-
e	Actuarial (Gain)/Loss on plan assets	6.71	-	0.57	-
f	Fair value of plan assets at the end of the period	<b>56.56</b>	-	<b>42.80</b>	-
<b>V</b>	<b>The Major Category of Plan assets as a percentage to total plan</b>				
	Mutual Funds	100%	-	100%	-
	Government Securities	0%	-	0%	-
	Bank	0%	-	0%	-
<b>VI</b>	<b>Actuarial Assumptions</b>				
	<b>Economic Assumptions-</b>				
	Discounting Rate	8.00%	7.78%	9.00%	9.20%
	Future Salary Increase	6.00%	6.00%	6.00%	6.00%
	Expected Rate of return on plan assets	8.00%	-	9.00%	-
	<b>Demographic Assumptions-</b>				
	Retirement Age	58	58	58	58
	Mortality Table	IALM	IALM	IALM	IALM
		(2006-08)	(2006-08)	(2006-08)	(2006-08)
	<b>Withdrawal Rates</b>				
	Up to 29 Years	1%	3%	1%	3%
	From 29 to 45 years	3%	2%	3%	2%
	Above 45 years	6%	1%	6%	1%

## SCHABLONA INDIA LIMITED

### 2.13. Additional Information forming part of the accounts for the year ended 31st March, 2015

	<b>Rs. in lacs</b>			
	<b><u>2014-15</u></b>	<b><u>2013-14</u></b>		
<b>A. Trading Activities</b>				
<b>Tiles</b>				
Opening Stock	195.01	168.67		
Purchase	2,085.19	1,684.71		
Closing Stock	213.64	195.01		
Sale	2,475.31	1,998.48		
<b>B. Raw material and packing material consumed</b>				
Class of Goods				
Plain Tiles	384.00	397.85		
Paper	141.35	138.42		
Colours & Chemicals	346.70	346.61		
Others	70.41	95.66		
Packing Material	95.47	106.14		
	<u>1,037.93</u>	<u>1,084.68</u>		
<b>C. Value of imported &amp; indigenous Raw Material, Packing Material &amp; Spare Parts consumed during the year</b>				
Particulars	<u>Raw Material &amp; Packing Material</u>		<u>Stores &amp; Spares</u>	
	<u>2014-15</u>		<u>2013-14</u>	
Imported	67.49	6.50%	49.63	4.58%
Indigenous	970.44	93.50%	1,035.05	95.42%
	<u>1,037.93</u>	<u>100.00%</u>	<u>1,084.68</u>	<u>100.00%</u>
	0.44	0.42%	-	0.00%
	104.34	99.58%	88.64	100.00%
	<u>104.78</u>	<u>100.00%</u>	<u>88.64</u>	<u>100.00%</u>
<b>D. Details of work in progress</b>				
			<b><u>2014-15</u></b>	<b><u>2013-14</u></b>
Plain Tiles			4.36	2.68
Paper			3.92	1.23
Colours & Chemicals			9.25	14.98
Others			0.49	0.75
			<u>18.02</u>	<u>19.64</u>
<b>E. CIF value of Imports</b>				
- Raw Material			<u>97.42</u>	<u>48.30</u>
			<u>97.42</u>	<u>48.30</u>
<b>F. Earnings in Foreign Currency</b>				
FOB Value of Exports			5.27	4.74
<b>G. Expenditure in Foreign Currency</b>				
- Travelling Expenses			0.09	1.41
- Training Expenses			31.13	28.02
			<u>31.22</u>	<u>29.43</u>

2.14 Previous year's figures have been regrouped/ rearranged/ reclassified wherever consider necessary in order to meet current year classification.

As per our Audit Report of even date attached

For **A. K. Maheshwari & Associates**

Chartered Accountants  
(Firm Regn. No. 500106N)  
**(CA. Shalin Poddar)**  
Partner  
Membership No. 515616

**N. Goenka**  
Director  
(DIN - 00060864)

**Satish C. Vishwakarma**  
Executive Director  
(DIN - 06891937)

**Ritika Mansata**  
Company Secretary and CFO  
(ACS 34156)

Place : New Delhi  
Dated : 18th day of May, 2015

## SCHABLONA INDIA LIMITED

### ANNEXURE -"A" Segment Wise Revenue, Results and Capital Employed (Under Clause 41 of the Listing Agreement)

		(Rs. in Lacs)	
Sl. No.	Particulars	31.03.2015	31.03.2014
1	Segment Revenue		
	a) Designer Tiles	3,525.60	3,158.79
	b) Transfer Sheets	1,006.72	999.71
	Total :	<u>4,532.32</u>	<u>4,158.50</u>
	Less : Inter segment revenue	138.54	208.21
	Net sales/income from operations	<u>4,393.78</u>	<u>3,950.29</u>
2	Segment Results: Profit(+)/(Loss)(-) before tax and interest from segment		
	a) Designer Tiles	(370.80)	(196.54)
	b) Transfer Sheets	74.21	135.23
	Total :	<u>(296.59)</u>	<u>(61.31)</u>
	Less : i) Interest	106.38	91.14
	ii) Other un-allocable expenditure net off un-allocable income	0.58	6.31
	Total Profit before Tax :	<u>(403.55)</u>	<u>(158.76)</u>
3	Capital Employed		
	a) Designer Tiles	707.95	922.53
	b) Transfer Sheets	197.84	240.30
	Total :	<u>905.79</u>	<u>1,162.83</u>

## SCHABLONA INDIA LIMITED

### CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2015

	<u>31.03.2015</u>	(Rs. in Lacs) <u>31.03.2014</u>
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
<b>Net Profit before Tax and extra-ordinary items</b>	<b>(403.55)</b>	<b>(158.76)</b>
Adjustment for		
- Depreciation	52.22	62.91
- Interest Expenses	106.38	91.14
- Interest Received	(8.44)	(8.03)
- Loss on sale of fixed assets	0.59	6.31
- Liabilities no longer required Written back	(0.41)	(0.15)
- Provision for doubtful Debts	4.46	-
	<u>154.80</u>	<u>152.18</u>
Operating profit before Working capital changes	(248.75)	(6.58)
Adjustment for		
- Inventories	46.20	(151.61)
- Trade Receivables	(120.49)	(170.30)
- Other Receivables	13.43	16.38
- Trade Payables	273.82	338.45
	<u>212.96</u>	<u>32.92</u>
Cash generated from operations	(35.79)	26.34
-Direct Taxes Paid	(1.27)	(0.09)
Cash Flow before Extraordinary items	<u>(37.06)</u>	<u>26.25</u>
Cash flow from operating activities	<u>(37.06)</u>	<u>26.25</u>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
- Net Purchase/ Sale of Fixed Assets (Incl Cap WIP)	(4.06)	(13.43)
- Interest received	5.49	6.08
Net cash used in Investing activities	<u>1.43</u>	<u>(7.35)</u>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
- Raising of Secured Loans	178.27	37.60
- Interest Paid	(106.38)	(91.14)
Cash flow from Financing activities	<u>71.89</u>	<u>(53.54)</u>
Net increase in Cash & Cash equivalents	36.26	(34.64)
Cash & Cash Equivalents as on 01-04-2014	43.50	78.14
Cash & Cash Equivalents as on 31-03-2015	<u>79.76</u>	<u>43.50</u>

**N. Goenka**  
Director  
(DIN - 00060864)

**Satish C. Vishwakarma**  
Executive Director  
(DIN - 06891937)

Place : New Delhi  
Dated : 18th day of May, 2015

**Ritika Mansata**  
Company Secretary and CFO  
(ACS 34156)

#### AUDITORS' CERTIFICATE

We have examined the attached Cash Flow Statement of M/s. Schablona India Limited for the year ended 31.03.2015. The statement has been prepared by the Company in accordance with the requirement of Clause 32 of the Listing Agreement with the Stock Exchange and is based on and in agreement with corresponding Statement of Profit & Loss and Balance Sheet of the Company covered by our report dated 18th May, 2015 to the Members of the Company.

For **A. K. Maheshwari & Associates**  
Chartered Accountants  
(Firm Regn. No. 500106N)  
**(CA. Shalin Poddar)**  
Partner  
Membership No. 515616

Place : New Delhi  
Dated : 18th day of May, 2015