

SCHABLONA INDIA LIMITED

NOTICE is hereby given that the 32nd ANNUAL GENERAL MEETING of the Members of Schablona India Limited will be held at Somany Conference Hall, MCC Chamber of Commerce & Industry, 15B, Hemanta Basu Sarani, 2nd Floor, Kolkata - 700 001 on Friday, the 16th day of September, 2016 at 11.30 A.M. to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial Statements of the Company for the year ended 31st March, 2016 together with the Reports of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. N. Goenka (DIN: 00060864), who retires by rotation and being eligible, offers himself for re-appointment.
3. To ratify the appointment of M/s. A. K. Maheshwari & Associates, Chartered Accountants, as Statutory Auditors of the Company as required under Section 139 of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014 and to fix their remuneration for the year ended 31st March, 2017.

SPECIAL BUSINESS

4. To consider and if thought fit, to pass the following Resolution as a **Special Resolution**:

To re-appoint Mr. Satish C. Vishwakarma (DIN : 06891937), Executive Director of the Company, for a further period of 3(three) consecutive years, effective from 27th May, 2017 till 26th May, 2020, upon expiry of his term of appointment by efflux of time on 26th May, 2017.

"RESOLVED THAT pursuant to the provisions of Sections 196, 197, 203 and any other applicable provisions of the Companies Act, 2013 ('the Act') and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Schedule V to the said Act and subject to such other approvals, consents as may be required, consent of Members of the Company, be and is hereby accorded to the re-appointment of Mr. Satish C. Vishwakarma (holding DIN 06891937) as a Whole-time Director, designated as 'Executive Director' of the Company, for a further period of 3(three) consecutive years effective from 27th May, 2017 till 26th May, 2020, on such terms and conditions of re-appointment and remuneration as contained in the draft agreement, a copy whereof duly initialed by the Chairman for the purpose of identification is placed before this meeting, with liberty to the Board of Directors (hereinafter referred to as 'the Board') upon the recommendation of the Nomination and Remuneration Committee constituted by the Board, to alter and/or vary the terms and conditions of the said re-appointment and/or remuneration, subject to the same not exceeding the limits specified in Schedule V to the said Act including any statutory modifications or re-enactment thereof for the time being in force or as hereafter made by the Central Government in that behalf from time to time or amendments thereto."

"RESOLVED FURTHER THAT notwithstanding anything contained herein above, where in any financial year during the currency of the tenure of Mr. Satish C. Vishwakarma, the Company has no profits or its profits are inadequate, the Company do pay Mr. Satish C. Vishwakarma, the existing remuneration as a "Minimum Remuneration" per month by way of salary, perquisites and/or allowances as specified in the 'Draft Agreement' and as also mentioned in the Statement annexed to the Notice of the Annual General Meeting of the Company, subject to and within the maximum ceiling limits laid down under Section II of Part II of Schedule V to the Act, applicable to the Company at the relevant time depending upon the effective capital of the Company."

"RESOLVED FURTHER THAT the Board be and is hereby authorised to alter and vary such terms of re-appointment and remuneration so as to not exceed the limits specified in Schedule V to the Act, as may be agreed to by the Board of Directors and Mr. Satish C. Vishwakarma and do all acts and take such steps as may be necessary, proper or expedient to give effect to this resolution."

SCHABLONA INDIA LIMITED

5. To consider and if thought fit, to pass the following Resolution as an **Ordinary Resolution**:

To take note of Report of Board of Directors of the Company to the Shareholders on erosion of more than fifty percent of the Company's peak net worth during immediately preceding four financial years by its accumulated losses as on 31st March, 2016 and causes for such erosion as per Section 23 of SICA.

"RESOLVED THAT the Report of the Board of Directors of the Company to the Shareholders on erosion of more than fifty percent of the Company's peak net worth during the immediately preceding four financial years by its accumulated losses as on 31st March, 2016 and the causes for such erosion, as required under Section 23 of the Sick Industrial Companies (Special Provisions) Act, 1985, ('SICA') be and is hereby considered and approved."

"RESOLVED FURTHER THAT in accordance with the requirement of Section 23 of the SICA, the Company shall report to the Board for Industrial and Financial Reconstruction ('BIFR') of the fact that the accumulated losses of the Company as on 31st March, 2016 have resulted in erosion of more than fifty percent of its peak net worth during the immediately preceding four financial years."

"RESOLVED FURTHER THAT any one Director or Company Secretary of the Company, be and is hereby authorized to report the aforesaid erosion to the BIFR and to do all such acts, deeds, matters and things as it may deem necessary, desirable and expedient in relation thereto."

By Order of the Board

For **Schablona India Limited**

Ritika Mansata

Company Secretary

Place : Noida

Date : 27th July, 2016

NOTES:

1. **A Member entitled to attend and vote at this meeting is entitled to appoint a proxy to attend and vote on a poll, instead of himself. A Proxy need not be a member of the Company. Proxies, in order to be effective must be received at the Registered Office of the Company not less than 48 hours before the meeting.**
2. A person can act as proxy on behalf of Members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A Member holding more than 10% of the total capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
3. The Statement pursuant to Section 102 of the Companies Act, 2013, relating to Special Business under item nos. 4 & 5 of the accompanying Notice is annexed hereto.
4. The Register of Members and the Share Transfer Books of the Company will remain closed from Friday, the 9th September, 2016 to Friday, the 16th September, 2016 (both days inclusive).
5. Corporate members intending to send their authorized representatives to attend the meeting are requested to send certified copy of the Board Resolution to the Company, authorizing their representative to attend and vote on their behalf at the meeting.
6. Members are requested to bring their Folio Nos., Depository ID and Client ID Nos. for easier identification of attendance at the Annual General Meeting (AGM).
7. Members/Proxy holders are requested to bring their copies of Annual Report along with them at the meeting.
8. Members are requested to write to the Company, their query(ies), if any, on the Accounts and operations of the Company atleast 10 days before the meeting to keep the information ready at the meeting.
9. Members holding shares in physical form are requested to notify changes in their address, if any, quoting their Folio Number(s) to the Registrar & Share Transfer Agent M/s. Maheshwari Datamatics Private Limited.
10. Members having multiple folios in the same name(s) may inform the Company for consolidation into one folio.

SCHABLONA INDIA LIMITED

11. The Securities and Exchange Board of India (SEBI) has mandated to furnish a copy of PAN Card in all the cases of transfer of shares in physical form.
12. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013, will be available for inspection by the members at the AGM.
13. Register of Contract or Arrangements in which Directors are interested, maintained under Section 189 of the Companies Act, 2013, will be available for inspection by the members at the AGM.
14. Members who have not encashed their dividend warrants for the year ended 31st March, 2009 to 31st March, 2012 may write to the Company or RTA for revalidation of the same. The Company has not declared any dividend for the year ended 31st March, 2013 onwards.
15. The dividend declared by the Company for the financial year 2008-09, which has remain unpaid/unclaimed is due for transfer to the Investor Education & Protection Fund (IEPF) on or after 3rd September, 2016. Members are requested to note that after completion of 7 years from the date of declaration of dividend, no claim shall lie against the said Fund or the Company for the amounts of dividend so transferred, nor shall any payment be made in respect of such claim.
16. Additional information, pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in respect of Directors seeking appointment/re-appointment at the 32nd Annual General Meeting is annexed to the Notice.
17. Route Map of the venue of the Annual General Meeting is attached herewith.
18. The Company is providing facility for voting by electronic means (remote e-voting) to vote on the Resolutions set out in the Notice of the 32nd AGM of the Company. The facility for voting through Ballot Paper will also be made available at the AGM and the Members attending the AGM who have not cast their votes by remote e-voting shall be able to exercise their right at the AGM through Ballot Paper. Members who have cast their votes by remote e-voting prior to the AGM, may attend the AGM, but shall not be entitled to cast their votes again.
19. **Voting through electronic means (remote e-voting):**

Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide its Members, facility to exercise their votes electronically through remote e-voting facility provided by Central Depository Services (India) Limited (CDSL). It is hereby clarified that it is not mandatory for a Member to vote using the remote e-voting facility, and a Member may avail of the facility at his/her/its discretion, subject to compliance with the instructions prescribed below:

Procedure/ Instructions for remote e-voting are as under:

The remote e-voting period begins on Tuesday, 13th September, 2016 from 9.00 a.m. (IST) and ends on Thursday, 15th September, 2016 at 5.00 p.m. (IST). During this period, Shareholders of the Company, holding shares either in physical form or dematerialised form, as on the cut-off date i.e. 9th September, 2016, may cast their vote electronically. The remote e-voting module shall be disabled by CDSL for voting thereafter. Any person who becomes a Member of the Company after dispatch of the Notice of the 32nd AGM and holding shares as on the cut-off date i.e. 9th September, 2016, may contact RTA to obtain the User ID and Password to vote on the Resolutions set out in the said Notice through remote e-voting procedure. Please follow the below procedure for remote e-voting:

 - (a) Shareholders should log on to the e-voting website www.evotingindia.com
 - (b) Click on "Shareholders" tab.
 - (c) Now, select the "Schablona India Limited" from the drop down menu and click on "SUBMIT".
 - (d) Now Enter your User ID.
 - (i) For CDSL: 16 digits beneficiary ID,
 - (ii) For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - (iii) For shares held in Physical Form: Members should enter Folio Number registered with the Company.
 - (e) Next enter the Image Verification as displayed and Click on Login.
 - (f) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any Company, then your existing password is to be used.
 - (g) If you are a first time user follow the steps given below:

SCHABLONA INDIA LIMITED

For Members holding shares in Demat Form and Physical Form	
PAN	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> • Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the last 8 digits of the sequence number in the PAN field. The Sequence number is printed on a separate letter addressed to the Shareholders individually, containing particulars of remote e-voting sent alongwith the notice of 32nd Annual General Meeting of the Company. • In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
DOB	Enter the Date of Birth as recorded in your demat account or in the Company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details	<p>Enter the Dividend Bank Details as recorded in your demat account or in the Company records for the said demat account or folio.</p> <ul style="list-style-type: none"> • Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or Company please enter the member id/ folio number in the Dividend Bank details field.

- (h) After entering these details appropriately, click on "SUBMIT" tab.
- (i) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that Company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (j) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (k) Click on the EVSN for the relevant "Schablona India Limited" on which you choose to vote.
- (l) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/ NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (m) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (n) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (o) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (p) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (q) If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (r) Note for Non-Individual Shareholders and Custodians :

SCHABLONA INDIA LIMITED

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to <https://www.evotingindia.com> and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com
 - After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on.
 - The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the Scrutinizer to verify the same.
- (s) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com under help section or write an e-mail to helpdesk.evoting@cdslindia.com
- (t) The voting rights of shareholders shall be in proportion to their share in the paid up equity share capital of the Company as on the cut-off date i.e. 9th September, 2016.

General:

- (a) In case, Members cast their vote exercising both the options i.e. voting through electronic means (remote e-voting) and by means of Ballot Paper at the AGM, then votes casted through remote e-voting shall only be taken into consideration and treated valid.
- (b) In case of joint shareholders attending the AGM, only such joint holder who is higher in the order of the names will be entitled to vote.
- (c) The Board of Directors of the Company at their meeting held on 21st May, 2016, had appointed Mr. Pravin Kumar Drolia, Practising Company Secretary, (FCS No. 2366, CP No. 1362), Proprietor of M/s Drolia & Company, Company Secretaries, Kolkata, as the Scrutinizer to scrutinize the remote e-voting process and voting through Ballot Papers at the AGM in a fair and transparent manner.
- (d) The Scrutinizer, after conclusion of the voting at the AGM through Ballot Papers, first count the votes cast at the AGM and thereafter unblock the votes casted through remote e-voting in the presence of at least two witnesses not in employment of the Company and shall not later than three days of the conclusion of the AGM, make a Consolidated Scrutinizer's Report of the total votes cast in favour or against, if any and submit the same to the Chairman of the Company or a person so authorised by him in writing, who shall countersign the same and declare the results of voting forthwith.
- (e) The results declared along with the Consolidated Scrutinizer's Report shall be placed on the Company's website i.e. www.schablona.in and on the website of CDSL i.e. www.cdslindia.com. The results shall simultaneously be communicated to BSE Ltd., where the equity shares of the Company are listed.
- (f) Subject to the receipt of requisite number of votes, the Resolutions set out in the Notice of the 32nd AGM of the Company, shall deemed to be passed on the date of the AGM i.e. 16th September, 2016.

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

Mr. N. Goenka (DIN: 00060864), aged about 51 years, is a graduate in Commerce. He has over 28 years of experience in Finance and Secretarial. He is a Non-Executive Non Independent Director and Chairman of the Company. He is also holding Chairmanship in the Stakeholders Relationship Committee of the Company and is a member of the Audit and Nomination and Remuneration Committee of the Company. He is also on the Board of few Group Investment Companies. His long standing experience and knowledge will be useful to the Company. At present he is not holding any shares in the Company.

Brief resume of Mr. Satish C. Vishwakarma (06891937), appointed as a Whole-time Director and Key Managerial Personnel, designated as Executive Director on Board of the Company, has been provided under the Statement, pursuant to the provisions of Section II of Part II of Schedule V to the Companies Act, 2013, annexed to the Notice of the 32nd Annual General Meeting of the Company.

SCHABLONA INDIA LIMITED

STATEMENT IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item No. 4

Mr. Satish C. Vishwakarma (DIN: 06891937) was appointed as a Whole-time Director and Key Managerial Personnel, designated as 'Executive Director' of the Company under Sections 196, 197, 203 and all other applicable provisions of the Companies Act, 2013, if any, and rules made thereunder, liable to retire by rotation, at the 30th Annual General Meeting of the Company, held on 16th September, 2014 for a period of 3(three) consecutive years with effect from 27th May, 2014 till 26th May, 2017. His present term of appointment expires by efflux of time on 26th May, 2017. Therefore, his re-appointment for a further term of 3(three) consecutive years, effective from 27th May, 2017, is to be considered, well in advance, to seek Shareholders approval at the ensuing Annual General Meeting of the Company.

Mr. Satish C. Vishwakarma, aged about 50 years, is a M.Sc (Chemistry) and a M.B.A. He has been associated with the Company for a period of 18 years and has a wealth of experience in the area of marketing, operations and manufacturing of ceramic decals, decorated and designer third firing, specialize cutting, R&D, engineering & maintenance, materials, accounts and finance etc. Keeping in view his rich and varied experience in the Industry and his involvement in the operations of the Company over a long period of time, it would be in the interest of the Company to continue his employment as a Whole-time Director and Key Managerial Personnel, designated as 'Executive Director' of the Company.

The Board of Directors of the Company on the recommendation of the Nomination and Remuneration Committee, at its meeting held on 21st May, 2016, re-appointed Mr. Satish C. Vishwakarma (DIN: 06891937) as a Whole-time Director and Key Managerial Personnel, designated as Executive Director of the Company, whose period of office is liable to determination by retirement of directors by rotation, for a further period of 3 (three) consecutive years with effect from 27th May, 2017 till 26th May, 2020.

The approval of the members is being sought to the terms, conditions and stipulations for the re-appointment of Mr. Satish C. Vishwakarma as a Whole-time Director and Key Managerial Personnel, designated as 'Executive Director' of the Company and the remuneration payable to him.

The particulars required to be disclosed in the Statement in accordance with the provisions of Section II of Part II of Schedule V to the Companies Act, 2013, are enclosed in a separate statement and forms part of this Notice.

The material terms of appointment and remuneration as contained in the draft Agreement are given below :-

- (a) SALARY : Rs. 78,750/- per month.
- (b) SPECIAL ALLOWANCE : Rs. 51,762/- per month.
- (c) BONUS : Equals to one month salary per annum.
- (d) VARIABLE PAY : Rs. 400,000/- per annum based on Annual Performance Achievement.
- (e) INCREMENT : Mr. Satish C. Vishwakarma, may during his tenure of appointment/re-appointment as Executive Director of the Company, be provided increment on annual basis, as and when deem fit by the Board upon the recommendation of the Nomination & Remuneration Committee in the remuneration payable within the specified limits as per the provisions of Section 197 of the Companies Act, 2013 read with Schedule V to the said Act and Rules made thereunder.
- (f) PERQUISITES : Mr. Satish C. Vishwakarma will be entitled to the following perquisites in addition to salary, restricted to an amount equal to his annual salary.

Unless the context otherwise requires, perquisites are classified into three categories A, B and C as follows:-

CATEGORY - A

This will comprise of house rent allowance, leave travel concession, medical reimbursement and other benefits. These may be provided for as under:-

SCHABLONA INDIA LIMITED

House Rent Allowance

House Rent Allowance of Rs. 2,500/- per month.

Medical Reimbursement

Reimbursement of medical expenses for self and his family as per rules of the Company.

Leave Travel Concession

Leave travel concession once in a year, in accordance with the rules of the Company.

Other benefits and Allowances

Following other benefits may be allowed to Mr. Satish. C. Vishwakarma:

Conveyance allowance and other benefits, facilities and allowances as may be available, as per rules of the Company.

The value of the perquisites for the purpose of calculating the above annual ceiling shall be evaluated as per Income Tax Rules wherever applicable, otherwise at actuals.

Explanation:

For the purpose of Category - 'A', family means, the spouse, the dependent children of Mr. Satish C. Vishwakarma.

CATEGORY - B

- i) Contributions to Provident Fund will not be included in the computation of the ceiling on perquisites to the extent not taxable under the Income Tax Act, 1961.
- ii) Gratuity payable as per Gratuity Act, 1972.
- iii) Encashment of Leave at the end of the tenure will be permitted as per the rules of the Company and will not be included in the computation of the ceiling on perquisites.

CATEGORY - C

Company to provide Car facility with reimbursement of fuel expenses to the extent of Rs. 15,000/- per month under the policy of the Company, whereby 70% of the purchase amount is to be borne by the Company and rest 30% to be recovered from Mr. Satish C. Vishwakarma. He will also be provided with a mobile, laptop and internet connection for the purpose of the Company's business, which will also not form part of perquisites.

Minimum Remuneration

In the event of loss or inadequacy of profits in any financial year during the currency of tenure of office of Mr. Satish C. Vishwakarma, the Company shall pay him remuneration by way of salary and perquisites in accordance with the limits laid down in Section II of Part II of Schedule V to the Companies Act, 2013 now in force and as may be amended from time to time.

Sitting Fee

Mr. Satish C. Vishwakarma shall not, so long as he acts as the Executive Director of the Company be paid any sitting fee for attending any meeting of the Board or any Committee thereof.

Other Terms

Mr. Satish C. Vishwakarma shall not, during the continuance of his employment hereunder or at any time thereafter, divulge or disclose to any person or make use whatever for his own or for any other purpose any confidential information or knowledge acquired by him during his employment under the Company as to the business or affairs of the Company or as to any trade secret or secrets, processes of the Company and shall, during the continuance of his employment hereunder, use his best endeavors to prevent any other person from doing so.

Mr. Satish C. Vishwakarma hereby undertakes that so long as he functions as the Executive Director, of the Company, he shall not become interested or otherwise concerned directly or indirectly, or through his spouse and/or minor children in any selling agency of the Company in future without the prior approval of the Central Government. The Board of Directors may, in their discretion, revise or modify any of the terms of appointment and remuneration from time to time within the limits laid down in Schedule V to the Act.

Termination

Notwithstanding anything contained in this Agreement, either party, shall be entitled to determine the Agreement by giving 6 (six) calendar months' notice in writing in that behalf to the other party and on the expiry of the period

SCHABLONA INDIA LIMITED

of such notice, the Agreement shall stand terminated. The Company shall also be entitled without assigning any reason whatsoever, to terminate the Agreement on giving to Mr. Satish C. Vishwakarma 6 (six) months' salary as specified hereinabove in lieu of six months' notice required to be given under this Clause.

Service of Notice

Any notice to be given hereunder shall be sufficiently given or served in case of Mr. Satish C. Vishwakarma by being delivered either personally to him or left for him at his address last known to the Company or sent by registered post addressed to him at such address and in the case of the Company by being delivered at or sent by registered post addressed to its registered office, any such notice if so posted shall be deemed served on the day following that on which it was posted.

In view of the provisions of Sections 196, 197, 203 and any other applicable provisions of the Companies Act, 2013 and rules made thereunder, the Board recommends the Special Resolution set out at item no. 4 of the accompanying Notice for the approval of the Members. The re-appointment of Mr. Satish C. Vishwakarma is appropriate and in the best interest of the Company.

Copy of the Draft Agreement and the Register maintained in pursuance of Section 189 of the Companies Act, 2013, would be available for inspection by the members at the Registered Office of the Company on any working day prior to the date of the meeting between 3.00 P.M. to 5.00 P.M., and will also be available at the Meeting.

Mr. Satish C. Vishwakarma is not a Director in any other Company in India and at present, he is not holding any shares in the Company.

This Statement together with the accompanying Notice may also be regarded as a disclosure under Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 190 of the Companies Act, 2013.

Save and except Mr. Satish C. Vishwakarma, none of the other Directors/ Key Managerial Personnel of the Company and their relatives are, in any way, concerned or interested, in the said Resolution.

Statement, pursuant to the provisions of Section II of Part II of Schedule V to the Companies Act, 2013

I. General Information:

Sl.	Particulars	Details			
1.	Nature of Industry	Manufacturing of Transfer Sheets and Decorated/Designer third firing			
2.	Date of commencement of commercial production	March, 1994			
3.	In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	Not Applicable			
4.	Financial performance based on given indicators	(Rs. in lacs)			
			2015-16	2014-15	2013-14
		Gross Sales	2425.09	4567.84	4109.86
		Gross Profit/(Loss)	(574.54)	(403.55)	(158.76)
		Profit/(Loss) after Tax	(572.08)	(345.31)	(87.68)
		Earnings per share (Rs.)	(18.11)	(10.93)	(2.78)
		Foreign exchange earned	Nil	5.27	4.74
	Foreign exchange outgo	3.59	31.22	77.73	
5.	Foreign investments or collaborations, if any	The Company has no foreign collaborations.			

SCHABLONA INDIA LIMITED

II. Information about the appointee:

Sl.	Particulars	Details
1.	Background details	Mr. Satish C. Vishwakarma (DIN: 06891937), aged about 50 years, is a M.Sc (Chemistry) and a M.B.A. He joined the Company in the year 1998 and has had a distinguished career with the Company. He has a wealth of experience in the area of marketing, operations and manufacturing of ceramic decals, decorated and designer third firing, specialize cutting, R&D, engineering & maintenance, materials, accounts and finance etc.
2.	Past remuneration	27.05.2014-31.03.2015 - Rs. 18.22 lacs 01.04.2015-31.03.2016 - Rs. 20.01 lacs
3.	Recognition or awards	Hall of Fame from Federation of European Screen Printers Associations (FESPA).
4.	Job profile and his suitability	He is a Whole-time Director and Key Managerial Personnel, designated as Executive Director of the Company and devotes whole time and attention to the management of the affairs of the Company and exercises powers under the supervision and superintendence of the Board of the Company.
5.	Remuneration proposed	Rs. 78,750/- per month and other perquisites/allowances as mentioned in the Statement annexed to the Notice, pursuant to Section 102 of the Companies Act, 2013.
6.	Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person	Considering the responsibilities shouldered by him of the business activities of the Company and also considering the levels of remuneration in India, the remuneration proposed is considered reasonable. Nomination and Remuneration Committee after elaborate discussion have approved the proposed remuneration.
7.	Pecuniary relationship directly or indirectly with the Company or relationship with the managerial personnel, if any	Does not have pecuniary relationship with the Company except remuneration drawn as the Executive Director of the Company.

III. Other Information:

Sl.	Particulars	Details
1.	Reasons of loss or inadequate profits	<ul style="list-style-type: none"> • Evolution of Digital Printing on Basic Tiles against Screen Printing in Decorative Tiles. • Setting up of Captive Decal Plant by Decal Users. • Unfavorable trends against third fired decorated tiles. • Copying of Company's products by local suppliers affected business adversely. • Rising cost of inputs, energy and transportation.

SCHABLONA INDIA LIMITED

2.	Steps taken or proposed to be taken for improvement	<ul style="list-style-type: none"> • Demand of High end Decorated/ Ornamented Tile is gradually increasing and accordingly the Company is equipped with its Design Development to meet the requirement by different methods. • Focus on the better end Decal is getting good response and this is expected to increase the contribution. • Addition of new customers and increasing share of Decal consumption of each buyer and also reaching out to small buyers. • Increasing 'Schablona Plus' counters. • Undertaking initiatives to bring out creative and innovative designs in transfer division to counter the Decal users setting up captive decal plant.
3.	Expected increase in productivity and profits in measurable terms	<ul style="list-style-type: none"> • There might not be any drastic increase in Productivity but efforts are being made to improve all round financials of the Company.

Item No. 5

As per Section 23 of the Sick Industrial Companies (Special Provisions) Act, 1985 (SICA), if the accumulated losses of an industrial Company as at the end of any financial year is more than fifty percent (50%) or more of its peak net worth during the immediately preceding four financial years, the Company shall have to report the fact of such erosion to the Board for Industrial and Finance Reconstruction (BIFR) within a period of 60 days from the date of adoption of the Audited Financial Statement of the Company for the relevant financial year. Further, the Board of Directors of such Company is required to forward to every member of the Company a report as to such erosion and the causes of such erosion, at least 21 days before the date on which the general meeting of the shareholders is held for its consideration.

As per the Audited Financial Statements of the Company for the financial year ended 31st March, 2016, which are being laid before the shareholders of the Company at this Annual General Meeting on 16th September, 2016, for their approval and adoption, the accumulated losses of your Company as at 31st March, 2016 as per the provisions of Section 23 of the SICA, amounting to Rs. 498.81 lacs, has resulted in erosion of more than 50% of its peak net worth of Rs. 826.33 lacs during the four financial years immediately preceding the financial year ended on 31st March, 2016. Hence, your Company has been classified as a "Potentially Sick Company" under the said provisions. In terms of requirement of Section 23 of the SICA, the Board of Directors in their meeting held on 27th July, 2016, had also approved the Report to such erosion and its causes thereof and the revival measures, being taken by the Company, which is explained in the enclosed Report of the Board of Directors forming part of the accompanying notice of said AGM of the Company.

Accordingly, at this meeting, the report of the Board of Directors on such erosion and revival measures being taken as per Section 23 of the SICA, is being placed before the Members for their consideration and noting.

The Board of Directors of the Company is also required to report such erosion of its peak net worth to BIFR in the prescribed Form "C" in compliance with the provisions of Section 23(1)(a)(i) of the SICA and is in the process of complying with the said provisions under SICA.

The Board recommends the proposed Ordinary Resolution as set out under item no.5 of the accompanying Notice for approval of the Members.

None of the Directors and key managerial personnel and their relatives is in any way concerned or interested, financially or otherwise, except to the extent of their shareholdings in the Company.

SCHABLONA INDIA LIMITED

REPORT OF BOARD OF DIRECTORS TO THE SHAREHOLDERS OF SCHABLONA INDIA LIMITED UNDER SECTION 23 (1) (b) OF THE SICK INDUSTRIAL COMPANIES (SPECIAL PROVISIONS) ACT, 1985 (SICA) ON EROSION OF MORE THAN FIFTY PERCENT OF ITS PEAK NET WORTH AND CAUSES THEREOF

To the Members,
Schablona India Limited

As required under section 23(1)(b) of the Sick Industrial Companies (Special Provisions) Act, 1985 (SICA), a Report of the Board of Directors on erosion of more than 50% of its peak net worth of the Company during the immediately preceding four financial years and the causes and steps taken for revival thereof, is being submitted to the Members of the Company.

As per the audited financial statements of the Company for the financial year ended 31st March, 2016, the Company's accumulated losses stood at Rs. 498.81 lacs, constituting more than 50% of its peak net worth of Rs. 826.33 lacs, in the preceding four financial years, hence the Company has been defined as a 'Potentially Sick Company' and accordingly has to report this fact to BIFR under Section 23 of the SICA within a period of 60 days from the date of adoption of the Audited financial statements in the ensuing AGM of the Company.

The details of Company's net worth, peak net worth and its computation as defined in Section 3(1)(ga) of the SICA for the immediately preceding four financial years (i.e, the financial years 2011-12, 2012-13, 2013-14 and 2014-15) are given hereunder:

(Rs. in lacs)					
Particulars	2011-12	2012-13	2013-14	2014-15	2015-16
Paid up Share Capital	126.37	126.37	126.37	126.37	126.37
Reserves & Surplus	699.96	613.64	525.96	148.90	(423.18)
Net Worth	826.33	740.01	652.33	275.27	(296.81)
Peak Net Worth	826.33				
50% of Peak Net Worth	413.17				
Accumulated Losses					498.81
Percentage of Accumulated Losses from peak net worth					60.36

The major causes of erosion of net worth and the remedial measures taken/to be taken are explained below:

Causes of erosion of more than 50% peak net worth

The performance of your Company was adversely affected mainly on the account of the following reasons:

- Evolution of Digital Printing on Basic Tiles against Screen Printing in Decorative Tiles. The proliferation of Digital Printing on Tiles and other medium like Glass, Resin, Steel, Aluminum and Sand Blasting competed against our Designer Tiles also affected our business. Most of the units in the un-organized sector have had to close down owing to this sudden change in trends. Even units under organized sector are shifting to alternatives of printing, which may be a small reprieve, but cannot compensate for the lost market in ceramic tiles segment.
- Setting up of Captive Decal Plants by Decal Users.
- Copying of our products by local suppliers.
- Rising cost of inputs, energy and transportation.

SCHABLONA INDIA LIMITED

- Design Obsolescence in designer tiles.
- This sector poses threats primarily at the entry level bulk selling products thus impacting topline.
- Disruptive technological changes resulted in unfavorable trends against third fired decorated tiles.

All these above reasons collectively resulted in reverse business scenario and thereby the Company's loss gradually accumulated at Rs.498.81 lacs as at the end of financial year ended 31st March, 2016.

Management's observations and steps taken to improve financial performance

Your Company is responding to the aforesaid challenges by undertaking various initiatives for improving its financials by adding new customers and increasing share of Decal consumption of each buyer and also making efforts to reach out to small buyers for its products.

The Transfer division is facing major challenges from captive manufacturing facilities put up by major crockery manufacturing unit, but constant efforts are being made by turning to its core competency of bringing out creative designs and presenting to these manufacturers and thereby trying to retrieve the share back.

With the launch of big Wall Tile range, a growth in the Trading vertical is expected to be achieved. Efforts are being made for addition of new independent dealers for improving sales of our manufacturing verticals. The brand "Keraspana" is continuously gaining acceptance and the trading vertical continues to grow but there is huge pressure on margins. This division is significantly contributing for 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. The focus of selling will be specifically through the "Schablona Plus" counters.

Designer Tiles being a fashion product, design obsolescence is a burning issue for this business. Your Company is continuously organizing itself to go mostly for made to order manufacturing to combat this problem, and making constant efforts to strengthen its forecasting methods to be closer and in sync with market changes.

Rising cost of inputs, energy and transportation have also affected the financials of your Company. Effective steps are being taken for ensuring improvement in efficiency, cost cutting and price adjustments wherever possible.

Management seeks to ensure that there exists in place adequate internal control systems to constantly ensure steps being taken by the Management to improve the turnover and financials of your Company.

Place : Noida
Date : 27th July, 2016

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

Ritika Mansata
Company Secretary

SCHABLONA INDIA LIMITED

CIN : L51109WB1983PLC036899

Registered Office : 2, Red Cross Place, Kolkata - 700 001

E-mail : silinvestors@schablona.in, Website : www.schablona.in

Phone No. : 033-22487406/07

Form - MGT-11

PROXY FORM

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies
(Management and Administration) Rules, 2014]

32nd Annual General Meeting - 16th September, 2016

Name of the Member(s) : _____

Registered Address : _____

Folio No. / DP ID / Client ID No. : _____

Email ID: _____

I/We, being the member(s) of _____ shares of Schablona India Limited, hereby appoint:

1) Name: _____ Address: _____

E-mail Id: _____ Signature: _____

Or falling him/her

2) Name: _____ Address: _____

E-mail Id: _____ Signature: _____

Or falling him/her

3) Name: _____ Address: _____

E-mail Id: _____ Signature: _____

as my/our proxy to attend and vote (on a ballot) for me/us and on my/our behalf at the 32nd Annual General Meeting of the Company, to be held on Friday, 16th September, 2016 at 11:30 A.M. at Somany Conference Hall, MCC Chamber of Commerce & Industry, 15B Hemanta Basu Sarani, 2nd Floor, Kolkata - 700 001 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution Number	Resolution	Vote (Optional see Note) (Please mention number of shares)		
		For	Against	Abstain
Ordinary Business				
1	To receive, consider and adopt Audited Financial Statements of the Company for the year ended 31st March, 2016 together with Reports of Directors and Auditors thereon.			
2	To appoint a Director in place of Mr. N. Goenka (DIN: 00060864), who retires by rotation and being eligible, offers himself for re-appointment.			
3	To ratify the appointment of M/s.A. K. Maheshwari & Associates, Chartered Accountants as Statutory Auditors of the Company and fixation of their remuneration for the year ended 31st March, 2017.			
Special Business				
4	As a Special Resolution: To re-appoint Mr. Satish C. Vishwakarma (DIN : 06891937), Executive Director of the Company, for a further period of 3(three) consecutive years, effective from 27th May, 2017 till 26th May, 2020, upon expiry of his term of appointment by efflux of time on 26th May, 2017.			
5	As an Ordinary Resolution: To take note of Report of Board of Directors of the Company to the Shareholders on erosion of more than fifty percent of the Company's peak net worth during immediately preceding four financial years by its accumulated losses as on 31st March, 2016 and causes for such erosion as per Section 23 of SICA.			

Signed this _____ day of _____ 2016

Signature of Member _____

Signature of Proxy holder(s) _____



Note:

1. This form of proxy, in order to be effective, should be duly stamped, completed, signed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Annual General Meeting.
2. A proxy need not be a member of the Company.
3. It is optional to put a '✓' in the appropriate column against the Resolutions indicated in the box. If you leave the For or Against or Abstain column blank against any or all Resolutions, your proxy will be entitled to vote in the manner as he/she may deem appropriate.
4. A person can act as proxy on behalf of Members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A Member holding more than 10% of the total capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder of the Company.
5. Appointing a proxy does not prevent a member from attending the meeting in person if he/she so wishes.
6. For the Resolutions, Statements and Notes, please refer Notice of the 32nd Annual General Meeting of the Company.
7. Please complete all details of Member(s) in above box, before submission.

SCHABLONA INDIA LIMITED

CIN : L51109WB1983PLC036899

Registered Office : 2, Red Cross Place, Kolkata - 700 001

E-mail : silinvestors@schablona.in, Website : www.schablona.in

Phone No. : 033-22487406/07

ATTENDANCE SLIP

32ND ANNUAL GENERAL MEETING

The Folio No. and Name(s) of the Members(s) are to be furnished below in Block Letters

Folio No. / Client ID & DP IDNo. of shares held.....

Full Name of the Member/Joint Members

1.....2.....

3.....4.....

Full Name of the Proxy if attending the meeting.....

I/We hereby record my/our presence at the 32nd Annual General Meeting of the Company at Somany Conference Hall, MCC Chamber of Commerce & Industry, 15B, Hemanta Basu Sarani, Kolkata - 700 001 on Friday, 16th September, 2016 at 11-30 A.M.

Signature of the Member/Joint Members/Proxy attending the Meeting

Note: Please complete this Attendance slip and hand it over at the entrance of the meeting hall. Members are requested to bring their copy of the Annual Report for reference at the meeting.

ROUTE MAP OF THE VENUE OF ANNUAL GENERAL MEETING

