



SCHABLONA

Schablona India Ltd. CIN : L51109DL1983PLC318655
Unit-1 : P. O. Kassar Bahadurgarh-124507, Distt. Jhajjar, Haryana, India.
Ph.: 01276-241133 (5 lines), Fax: 01276-241135. E-mail: marketing@schablona.in
Regd. Office : 82/19, Bhakerwara Road, Mundka, New Delhi-110041, Phone : 011-28341085
E-Mail : silinvestors@schablona.in ; Website : www.schablona.in



20th September, 2018

Department of Corporate Services,
BSE Limited,
Floor 24, P. J. Towers,
Dalal Street,
Mumbai - 400 001

Sub: Submission of Annual Report 2017-18 of the Company, pursuant to Regulation 34(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Dear Sir/ Madam,

In compliance with requirements under Regulation 34(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, enclosed please find the Annual Report 2017-18 of the Company for the financial year ended 31st March, 2018, duly approved and adopted by the Member in their 34th Annual General Meeting (AGM) of the Company which was convened on Wednesday, 19th September, 2018 at City Park Resort, Ghevra, Rohtak Road, (NH-10), Opp. Metro Pillar No. 631, , New Delhi - 110 041 at 11.30 a.m.

This is for your information and record. Kindly acknowledge receipt.

Thanking you,

Yours faithfully,
For Schablona India Limited

(N. Goenka)
Director

Encl:a.a.

SCHABLONA INDIA LIMITED

CIN : L51109DL1983PLC318655

Directors :

Mr. N. Goenka, Chairman (DIN : 00060864)
Mr. Satish C. Vishwakarma, Executive Director and CFO (DIN :06891937)
Ms. Abha Kabra, Independent Director (DIN: 07142125)
Mr. Vinod Kumar Karwa, Independent Director (DIN : 00123284)

Company Secretary and Compliance Officer :

Ms. Ritika Mansata, Membership No. A - 34156

Statutory Auditors :

M/s. A. K. Maheshwari & Associates, Chartered Accountants
Firm Registration No. 500106N
First Floor, C-30, Sector 63, Noida - 201307

Internal Auditors:

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

Bankers :

State Bank of India
HDFC Bank Limited
Punjab National Bank

Registered Office:

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

Share Department :

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

Works :

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

Registrar & Transfer Agent :

M/s. Maheshwari Datamatics Pvt. Ltd.
23, R. N. Mukherjee Road, 5th Floor, Kolkata - 700 001
Phone : 033-2243 5809 / 5029
Fax : 033-2248 4787
E-mail : mdpldc@yahoo.com

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SCHABLONA INDIA LIMITED

CIN : L51109DL1983PLC318655

Registered Office : 82/19, Bhakerwara Road, Mundka, New Delhi - 110 041, Phone : 011-2834 1085

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

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

NOTICE

NOTICE is hereby given that the 34th ANNUAL GENERAL MEETING of the Members of Schablona India Limited will be held at City Park Resort, Ghevra, Rohtak Road, (NH-10), Opp. Metro Pillar No.631, New Delhi - 110 041 on Wednesday, the 19th September, 2018 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, 2018 together with the Reports of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. N. Goenka (DIN: 000060864), who retires by rotation and being eligible, offers himself for re-appointment.
3. To consider and if thought fit, to pass the following Resolution as an **Ordinary Resolution:**

RESOLVED THAT pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013, and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or reenactment thereof, for the time being in force), M/s. Shalin Poddar & Associates, Chartered Accountants (Firms Registration No.: 020397C), be and is hereby appointed as the Statutory Auditors of the Company, to hold office for a term of five consecutive years from the conclusion of this Annual General Meeting till the conclusion of 39th (Thirty Ninth) Annual General Meeting of the Company to be held in the year 2023, , at such remuneration as may be mutually agreed between the Board of Directors of the Company and the Statutory Auditors."

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

N. Goenka
Director

Place : New Delhi
Date : 24th May, 2018

NOTES:

1. **A Member entitled to attend and vote at this meeting is entitled to appoint a proxy to attend and vote on a Ballot paper/poll, if any, 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 of the Company.
3. The Register of Members and the Share Transfer Books of the Company will remain closed from Wednesday, the 12th September, 2018 to Wednesday, the 19th September, 2018 (both days inclusive).
4. Corporate members intending to send their authorized representatives to attend the meeting are requested to send a certified copy of the Board Resolution to the Company, authorizing their representative to attend and vote on their behalf at the meeting.
5. 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).

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6. Members/Proxy holders are requested to bring their copies of Annual Report along with them at the meeting.
 7. Members are requested to write to the Company, their query(ies), if any, on the Financial Statements and operations of the Company at least 10 days before the meeting to keep the information ready at the meeting.
 8. Members holding shares in physical form are requested to notify changes in their address, if any, quoting their Folio Number(s) to the Registrar & Share Transfer Agent M/s. Maheshwari Datamatics Private Limited.
 9. Members having multiple folios in the same name(s) may inform the Company for consolidation into one folio.
 10. The 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.
 11. 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.
 12. 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.
 13. Members who have not encashed their dividend warrants for the year ended 31st March, 2011 and 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.
 14. (a) Pursuant to the provisions of Sections 124 and 125 of the Companies Act, 2013, the unpaid/unclaimed dividend upto the year 2009-2010 has been transferred to Investor Education and Protection Fund ("IEPF") and dividends for the Financial Year ended 31st March, 2011 and thereafter which remain unpaid or unclaimed for a period of 7 consecutive years are due for transfer to the IEPF constituted by the Central Government, on or after 7th October, 2018. The Company has also uploaded full details of such shareholders, whose unclaimed/unpaid dividends as on 31st March, 2018 are due for transfer to IEPF, on its website www.schablona.in. Members, who have not encashed their dividend warrant(s) for the financial year ended 31st March, 2011 or any subsequent financial year(s) are urged to claim such amount from the Company. Shareholders whose amount has been transferred to IEPF as above may claim refund from IEPF in accordance with the provisions of the Companies Act, 2013 and rules made thereunder.
 - (b) Pursuant to the provisions of Investor Education and Protection Fund (Uploading of information regarding unpaid and unclaimed amount lying with Companies) Rules, 2012, the Company has uploaded details of unpaid and unclaimed amounts lying with the Company as on 25th August, 2017 (the date of last Annual General Meeting) on the website of the Company www.schablona.in
 - (c) Further, pursuant to the provisions of Section 124 of the Companies Act, 2013 and of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended, all shares in respect of which dividend has not been encashed/claimed by the Shareholders for seven consecutive years, the Company is required to transfer such Equity Shares of the members to the Demat Account of the IEPF. Accordingly, the Company has transferred 111,600 Equity Shares of Rs. 4/- each to IEPF whose dividend has not been encashed for consecutive 7 years from 2008-09 and 13,103 Equity Shares of Rs. 4/- each for the year 2009-2010, details of which are also available on website of the Company. Similarly, the Company will transfer such shares to the Demat Account of IEPF Authority on which dividend for 2010-11 has not been encashed for consecutive 7 years, as per the guidelines issued by the concerned authority/(ies), from time to time.
15. 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 34th Annual General Meeting is annexed to the Notice.
16. Route Map of the venue of the Annual General Meeting is attached herewith.
17. 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 34th AGM of the Company. The facility for voting through Ballot Paper will also be made

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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.

18. 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) Rules, 2014, as amended from time to time and Regulation 44(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide its Members, facility to exercise their 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 Sunday, 16th September, 2018 from 9.00 a.m. (IST) and ends on Tuesday, 18th September, 2018 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. 12th September, 2018, 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 34th AGM and holding shares as on the cut-off date i.e. 12th September, 2018, may contact RTA to obtain the User ID and Password to vote on the Resolutions as 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:

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 along with the notice of 34th Annual General Meeting of the Company.• In case the sequence number is less than 8 digits enter the applicable number of 0's (zero) before the number after the first two characters of the name in CAPITAL letters. e.g. if your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.

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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	Enter the Dividend Bank Details as recorded in your demat account or in the Company records for the said demat account or folio. <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 used by the demat holders for voting on resolutions of any other Company also on which they are eligible to vote, provided that Company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (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 :
- 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.

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- (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. 12th September, 2018.

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 24th May, 2018, had appointed Mr. Pradeep Pincha, Partner of M/s. Pincha & Co., Company Secretaries, (Membership No. 5369, CP No. 4426) 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 Limited, 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 34th AGM of the Company, shall deemed to be passed on the date of the AGM i.e. 19th September, 2018.

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

Mr. N. Goenka (DIN: 00060864), Director of the Company, is aged about 53 years and is a graduate in Commerce. He has over 30 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.

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

Place : New Delhi
Date : 24th May, 2018

N. Goenka
Director

SCHABLONA INDIA LIMITED

DIRECTORS' REPORT

To the Members,

Your Directors have pleasure in presenting their Thirty-Fourth Annual Report together with the Financial Statements of the Company for the year ended 31 March, 2018.

FINANCIAL SUMMARY

(Rs. in Lacs)

PARTICULARS	31.03.2018	31.03.2017
Revenue (Net Sales)	2,343.44	2,270.04
Loss for the year under review	338.53	541.22
Add: Depreciation for the year	52.51	49.99
Loss for the year before tax	391.04	591.21
Less: Deferred Tax Charges	111.91	-
Loss after Tax	502.95	591.21
Less: Balance brought forward from earlier years	1,090.02	(498.81)
Deficit carried to Balance Sheet	1,592.97	1,090.02

OPERATIONS

Net Sales of the Company increased from Rs. 2,270.04 lakh in the previous year to Rs. 2,343.44 lakh in the year under review.

A nominal growth of 8.68% was registered in the Decorated Tile Division while a de-growth of 16.14% was registered in the Transfer (Decal) Division.

Your Company was able to maintain last year performance in spite of adverse effect which is still continue due to the following reasons:

- Digital Printing on Basic Tiles is now technically more advanced against Screen Printing in Decorated Tile.
- Setting up of Captive Plants by major users of Decals manufactured by the Company, because of low cost of such plants.

MARKET AND FUTURE PROSPECTS

Ceramic Transfer Sheets (Decals)

Manufactures of Tableware are setting up their Captive Plants, resulting into lower utilisation of our capacity. However, because of quality and design supremacy your Company is expecting to retain its customers.

Decorated Tiles

Digital Printing on Basic Tiles became technically more advance against screen printing leading to remain incompetent in the market. However efforts are being made to improve in this segment.

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DIVIDEND

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

INVESTOR EDUCATION & PROTECTION FUND (IEPF)

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

Accordingly, the amount of unpaid/ unclaimed dividend in respect of the financial year 2009-10 was transferred to IEPF on 25 September, 2017 and the amount of unpaid/ unclaimed dividend in respect of the financial year 2010-11 is due for transfer to IEPF on or after 7 October, 2018.

Pursuant to the provisions of Investor Education and Protection Fund (Uploading of information regarding unpaid and unclaimed amount lying with Companies) Rules, 2012, the Company has uploaded details of unpaid and unclaimed amounts lying with the Company as on 25 August, 2017 (the date of last Annual General Meeting) on the website of the Company www.schablona.in

Further, pursuant to the provisions of Section 124 of the Companies Act, 2013 and of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended, all shares in respect of which dividend has not been encashed/claimed by the Shareholders for seven consecutive years, the Company is required to transfer such Equity Shares of the members to the Demat Account of the IEPF. Accordingly, the Company has transferred 111,600 Equity Shares of Rs. 4/- each to IEPF whose dividend has not been encashed for consecutive 7 years from 2008-09 and 13,103 Equity Shares of Rs. 4/- each for the year 2009-2010, details of which are also available on website of the Company. Similarly, the Company will transfer such shares to the Demat Account of IEPF Authority on which dividend for 2010-11 has not been encashed for consecutive 7 years, as per the guidelines issued by the concerned authority/(ies), from time to time. However, the Members may claim the same from the concerned authority/(ies) by complying with necessary formalities provided thereunder.

OPEN OFFER TO SHAREHOLDERS BY PROMOTORS

During the year under review, M/s. Bhilwara Holdings Limited and Sarvottam Vanijya Limited, promoters of the Company, agreed to sell their entire equity stake in the Company to Mr. Shreekant Somany, Mr. Abhishek Somany and Mr. Shrivatsa Somany "the acquirers and ultimate beneficiary", by way of a Share Sale and Purchase Agreement dated 24 November, 2017. In terms of the provisions of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 1997, the acquirer issued a Public Announcement on 24 November, 2017 to make an open offer to the equity shareholders of the Company. After the receipt of SEBI's nod, the offer opened on 13 March, 2018 and closed on 26 March 2018. Mr. Shreekant Somany, Mr. Abhishek Somany and Mr. Shrivatsa Somany, jointly acquired 1,83,565 equity shares of the Company under the open offer. Subsequent to these acquisitions on 11th April, 2018, Mr. Shreekant Somany, Mr. Abhishek Somany and Mr. Shrivatsa Somany, the promoters of the Company, collectively, holds 61.84% of the equity capital of the Company.

PUBLIC DEPOSIT

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

SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

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

SCHABLONA INDIA LIMITED

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 period of 4 (four) consecutive years at the 30th Annual General Meeting (AGM) held on 16 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. Accordingly M/s. A. K. Maheshwari & Associates, Chartered Accountants, will cease to be Statutory Auditors of the Company at conclusion of the ensuing AGM of the Company.

The Company has received a letter from M/s. Shalin Poddar & Associates, Chartered Accountants, conforming that they are eligible for appointment as Statutory Auditors of the Company under Section 139 of the Companies Act, 2013 and meet the criteria for appointments specified in Section 141 of the said Act.

Based on the recommendations of the Audit Committee, the Board of Directors of the Company have recommended the appointment of M/s Shalin Poddar & Associates, Chartered Accountants, having Firm Registration No. 020397C as Statutory Auditors of the Company for a term of 5 (five) consecutive years from the conclusion of the 34th AGM of the Company till conclusion of 39th AGM of the Company to be held in the year 2023, subject to the approval of Shareholders.

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

Secretarial Auditor

The Secretarial Audit Report for the financial year 2017-18, in terms of Section 204(1) of the Companies Act, 2013, submitted by M/s. Drolia & Company, Practicing Company Secretaries, having Certificate of Practice No. 1362, the Secretarial Auditors appointed by the Board, forming part of this Report, is marked as '**Annexure A**'. The said Report does not contain any qualification, reservation or adverse remark, therefore no need for any explanation/s by the Board in terms of Section 134(3)(f)(ii) of the Companies Act, 2013.

NUMBER OF BOARD MEETINGS

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

RISK MANAGEMENT

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

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

INTERNAL FINANCIAL CONTROLS

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

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

SCHABLONA INDIA LIMITED

RELATED PARTY TRANSACTIONS

All contracts/arrangements/transactions entered by the Company during the financial year 2017-18, with Related Parties, as defined under Section 188 of the Companies Act, 2013 and the Rules made thereunder and as per applicable provisions of the Listing Regulations, were in the ordinary course of business and on arm's length basis and were placed before the Audit Committee for review and approval. Further, there were no materially significant related party transactions during the year under review made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have potential conflict with the interest of the Company at large. Accordingly, the disclosure of related party transactions as required under Section 134(3)(h) of the Companies Act, 2013 in Form AOC-2, is not required.

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

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

EVALUATION OF PERFORMANCE OF BOARD, ITS COMMITTEE AND OF DIRECTORS

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

EXTRACT OF ANNUAL RETURN

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

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

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

DIRECTORS AND KEY MANAGERIAL PERSONNEL

As on 31st March, 2018, there were four (4) Directors on the Board of your Company consisting of two (2) Independent Directors, one (1) Executive Director and one (1) Non-Executive Non-Independent Director. In accordance with the provisions of Section 152 of the Companies Act, 2013, Mr. N. Goenka, Non-Executive Non-Independent Director of the Company, retires by rotation and being eligible, offers himself for re-appointment. Further, as stipulated under Regulation 36 of the Listing Regulations, his brief resume has been provided in the Notice of the 34th Annual General Meeting of the Company.

DECLARATION BY INDEPENDENT DIRECTORS

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

SCHABLONA INDIA LIMITED

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

COMMITTEES OF THE BOARD

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

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

The Board of Directors of the Company has formed Audit Committee with all Non-Executive Directors wherein Independent Directors form the majority, consisting of Mr. Vinod Kumar Karwa, Independent Director as the Chairman, Ms. Abha Kabra, Independent Director and Mr. N. Goenka, Non-Independent Director as other Members of the Committee as on 31 March, 2018. All recommendations made by the Audit Committee were accepted by the Board. More details on the Committee have been provided in the Corporate Governance Report, forming part of this Report.

VIGIL MECHANISM

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

CORPORATE GOVERNANCE

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

MANAGEMENT DISCUSSION AND ANALYSIS

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

PARTICULARS OF EMPLOYEES

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

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

SCHABLONA INDIA LIMITED

NOMINATION AND REMUNERATION POLICY

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

DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

As per the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ('Act') and Rules made thereunder, your Company has in place a Policy for prevention of sexual harassment of women at work place and the Internal Complaints Committee, constituted in terms of the said Act, reported to the Board that during the year under review, the Company has not received any complaints on sexual harassment of women at workplace.

HUMAN RESOURCES (HR)

The Company's HR policies and procedures are designed to recruit and retain the best talent to support the operations of your Company and to align the interests of all employees with the long term organizational goals.

ENVIRONMENT, HEALTH AND SAFETY

Your Company is driven by principles of sustainability incorporating environment, employees and society aspects in all our activities. We are focused on employee well-being, developing safe and efficient products, minimizing environmental impact of our operations and products and minimizing the impact of our operations on society.

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. The paid-up equity share capital of the Company as on 31 March, 2018 remained at Rs. 126.37 Lacs. No issue of equity shares were made during the year under review with respect to differential voting 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 Regulation 34(f) of the Listing Regulations, describing the initiatives taken by Company from an environmental, social and governance perspective, is not applicable to the Company, as per SEBI's Notification No. SEBI/LAD-NRO/GN/2015-16/27 dated 22 December, 2015.
- V. No material changes and commitments affecting the financial position of the Company occurred between the end of the financial year to which this financial statements relate and the date of this report.
- VI. There was no change in the nature of the business of the Company during the financial year ended 31 March, 2018.

SCHABLONA INDIA LIMITED

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.

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.

For and on behalf of the Board
For **SCHABLONA INDIA LIMITED**

Place : New Delhi
Date : 24th May, 2018

N. Goenka
Chairman
(DIN : 00060864)

SCHABLONA INDIA LIMITED

ANNEXURE 'A' TO THE DIRECTORS' REPORT

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31st MARCH 2018

[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
CIN:L51109DL1983PLC318655
82/19, Bhakerwara Road, Mundka,
New Delhi - 110 041

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** (CIN:L51109DL1983PLC318655) (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 our opinion thereon.

Based on our verification of books, papers, minute books, forms and returns filed and other records maintained by the **M/s. Schablona India Limited** and also the information provided by the Company, its officers, agents and authorised 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 31st March, 2018 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 the Company for the financial year ended 31st March, 2018 according to the provisions of:

- I The Companies Act, 2013 (the Act) and the rules made thereunder;
- II The Securities Contracts (Regulation) Act, 1956 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;
- V The following Regulations (as amended from time to time) and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations).
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (d) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding Companies Act and dealing with Clients;

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 31-03-2018:-

- (a) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and SEBI (Share based Employee Benefits) Regulations, 2014;
- (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;

SCHABLONA INDIA LIMITED

- (d) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; and
- (e) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;

VI. The following Industry Specific laws:

- a. Factories Act, 1948
- b. Industrial Disputes Act, 1947
- c. The Payment of Wages Act, 1936
- d. The Minimum Wages Act, 1948
- e. Employee State Insurance Act, 1948
- f. The Employees Provident Fund and Miscellaneous Provisions Act, 1952
- g. The Payment of Bonus Act, 1965
- h. The Payment of Gratuity Act, 1972
- i. The Contract Labour (Regulations and Abolition) Act, 1970
- j. The Maternity Benefit Act, 1961
- k. Environment Protection Act, 1986 and rules thereunder
- l. Hazardous Wastes (Management, Handling and Transboundary Movement) Rules, 2008 and Amendments thereof and any other laws as may be applicable to the Company from time to time.

We have also examined compliance with the following:

Secretarial Standards on meetings of Board of Directors and General Meetings (SS-1 & SS-2), issued by the Institute of Company Secretaries of India.

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 Director, Non-Executive Directors, Independent Directors and a Woman Director. There were no changes in the composition of the Board of Directors during the period under review.

Adequate Notice has been given to all the Directors to schedule the Board Meetings. Agenda and detailed Notes on Agenda were sent at least seven days in advance, in compliance with the provisions of Section 173 of the Act and Listing Regulations, during the relevant period, 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.

All decisions of the Board and Board Committee Meetings were carried out unanimously and the same was captured and recoded 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 as also represented by the management.

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: 21-05-2018

Note : This report is to be read with our letter of even date which is annexed as Annexure A.1 and forms and integral part of this report.

SCHABLONA INDIA LIMITED

ANNEXURE 'A.1'

To,

The Members,

Schablona India Limited

CIN:L51109DL1983PLC318655

82/19, Bhakerwara Road, Mundka

New Delhi - 110 041

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express as opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed, provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

FOR DROLIA & COMPANY
(Practicing Company Secretaries)

Pravin Kumar Drolia

(Proprietor)

FCS:2366

C P No.: 1362

Place: Kolkata

Date: 21-05-2018

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, 2018

[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	L51109DL1983PLC318655
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	<u>Registered Office :</u> 82/19 Bhakerwara Road, Mundka, New Delhi - 110 041 Phone: 011-2834 1085 <u>Share Dept. :</u> 2, Red Cross Place, Kolkata - 700 001 Phone No. :033 - 2248 7406/5913 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. 23, R.N. Mukherjee Road, 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	18115	82.17
2.	Transfer Sheets	18119	17.83
			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.

SCHABLONA INDIA LIMITED

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

i) Category-wise Shareholding

Category of Shareholders	No. of Shares held at the beginning of the year i.e. 01.04.2017				No. of Shares held at the end of the year i.e. 31.03.2018				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/HUF	431,647	-	431,647	13.66	1,770,246	-	1,770,246	56.03	42.37
b) Central Govt/ State Govt (s)	-	-	-	-	-	-	-	-	-
c) Bodies Corporate	1,338,599	-	1,338,599	42.37	-	-	-	-	(42.37)
d) Banks/FI	-	-	-	-	-	-	-	-	-
e) Any Others	-	-	-	-	-	-	-	-	-
Sub-total (A)(1)	1,770,246	-	1,770,246	56.03	1,770,246	-	1,770,246	56.03	-
(2) Foreign									
a) NRI's-Individuals	-	-	-	-	-	-	-	-	-
b) Other-Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corporate	-	-	-	-	-	-	-	-	-
d) Banks/FIs	-	-	-	-	-	-	-	-	-
e) Any Others	-	-	-	-	-	-	-	-	-
Sub-total (A)(2)	-	-	-	-	-	-	-	-	-
Total shareholding of Promoter (A) = (A)(1) + (A)(2)	1,770,246	-	1,770,246	56.03	1,770,246	-	1,770,246	56.03	-
B. Public Shareholding									
(1) Institutions									
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)	-	-	-	-	-	-	-	-	-
Sub-total (B) (1)	-	200	200	0.01	-	-	-	-	(0.01)

SCHABLONA INDIA LIMITED

(2) Non-Institutions									
a) Bodies Corporate									
i) Indian	47,050	7,400	54,450	1.72	52,640	6,300	58,940	1.86	0.14
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	555,089	480,425	1,035,514	32.78	545,305	347,665	892,970	28.27	(4.51)
ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	281,636	-	281,636	8.91	285,792	-	285,792	9.04	0.13
c) Others(specify)									
i) Non-Resident Individuals	1,201	700	1,901	0.06	1,496	600	2,096	0.07	0.01
ii) Trust	100	-	100	0.00	100	-	100	0.00	-
iii) Clearing Member	15,168	-	15,168	0.48	24,368	-	24,368	0.77	0.29
iv) Investor Education & Protection Fund	-	-	-	-	124,703	-	124,703	3.95	3.95
Sub-total (B) (2)	900,244	488,525	1,388,769	43.96	1,034,404	354,565	1,388,969	43.97	0.01
Total Public Shareholding (B) = (B)(1)+ (B)(2)	900,244	488,725	1,388,969	43.97	1,034,404	354,565	1,388,969	43.97	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	2,670,490	488,725	3,159,215	100.00	2,804,650	354,565	3,159,215	100.00	-

ii) Shareholding of Promoters

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year i.e. 01.04.2017			Shareholding at the end of the year i.e. 31.03.2018			% 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.	Shreekant Somany	-	-	-	590,082	18.68	-	18.68
2.	Abhishek Somany	-	-	-	590,082	18.68	-	18.68
3.	Shrivatsa Somany	-	-	-	590,082	18.68	-	18.68
4.	Hiralall Somany	431,647	13.67	-	-	-	-	(13.67)
5.	Bhilwara Holdings Limited	626,911	19.84	-	-	-	-	(19.84)
6.	Sarvottam Vanijya Limited	711,688	22.53	-	-	-	-	(22.53)
	Total	1,770,246	56.03	-	1,770,246	56.03	-	-

SCHABLONA INDIA LIMITED

iii) Change in Promoters' Shareholding

Sl. No.	Change in Promoters shareholding	Shareholding at the beginning of the year i.e. 01.04.2017		Cumulative Shareholding during the year and at the close of the year on 31.03.2018	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
1.	Bhilwara Holdings Limited				
	Beginning of the Year	626,911	19.84	626,911	19.84
	Sale-19.01.2018#	(626,911)	(19.84)	-	-
	End of the Year			-	-
2.	Sarvottam Vanijya Limited				
	Beginning of the Year	711,688	22.53	711,688	22.53
	Sale-19.01.2018#	(711,688)	(22.53)	-	-
	End of the Year			-	-
3.	Hiralall Somany				
	Beginning of the Year	431,647	13.66	431,647	13.66
	Transfer-15.09.2017*	(431,647)	(13.66)	-	-
	End of the Year			-	-
4.	Shreekant Somany				
	Beginning of the Year	-	-	-	-
	Transfer-15.09.2017*	431,647	13.66	431,647	13.66
	Purchase - 19.01.2018#	158,435	5.02	590,082	18.68
	End of the Year			590,082	18.68
5.	Abhishek Somany				
	Beginning of the Year	-	-	-	-
	Purchase - 19.01.2018#	590,082	18.68	590,082	18.68
	End of the Year			590,082	18.68
6.	Shrivatsa Somany				
	Beginning of the Year	-	-	-	-
	Purchase - 19.01.2018#	590,082	18.68	590,082	18.68
	End of the Year			590,082	18.68

* Shares transferred by way of inheritance upon death of Late Hiralall Somany.

Pursuant to Share Sale and Purchase Agreement dated November 24, 2017.

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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. 01.04.2017		Cumulative Shareholding during the year and at the close of the year on 31.03.2018	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
1.	Investor Education and Protection Fund*				
	Beginning of the Year	-	-	-	-
	15.12.2017-Transfer as per law	124,247	3.94	124,247	3.94
	29.12.2017-Transfer as per law	456	0.01	124,703	3.95
	End of the year	-	-	124,703	3.95
2.	Jatinder Jagdishrai Agarwal				
	Beginning of the Year	105,100	3.33	105,100	3.33
	01.12.2017 - Sale	(5)	(0.00)	105,095	3.33
	08.12.2017 - Sale	(5)	(0.00)	105,090	3.33
	12.01.2018 - Sale	(5)	(0.00)	105,085	3.33
	19.01.2018 - Sale	(5)	(0.00)	105,080	3.33
	26.01.2018 - Sale	(5)	(0.00)	105,075	3.33
	02.02.2018 - Sale	(5)	(0.00)	105,070	3.33
	09.02.2018 - Sale	(5)	(0.00)	105,065	3.33
	End of the Year			105,065	3.33
3.	Sanjaykumar Sarawagi				
	Beginning of the Year	59,726	1.89	59,726	1.89
	End of the Year			59,726	1.89
4.	Ayush N Desai				
	Beginning of the Year	27,359	0.87	27,359	0.87
	07/04/2017-Purchase	205	0.01	27,564	0.87
	14/04/2017-Purchase	600	0.02	28,164	0.89
	21/04/2017-Purchase	595	0.01	28,759	0.91
	28/04/2017-Purchase	725	0.02	29,484	0.93
	05/05/2017-Purchase	200	0.01	29,684	0.94
	12/05/2017-Purchase	566	0.02	30,250	0.96
	19/05/2017-Purchase	400	0.01	30,650	0.97
	26/05/2017-Purchase	900	0.03	31,550	1.00
	End of the Year			31,550	1.00
5.	Sanjay Harikishan				
	Beginning of the Year	31,500	1.00	31,500	1.00
	End of the Year			31,500	1.00

SCHABLONA INDIA LIMITED

6.	Pritty Devi Sarawagi Beginning of the Year End of the Year	31,451	1.00	31,451	1.00
				31,451	1.00
7.	Laxmi Devi Madangopal Damani Beginning of the Year End of the Year	30,200	0.96	30,200	0.96
				30,200	0.96
8.	VSL Securities Pvt. Ltd. Beginning of the Year End of the Year	19,000	0.60	19,000	0.60
				19,000	0.60
9.	Rakesh Prakash Mittal Beginning of the Year End of the Year	17,779	0.56	17,779	0.56
				17,779	0.56
10.	Karuna Kothari Beginning of the Year End of the Year	14,168	0.45	14,168	0.45
				14,168	0.45
11.	Chirayush Pravin Vakil # Beginning of the Year 07/04/2017-Sale 14/04/2017-Sale 21/04/2017-Sale 28/04/2017-Sale 05/05/2017-Purchase 27/10/2017-Purchase 15/12/2017-Purchase 09/02/2018-Sale End of the Year	11,197	0.35	11,197	0.35
		(5)	(0.00)	11,192	0.35
		(5)	(0.00)	11,187	0.35
		(555)	(0.01)	10,632	0.34
		(40)	(0.00)	10,592	0.34
		27	0.00	10,619	0.34
		15	0.00	10,634	0.34
		300	0.01	10,934	0.35
		(400)	(0.01)	10,534	0.33
				10,534	0.33

Ceased to be in the list of Top 10 shareholders as on 31/03/2018. The same is reflected above since the shareholder was one of the Top 10 shareholders as on 01/04/2017.

* Not in the list of Top 10 shareholders as on 01/04/2017. The same has been reflected above since the shareholder was one of the Top 10 shareholders as on 31/03/2018.

v) Shareholding of Directors and Key Managerial Personnel:

Sl. No.	For each of the Directors and KMP	Shareholding at the beginning of the year i.e. on 01.04.2017		Cumulative Shareholding during the year and at the close of the year on 31.03.2018	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
1.	Ms. Abha Kabra Beginning of the Year End of the Year	9,950	0.31	9,950	0.31
				9,950	0.31

SCHABLONA INDIA LIMITED

V. INDEBTEDNESS

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

Particulars	Secured Loans excluding deposits	Unsecured loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	37.00	720.00	-	757.00
ii) Interest due but not paid	-	35.05	-	35.05
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	37.00	755.05	-	792.05
Change in Indebtedness during the financial year				
• Addition	-	43.99	-	43.99
• Reduction	7.15	-	-	7.15
Net Change	(7.15)	43.99	-	36.84
Indebtedness at the end of the financial year				
i) Principal Amount	29.85	720.00	-	749.85
ii) Interest due but not paid	-	79.04	-	79.04
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	29.85	799.04	-	828.89

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 and CFO)	Total Amount
1.	Gross Salary		
	(a) Salary as per provisions contained in Section 17(1) of Income Tax Act, 1961	20,09,352	20,09,352
	(b) Value of perquisites u/s 17(2) of Income Tax Act, 1961	-	-
	(c) Profits in lieu of salary under Section 17(3) of Income Tax Act, 1961	-	-
2.	Stock Option	-	-
3.	Sweat Equity	-	-
4.	Commission		
	- As % of profit	-	-
	- Others, specify	-	-
5.	Other, please specify	-	-
	Total (A)	20,09,352	20,09,352
	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 inadequacy of profit, upto Rs. 30 Lacs based on the effective 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. Vinod Kumar Karwa (*)	Ms. Abha Kabra	
1.	Independent Directors • Fees for attending board and committee meetings • Commission • Others, please specify	- - -	- - -	13,500 - -	13,500 - -
	Total (1)	-	-	13,500	13,500
2.	Other Non-Executive Directors • Fees for attending board and committee meetings • Commission • Others, please specify	13,500 - -	- - -	- - -	13,500 - -
	Total (2)	13,500	-	-	13,500
	Total (B)= (1+2)	13,500	-	13,500	27,000
3.	Total Managerial Remuneration				27,000
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.			

(*) Relinquished his entitlement to receive sitting fees

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

(in Rs.)

Sl. No.	Particulars of Remuneration	Ms. Ritika Mansata (Company Secretary)	Total Amount
1.	Gross Salary (a) Salary as per provisions contained in Section 17(1) of Income Tax Act, 1961 (b) Value of perquisites u/s 17(2) of Income Tax Act, 1961 (c) Profits in lieu of salary under Section 17(3) of Income Tax Act, 1961	3,62,965 - -	3,62,965 - -
2.	Stock Option	-	-
3.	Sweat Equity	-	-
4.	Commission - As % of profit - Others, specify	- -	- -
5.	Other, please specify	-	-
	Total	3,62,965	3,62,965

VII. PENALTIES/ PUNISHMENT/ COMPUNDING OF OFFENCES

There were no penalties/punishment/compounding of offences for the year ended on 31st March, 2018.

For and on behalf of the Board
For **SCHABLONA INDIA LIMITED**

Place : New Delhi
Date : 24th May, 2018

N. Goenka
Chairman
(DIN : 00060864)

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 Electrical Instruments like Motors and compressors etc.
- b) Groupings in lighting systems has already been changed to separate lighting system to use the required lighting only.

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:

LED lighting is continuously being replaced as a regular process. Use of Solar Energy is under active consideration as per Government Norms to install the prescribed percentage of Connected Load.

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 as per the Market requirement to be remain a Benchmark Company in the segment. Last year it was as per following:

- Conceptualised Designing in Decorated Tiles is regularly being introduced.
- Up-gradation of Products by use of New Raw Material and New Sizes.

II. Benefits derived:

- Benefits derived as a result of R & D are lower rejections, keeping pace with the updated international technology and better quality.
- Existing manufacturing process is continuously resulting lower rejections and better quality by Optimisation of Process.

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

	<u>Rs./Lacs</u>
A. Foreign Exchange Outgo	15.73
B. Foreign Currency Earned	Nil

For and on behalf of the Board
For **SCHABLONA INDIA LIMITED**

N. Goenka
Chairman
(DIN : 00060864)

Place : New Delhi
Date : 24th May, 2018

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 (Key Managerial Personnel), designated as Executive Director & Chief Financial Officer of the Company, to the Median Remuneration of the Employees (MRE) of the Company for the financial year 2017-18 is around 9:1. (MRE for financial year 2017-18 is Rs. 19,833)

(ii) Percentage increase in the remuneration of each Director and Key Managerial Personnel during the financial year 2017-18:

Sl.	Name	Designation	% increase
1	Mr. Satish C. Vishwakarma	Executive Director & Chief Financial Officer	5.00
2	Ms. Ritika Mansata	Company Secretary	15.00

(iii) The percentage increase in the Median Remuneration of Employees (MRE) in the financial year 2017-18 (Rs.19,833) as compared to financial year 2016-17 (Rs.18,453) is around 7.48%.

(iv) There were around 115 permanent employees on the rolls of the Company as on 31 March, 2018.

(v) The average percentile increase already made in the salaries of employees other than Key Managerial Personnel in the financial year 2017-18 was around 5.65%, while the average increase in the remuneration of the Key Managerial Personnel was in the range of 5% to 15.00%. The aggregate limits of remuneration of key managerial personnel was reviewed and revised, keeping in view the need for leveraging experience and expertise as well as rewarding talent and the prevailing trend in the industry.

(vi) It is hereby affirmed that the remuneration paid during the year ended 31 March, 2018 is as per the Nomination and Remuneration Policy of the Company.

For and on behalf of the Board
For **SCHABLONA INDIA LIMITED**

Place : New Delhi
Date : 24th May, 2018

N. Goenka
Chairman
(DIN : 00060864)

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

Growth in Construction Industry was stagnant hence Decorated Tiles Industry is also going through a major upheaval like few year back. Technological Development in digital printing on ceramic tiles is continuously affecting the third fired decorated tiles business.

Conceptualised Product range by the fusion of various method of value addition like Water-Jet, Sand Blasting, 3rd Fire etc. will re-assure a significant contribution and better utilization of decorative tile manufacturing facility.

Requirement of Quality Decals in the market where our Design Supremacy is established is growing slowly. Manufacturers of Tableware who were buying Decals from our Company have set up their Captive Plant, which might impact on growth.

Risk Factors and its Mitigations

- **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.
- **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.
- **Competition with Un-Organized Sector:** This sector poses threats primarily at the entry level bulk selling products thus impacting top-line, 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. The Company is expecting to be better placed in its segment with GST in place.

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 115 employees as on 31.03.2018. Industrial relations during the year continued to be cordial.

For and on behalf of the Board
For **SCHABLONA INDIA LIMITED**

Place : New Delhi
Date : 24th May, 2018

N. Goenka
Chairman
(DIN : 00060864)

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 31 March, 2018, 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 Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations). There were 5 (Five) Board meetings held during the year 2017-18 i.e. on 23 May, 16 Aug, 15 November in 2017, 30 January 2018 and 5 March, 2018. Details of the Directors by category, their attendance and other directorship including Chairmanship/ Membership of Board Committees and number of shares held are as under:-

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	5	Yes	9	1	1	-
Mr. Satish C. Vishwakarma	E	5	5	Yes	-	-	-	-
Mr. Vinod Kumar Karwa	I	5	4	No	-	1	1	-
Ms. Abha Kabra	I	5	5	No	-	-	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.

Code of Conduct:

The Board in terms of Listing Regulations, 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. The Company has obtained the confirmation of the compliances to the said effect from Mr. Satish C. Vishwakarma, Executive Director & Chief Financial Officer 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:

In terms of Regulation 17(8) of the Listing Regulations, the Executive Director and the Chief Financial Officer of the Company have certified regarding the Financial Statements of the Company for the year ended 31 March, 2018 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 Listing Regulations, Mr. Vinod Kumar Karwa,

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is the Chairman of the Committee with Mr. N. Goenka and Ms. Abha Kabra as other members of the Committee. 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 4 (four) Audit Committee meetings held during the year 2017-18, i.e. on 23 May, 16 August, 15 November in 2017 and on 30 January in 2018.

Composition and Attendance of Audit Committee Meetings:

Name of Members	No. of meetings held during the tenure of Member	No. of meetings attended	Status
Mr. Vinod Kumar Karwa	4	3	Chairman
Mr. N. Goenka	4	4	Member
Ms. Abha Kabra	4	4	Member

Terms of reference

Terms of reference of the Audit Committee are as per the guidelines set out in the Listing Regulations, as and when applicable, that inter-alia includes, review of reports of Internal and Statutory Auditors and ensure that suitable follow-up actions are taken, review of Quarter, half-yearly 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), with Mr. S. Banerjee, a Senior Personnel and Ms. Ritika Mansata, Company Secretary and Compliance Officer of the Company. The Committee met 12 times during the year under review. Total 1451 shares received for transfer/ transmission were registered and dispatched within the stipulated time specified under the laws. There were no valid share transfers pending for registration for more than the stipulated time period specified under Regulation 40 of the Listing Regulations as on 31.03.2018.

STAKEHOLDER'S RELATIONSHIP COMMITTEE

The Stakeholder's Relationship Committee specifically looks into the redressal of grievances of the Shareholders. There were 4 (four) Committee meetings held during the year 2017-18, i.e. on 23 May, 16 August, 15 November in 2017 and on 30 January in 2018. Ms. Ritika Mansata, Company Secretary of the Company, is acting as the Compliance Officer. During the year 8 complaints were received and resolved. There were no complaints of Shareholders pending as on 31.03.2018.

Composition and Attendance of Stakeholder's Relationship Committee Meetings:

Members	No. of meetings held during the tenure of Member	No. of meetings attended	Status
Mr. N. Goenka	4	4	Chairman
Mr. Vinod Kumar Karwa	4	3	Member
Ms. Abha Kabra	4	4	Member

NOMINATION AND REMUNERATION COMMITTEE

Pursuant to Section 178 of the Companies Act, 2013 and Listing Regulations, the Committee comprises of three Non-Executive Directors, with majority of Independent Directors. Mr. Vinod Kumar Karwa, Non-Executive Independent Director of the Company is the Chairman of the Committee. Mr. N. Goenka and Ms. Abha Kabra, Non-Executive Directors of the Company are other members of the Committee. There was 1 (One) Committee meeting held during the year 2017-18, i.e. on 23 May, 2017.

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Composition and Attendance of Nomination and Remuneration Committee Meetings:

Members	No. of meetings held during the tenure of Member	No. of meeting attended	Status
Mr. Vinod Kumar Karwa	1	-	Chairman
Ms. Abha Kabra	1	1	Member
Mr. N. Goenka	1	1	Member

Terms of reference

Terms of reference of the Nomination and Remuneration Committee are as per the guidelines set out in the Listing Regulations, 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/or removal and such other matters as may be prescribed in the Nomination and Remuneration Policy of the Company.

Performance Evaluation Criteria for Independent Directors and the Board:

The Independent Directors and the Board are 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 bonafide 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 is also evaluated on the basis of Targets/ Criteria met by them, as given by the Board from time to time.

Remuneration paid to Mr. Satish C. Vishwakarma, Executive Director & CFO of the Company, during the period from 1 April, 2017 to 31 March, 2018:

Particulars	Amount (Rs.)
Salary	9,38,105
Perquisites and Allowances	8,83,704
Ex-gratia	74,970
Provident Fund	1,12,573
Total	20,09,352
Stock Options granted	Nil

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Service contracts, notice period, severance fees

The employment contract of Mr. Satish C. Vishwakarma, Executive Director of the Company is for a period of 3 (three) consecutive years effective from 27 May, 2017 till 26 May, 2020, as approved by the Shareholders at their 32nd Annual General Meeting. 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 2017-18:

Name	Sitting Fees (Rs.)
Mr. N. Goenka	13,500
Mr. Vinod Kumar Karwa (*)	-
Ms. Abha Kabra	13,500
Total	27,000

(*) Mr. Vinod Kumar Karwa, Independent Director, relinquished his entitlement to receive sitting fees for attending meetings of the Board and that of its Committees.

The Non-Executive Directors of the Company are entitled to receive Director's Commission, in accordance with the provisions of Section 197 and all other applicable provisions under the Companies Act, 2013 read with rules made thereunder, in terms of resolution passed by the Shareholders for payment of such commission for the year ended 31 March, 2018 till 31 March, 2022 at their Annual General Meeting held on 25 August, 2017. No Director's Commission was paid in the year 2017-18, due to losses in the Company. Besides the above, no other pecuniary relationship or transactions vis-a-vis the Company exists with the Non-Executive Directors of the Company.

SEPARATE MEETING OF INDEPENDENT DIRECTORS

As stipulated by the Code of Conduct for Independent Directors under Schedule IV to the Companies Act, 2013 and Listing Regulations as and when applicable, a separate meeting of the Independent Directors of the Company was held on 30 January, 2018, 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 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/files/investors/1473321356Familiarisation%20Programme%20for%20Independent%20Directors_Draft.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

SCHABLONA INDIA LIMITED

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

The Company promotes ethical behaviour in all its business activities and has established a vigil mechanism for Directors and Employees to report genuine concerns. The Vigil Mechanism as envisaged in the Companies Act, 2013 and the Rules prescribed is implemented through the Whistle Blower Policy (Policy), to provide adequate safeguards against victimization of persons who use such mechanism and make provision for direct access to the Chairperson of the Audit Committee of the Company to report illegal or unethical behavior, actual or suspected fraud or violation of Company's code of conduct. The Policy provides for protected disclosure and protection to Whistle Blower. The Policy has been appropriately communicated within the Company and has also been hosted on the website of the Company at the web link: <http://www.schablona.in/files/investors/1473321759Mechanism%20and%20Whistle%20Blower%20Policy.pdf>

INSIDER TRADING REGULATIONS

The Company has notified Code of Practices and Procedures for fair disclosure of unpublished price sensitive information pursuant to SEBI (Prohibition of Insider Trading) Regulations, 2015. The Company Secretary of the Company is designated as the Compliance Officer for this Code. The said Code has also been uploaded on the website of the Company at www.schablona.in at the weblink: http://www.schablona.in/files/investors/1473321587SIL_Code%20of%20Fair%20Disclosure.pdf

SUBSIDIARY COMPANIES

The Company does not have Subsidiary Company.

GENERAL BODY MEETINGS

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

Year	Date	Time	Special Resolution passed
2016-2017	25.08.2017(*)	2.00 P.M.	Maintaining and keeping Company's Register required to maintained under Section 88 of the Companies Act, 2013 at Corporate Office at 2, Red Cross Place, Kolkata -700 001 or at the office of Company's RTA.
2015-2016	16.09.2016(**)	11.30 A.M.	Re-appointment of Mr. Satish C. Vishwakarma (DIN: 06891937), Executive Director of the Company, for a further period of 3 (three) consecutive years, effective from 27 May, 2017 till 26 May, 2020, upon expiry of his term of appointment by efflux of time on 26 May, 2017.
2014-2015	16.09.2015(**)	11.30 A.M.	None

(*) Held at Lakshmiapat Singhania Auditorium at PHD Chamber of Commerce And Industry, PHD House, 4/2, Siri Institutional Area, August Kranti Marg, New Delhi - 110 016.

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

During the financial year 2017-18, no Extra-Ordinary General Meeting was held.

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POSTAL BALLOT

During the Financial Year 2017-18 there was no resolution passed through Postal Ballot.

Resolution, if any to be passed through Postal Ballot during the current Financial Year will be taken up as and when necessary.

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 financial statements as at 31 March, 2018.
- (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 Regulation 17 to 27 and Clause (b) to (i) of sub-regulation 2 of Regulation 46 of the Listing Regulations, as and when applicable. It also complies with one of the non-mandatory requirements of said Listing Regulations of having separate post for Chairman and Executive Director of the Company.
- (iv) The Company has appointed M/s. D.P. Kapoor & Co., Chartered Accountants as the Internal Auditors. The Internal Audit Report is presented to the Audit Committee and representative of the Internal Auditor replies the questions of the Audit Committee members.
- (v) The Company has followed Indian Accounting Standards (Ind AS) specified under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, 2015, as amended, in preparation of its Financial Statements.
- (vi) Details with respect to transfer of unpaid/unclaimed dividends for the financial year 2010-11 to Investor Education and Protection Fund (IEPF) and transfer of underlying shares to IEPF in cases where unclaimed/unpaid dividends for the financial year 2010-11 to be transferred to IEPF, as stated under the Notes of the Notice of 34th Annual General Meeting of the Company, sent to the Shareholders has been provided in website of the Company.
- (vii) 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.
- (viii) 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.

MEANS OF COMMUNICATION

The annual, half-yearly and quarterly Results are usually published in Financial Express, Delhi, (English edition) and Jansatta, Delhi (Hindi edition). These are submitted to BSE Limited in accordance with the Listing Regulations, as and when applicable and regularly posted on Company's website: 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 19th September, 2018 at 11-30 A.M. at City Park Resort, Ghevra, Rohtak Road, (NH-10), Opp. Metro Pillar No.631, New Delhi - 110 041

SCHABLONA INDIA LIMITED

Financial Year : 1 April to 31 March.

Book Closure Date : 12th September, 2018 to 19th September, 2018 (both days inclusive).

Financial Calendar : The schedules of the results for 2018-2019 are as follows:

First Quarter : Within 45 days of end of June quarter 2018

Second Quarter : Within 45 days of end of September quarter 2018

Third Quarter : Within 45 days of end of December quarter 2018

Fourth Quarter : Within 60 days of end of Financial Year March, 2019

Contact for Clarification on Financial Statements: Individuals may contact

Mr. N. Goenka, Director

2, Red Cross Place, Kolkata - 700 001

Phone : 033 - 22487406/5913

E-mail : silinvestors@schablona.in

Dividend:

In view of losses, the Board of Directors of the Company, has not recommended any dividend on equity shares of Rs. 4/- each of the Company, for the year 2017-18, at its meeting held on 24 May, 2018.

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 2018-19 has been paid by the Company to the said Exchange. The address of the Stock Exchange where the shares of the Company are listed is as follows:

BSE Limited (Stock Code: 507894): Phiroz Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001, Tel: (022) 2272 1233; Fax: (022) 2272 1919.

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

Company Identification Number (CIN) : L51109DL1983PLC318655

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, 2017	28.20	23.50	6,288	30,184.22	29,241.48
May, 2017	29.45	24.55	6,654	31,255.28	29,804.12
June, 2017	29.00	29.00	110	31,522.87	30,680.66
July, 2017	30.40	30.40	1	32,672.66	31,017.11
August, 2017	30.45	19.30	2,058	32,686.48	31,128.02
September, 2017	24.30	19.90	1,910	32,524.11	31,081.83
October, 2017	20.75	17.00	855	33,340.17	31,440.48
November, 2017	16.15	12.55	461	33,865.95	32,683.59
December, 2017	15.92	15.17	18,680	34,137.97	32,565.16
January, 2018	20.29	16.71	2,010	36,443.98	33,703.37
February, 2018	23.00	21.24	10,713	36,256.83	33,482.81
March, 2018	24.00	21.85	3,950	34,278.63	32,483.84

*Source: Official website of BSE

SCHABLONA INDIA LIMITED

Registrar & Share Transfer Agent : Maheshwari Datamatics Private Limited
 (Both for physical and demat segment) 23, R. N. Mukherjee Road, 5th Floor, 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 Limited 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.

Distribution of Shareholding as on 31 March, 2018 :

No. of Equity Shares	No. of Shareholders	Percentage of Shareholders	No. of Shares	Percentage of Shareholding
1- 500	2,409	88.76	4,02,376	12.74
501-1000	165	6.08	1,26,202	3.99
1001-2000	72	2.65	1,02,949	3.26
2001-3000	14	0.52	34,976	1.11
3001-4000	7	0.26	24,255	0.76
4001-5000	12	0.44	53,775	1.70
5001-10000	15	0.55	1,05,444	3.34
10001 and above	20	0.74	23,09,238	73.10
Total	2,714	100.00	31,59,215	100.00

Shareholding Pattern as on 31 March, 2018 :

Shareholders Category	No. of holders	No. of Shares	Percentage
Indian Promoters, Directors & Relatives	4	17,80,196	56.35
Mutual Funds & UTI	-	-	-
Banks, Financial Institutions, Insurance Companies	-	-	-
FIs	-	-	-
Private Corporate Bodies	29	58,940	1.87
Indian Public	2,655	11,68,812	36.99
NRIs/OCBs	9	2,096	0.07
Trusts	1	100	0.00
Investor Education And Protection Fund (IEPF)	1	1,24,703	3.95
Clearing Members	15	24,368	0.77
Total	2,714	31,59,215	100.00

Pledge of Shares

No pledge has been created over the Equity Shares of the Company held by the Promoters and/or Promoter Group Shareholders as on 31 March, 2018.

SCHABLONA INDIA LIMITED

Dematerialisation of Shares:

The Company's equity shares enjoy the DEMAT facilities with NSDL as well as CDSL and 2,804,650 shares representing 88.78% of the equity capital as on 31.03.2018 were in demat form.

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

The Company has not granted any Stock Options during the financial year ended 31 March, 2018.

Registered Office Address:

82/19 Bhakerwara Road, Mundka, New Delhi - 110 041

Tel: 011-28341085, website: www.schablona.in; E-mail: silinvestors@schablona.in

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: 033-2248 7406/5913, Email : silinvestors@schablona.in

Place : New Delhi
Date : 24th May, 2018

For and on behalf of the Board
For **SCHABLONA INDIA LIMITED**

N. Goenka
Chairman
(DIN : 00060864)

SCHABLONA INDIA LIMITED

Declaration on Code of Conduct

24 May, 2018

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, 2018.

Place : New Delhi

Satish C. Vishwakarma
Executive Director and CFO
DIN : 06891937

CEO/CFO CERTIFICATION

To the Board of Directors of
Schablona India Limited

I have reviewed the financial statements and the cash flow statement of Schablona India Limited for the year ended 31 March, 2018 and to the best of my 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 my 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) I accept the responsibility for establishing and maintaining internal controls for financial reporting and confirm to 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 I am aware and the steps that have been taken or propose to take for rectifying these deficiencies.
- (d) I 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, if any, 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.

Satish C. Vishwakarma
Executive Director & CFO
DIN : 06891937

Place: New Delhi
Date: 24 May, 2018

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, 2018 as stipulated in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) as and when applicable to the Company.

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 Regulations, as and when amended, with the Stock Exchange.

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.

For **A. K. Maheshwari & Associates**
Chartered Accountants
Firm Registration No. 500106N
(CA. Tushar Jain)
Partner
Membership No. 524134

Place : New Delhi
Dated : 24 May, 2018

SCHABLONA INDIA LIMITED

INDEPENDENT AUDITORS' REPORT

To the Members of

SCHABLONA INDIA LIMITED

Report on the Financial Statements

We have audited the accompanying Ind AS financial statements of Schablona India Limited ("the Company"), which comprise the Balance Sheet as at 31 March, 2018, the Statement of Profit and Loss, including Other Comprehensive Income, the Statement of Changes in Equity and the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Ind-AS 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 Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, the statement of changes in equity and cash flow statement of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting 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 controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these Ind AS 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 Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers the internal financial control relevant to the Company's preparation of the Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the Ind AS 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 Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the Ind AS 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 31 March, 2018;
- b) In the case of Statement of Profit & Loss of the affairs for the year ended on the date;
- c) In the case of Cash Flow Statement of the cash flows for the year ended on the date.

SCHABLONA INDIA LIMITED

In our opinion, read with note no. 37 and to the best of our information and according to the explanation 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, of the state of affairs of the Company as at 31 March, 2018.

Report on Other Legal and Regulatory Requirements

1. In our opinion and to the best of our information and according to the explanation given to us, the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure 'A' a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143 (3) of the Companies Act, 2013, 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 including other comprehensive income, the statement of Change in Equity and the cash flow statement dealt with by this Report are in agreement with the books of account;
 - d. in our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.
 - e. on the basis of the written representations received from the directors as on 31 March 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2018 from being appointed as a director in terms of Section 164 (2) of the Act;
 - f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
 - g. with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statement. Refer note no. 30 of the financial statement.
 - ii. the Company has made necessary provision in its financial statements under the applicable law or accounting standards, wherever required;
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

Other Matter

The comparative financial information of the Company for the year ended 31 March, 2017 and the transition date opening balance sheet as at 1 April, 2016 included in these Ind AS financial statement, are based on the previously issued financial statements prepared in accordance with the Accounting Standards referred in section 133 of the Companies Act, 2013 on which we issued auditors' report for the year ended 31 March, 2017 and 31 March, 2016 dated 23 May, 2017 and 21 May, 2016 respectively expressed an unmodified opinion on those financial statements, as adjusted for the differences in the accounting principles adopted by the Company on transition to the Ind AS, which have been audited by us.

For **A. K. Maheshwari & Associates**
Chartered Accountants
(Firm Registration No. 500106N)
(CA. Tushar Jain)
Partner
Membership No. 524134

Place : New Delhi
Dated : 24th day of May, 2018

SCHABLONA INDIA LIMITED

ANNEXURE 'A' TO INDEPENDENT AUDITORS' REPORT

Referred to in Paragraph 1 under the heading of "report on other legal and regulatory requirements" of our report of even date

1. In respect of 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 programmed 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.
- c) As per the records and information and explanations given to us, title deeds of immovable properties are in the name of company.

2. 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 explanations 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.
3. According to the information and explanation given to us, the Company has not granted any loans to companies, firms, limited liabilities partnership 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.
 4. The Company has not made any transaction in respect of loans covered under section 185 of the Companies Act, 2013 and in respect of loans, investments, guarantees and security covered under section 186 of the Companies Act, 2013, the provisions of the said section 186 have been duly complied.
 5. The Company has not accepted any deposits from the public and consequently, the directives issued by Reserve Bank of India, the provisions of sections 73 to 76 of the Companies Act, 2013 and rules framed there under are not applicable.
 6. In accordance with the information given by the management 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 by the Company.
 7. (a) According to the records of the Company and information and explanations given to us, the Company has generally been regular in depositing the undisputed statutory dues, including Provident fund, Employees State Insurance, Investor Education and Protection Fund, Income tax, Tax deducted at source, Professional Tax, Sales Tax, Value Added Tax (VAT), Service Tax, Custom Duty, Excise Duty, Cess and any other statutory dues as applicable with the appropriate authorities.
(b) According to the information and explanations given to us, there was no undisputed amounts payable in respect of the above dues and other material statutory dues in arrears/ were outstanding as at 31st March, 2018 for a period of more than six months from the date of their becoming payable except in case of income tax as detailed below.

SCHABLONA INDIA LIMITED

Name of Statute	Nature of Dues	Period to which the amount relates	Amount (Rs. in lacs)	Forum where the dispute is pending
Income Tax Act, 1961	Income Tax	AY 2012-13	0.47	CIT(A)-2, Kolkata
Total			0.47	

8. The Company has not defaulted during the year, in repayment of any loans or borrowing to a financial institution, bank, Government. The Company has no dues towards debenture holders.
9. According to the information and explanations given to us, the Company has not raised any term loans and by way of further public offer during the year, hence clause 3 (ix) of the Order is not applicable.
10. According to the information and explanations given to us, no fraud by the Company or no fraud on the Company by the Company's officers or employees has been noticed or reported during the year.
11. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid / provided for managerial remuneration, in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V of the Act.
12. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Therefore, the provision of clause 3 (xii) of the Order is not applicable.
13. The transactions with the related parties made by the Company are in compliance with sections 177 and 188 of Companies Act 2013 where applicable and the details have been disclosed in the Financial Statements, as required by the applicable accounting standards.
14. According to the information and explanation given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year and hence clause 3 (xiv) of the Order is not applicable.
15. According to the information and explanation given to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with directors or persons connected with them and hence clause 3 (xv) of the Order is not applicable.
16. In our opinion and according to the information and explanation given to us, the Company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934.

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

Chartered Accountants

(Firm Registration No. 500106N)

(CA. Tushar Jain)

Partner

Membership No. 524134

Place : New Delhi

Dated : 24th day of May, 2018

SCHABLONA INDIA LIMITED

Annexure 'B' to the Independent Auditor's Report of even date on the Financial Statements of SCHABLONA INDIA LIMITED

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of SCHABLONA INDIA LIMITED ("the Company") as of March 31, 2018 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on internal control over financial reporting criteria established by the Company, considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the The Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Ind AS financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable

SCHABLONA INDIA LIMITED

detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Ind AS financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the Ind AS financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, based on the internal control over financial reporting criteria established by the Company, considering the essential components of internal control stated in the guidance note issued by the ICAI.

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

Chartered Accountants

(Firm Registration No. 500106N)

(CA. Tushar Jain)

Partner

Membership No. 524134

Place : New Delhi

Dated : 24th day of May, 2018

SCHABLONA INDIA LIMITED

BALANCE SHEET AS AT 31ST MARCH, 2018

Particulars	Notes	As at 31st March 2018	As at 31st March 2017	(Rs. in Lacs) As at 1st April 2016
Assets				
Non-Current Assets				
Property, Plant and Equipments	3	375.61	412.30	431.42
Deferred Tax Assets (Net)	4	-	111.91	111.91
Other Non-Current Assets	5	23.87	15.29	20.36
Total Non-Current Assets		399.48	539.50	563.69
Current Assets				
Inventories	6	415.20	409.73	584.36
Financial Assets				
(I) Trade Receivables	7	933.96	736.73	483.76
(II) Cash and Cash Equivalents	8	3.19	3.79	10.96
(III) Bank Balances other than (II) above	9	19.35	45.56	9.86
Current Tax Assets	10	29.40	29.22	28.86
Other Current Assets	11	101.96	126.36	145.75
Total Current Assets		1,503.06	1,351.39	1,263.55
Total Assets		1,902.54	1,890.89	1,827.24
Equity and Liabilities				
Equity				
Equity Share Capital	12	126.37	126.37	126.37
Other Equity	13	(1,517.34)	(1,014.39)	(423.18)
		(1,390.97)	(888.02)	(296.81)
Liabilities				
Non-Current Liabilities				
Financial Liabilities				
(I) Borrowings	14	22.28	19.48	5.26
(II) Other Financial Liabilities	15	255.70	210.83	199.27
Provisions	16	16.96	20.23	20.71
Total Non-Current Liabilities		294.94	250.54	225.24
Current Liabilities				
Financial Liabilities				
(I) Borrowings	17	756.54	732.23	702.61
(II) Trade Payables	18	1,783.61	1,586.08	1,048.23
(III) Other Financial Liabilities	19	231.73	157.09	72.92
Other Current Liabilities	20	204.75	30.24	49.23
Provisions	21	21.94	22.73	25.82
Total Current Liabilities		2,998.57	2,528.37	1,898.81
Total Equity and Liabilities		1,902.54	1,890.89	1,827.24

Significant accounting policies and other notes to Financial Statement 1 to 39.
The accompanying notes are an integral part of these financial statements.

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

Chartered Accountants
(Firm Regn. No. 500106N)
(CA. Tushar Jain)
Partner
Membership No. 524134

N. Goenka
Director
(DIN - 00060864)

Satish C. Vishwakarma
Executive Director and CFO
(DIN - 06891937)

Ritika Mansata
Company Secretary
(ACS - 34156)

Place : New Delhi
Dated : 24th day of May, 2018

SCHABLONA INDIA LIMITED

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2018

<u>Particulars</u>	<u>Notes</u>	<u>For the year ended 31st March 2018</u>	<u>(Rs. in Lacs) For the year ended 31st March 2017</u>
Revenue from Operations	22	2,343.44	2,270.04
Other Income	23	1.78	4.11
Total Revenue		<u>2,345.22</u>	<u>2,274.15</u>
Expenses			
Cost of Materials Consumed	24	586.09	884.44
Purchase of Stock-in-Trade		1,193.21	636.79
Changes in Inventories	25	(36.69)	165.14
Excise Duty on Sales		17.88	96.35
Employee Benefits Expense	26	442.80	504.37
Finance Costs	27	111.48	114.09
Depreciation and Amortization Expense	3	52.51	49.99
Other Expenses	28	371.28	415.43
Total Expenses		<u>2,738.56</u>	<u>2,866.60</u>
Profit before Exceptional and Extraordinary Items and Tax		(393.34)	(592.45)
Exceptional Items (Net)		-	(0.73)
Profit/(Loss) before Tax		<u>(393.34)</u>	<u>(591.72)</u>
Tax Expense:			
(1) Current Tax		-	-
(2) Deferred Tax	4	111.91	-
Profit/(Loss) for the Period		<u>(505.25)</u>	<u>(591.72)</u>
Other Comprehensive Income			
(1) Items that will not be reclassified to Profit & Loss		2.30	0.51
(2) Items that will be reclassified to Profit & Loss		-	-
Total Comprehensive Income for the period		<u>(502.95)</u>	<u>(591.21)</u>
Earnings Per Equity Share of face value of Rs. 4/- each	29		
- Basic		(15.92)	(18.71)
- Diluted		(15.92)	(18.71)

Significant accounting policies and other notes to Financial Statement 1 to 39.
The accompanying notes are an integral part of these financial statements.

For A. K. Maheshwari & Associates

Chartered Accountants
(Firm Regn. No. 500106N)
(CA. Tushar Jain)
Partner
Membership No. 524134

N. Goenka
Director
(DIN - 00060864)

Satish C. Vishwakarma
Executive Director and CFO
(DIN - 06891937)

Place : New Delhi
Dated : 24th day of May, 2018

Ritika Mansata
Company Secretary
(ACS - 34156)

SCHABLONA INDIA LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2018

Particulars	For the year ended <u>31st March 2018</u>	(Rs. in Lacs) For the year ended <u>31st March 2017</u>
(I) Cash Flows from Operating Activities		
Net Profit before Tax as per Statement of Profit and Loss	(391.04)	(591.21)
Adjustments for :		
Finance Costs	111.48	114.09
Interest Income	(1.19)	(2.98)
Gain on Disposal of Property, Plant & Equipment	-	(0.73)
Sundry Balances and Liabilities no longer required written back	(0.59)	(1.13)
Depreciation and Amortization Expenses	52.51	49.99
Operating profit before working capital changes	(228.83)	(431.97)
Changes in Working Capital		
(Increase)/Decrease In Trade and Other Receivables	(155.75)	(262.26)
(Increase)/Decrease in Inventories	(5.47)	174.63
(Increase)/Decrease in Trade and Other Liabilities	431.79	573.26
Cash Generated From Operations	41.74	53.66
Income Taxes paid	(0.18)	(0.36)
Net Cash Generated by Operating Activities	41.56	53.30
(II) Cash Flows from Investing Activities		
Interest Received	1.74	1.03
Purchase of Property, Plant and Equipment	(16.53)	(40.90)
Sale of Property, Plant and Equipments	0.71	10.76
Net Cash (Used In)/Generated By Investing Activities	(14.08)	(29.11)
(III) Cash Flows from Financing Activities		
Proceeds/Repayments from Borrowings	10.64	20.00
Repayment	(5.56)	(1.94)
Current Borrowing	24.31	29.62
Interest Paid	(57.47)	(79.04)
Net Cash Used in Financing Activities	(28.08)	(31.36)
Net Increase In Cash and Cash Equivalents	(0.60)	(7.17)
Cash and Cash Equivalents at the Beginning of the Year	3.79	10.96
Cash and Cash Equivalents at the End of the Year	3.19	3.79

Significant accounting policies and other notes to Financial Statement 1 to 39.

The accompanying notes are an integral part of these financial statements.

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

Chartered Accountants
(Firm Regn. No. 500106N)
(CA. Tushar Jain)
Partner
Membership No. 524134

N. Goenka
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Satish C. Vishwakarma
Executive Director and CFO
(DIN - 06891937)

Place : New Delhi
Dated : 24th day of May, 2018

Ritika Mansata
Company Secretary
(ACS - 34156)

SCHABLONA INDIA LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2018

(Rs. in Lacs)

Particulars	As at 31st March 2018		As at 31st March 2017		
	No. of Shares	Amount	No. of Shares	Amount	
(a) Equity share capital & Reconciliation of number of shares outstanding at the beginning and end of the year					
Balance at the beginning of the year	3,159,215	126.37	3,159,215	126.37	
Changes in equity share capital during the year	-	-	-	-	
Balance at the end of the reporting period	3,159,215	126.37	3,159,215	126.37	
(b) Other Equity					
	Reserve and Surplus			Other Comprehensive Income	
	Capital Reserve	General Reserve	Retained earnings	Remeasurement of defined benefit plans	Total
Restated balance at the beginning of the reporting period as at 1st April, 2016	0.63	75.00	(497.61)	(1.20)	(423.18)
Profit for the year	-	-	(591.72)	-	(591.72)
Other comprehensive income for the year	-	-	-	0.51	0.51
	0.63	75.00	(1,089.33)	(0.69)	(1,014.39)
Balance as at 31 March, 2017	0.63	75.00	(1,089.33)	(0.69)	(1,014.39)
Profit for the year	-	-	(505.25)	-	(505.25)
Other comprehensive income for the year	-	-	-	2.30	2.30
Balance as at 31 March, 2018	0.63	75.00	(1,594.58)	1.61	(1,517.34)

Significant accounting policies and other notes to Financial Statement 1 to 39.

The accompanying notes are an integral part of these financial statements.

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

Chartered Accountants
(Firm Regn. No. 500106N)
(CA. Tushar Jain)
Partner
Membership No. 524134

N. Goenka
Director
(DIN - 00060864)

Satish C. Vishwakarma
Executive Director and CFO
(DIN - 06891937)

Place : New Delhi
Dated : 24th day of May, 2018

Ritika Mansata
Company Secretary
(ACS - 34156)

SCHABLONA INDIA LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

1 Reporting Entity

Schablona India Limited referred to as “the Company” is domiciled in India. The registered office of the Company is at 82/19, Bhakerwara Road, Mundka, New Delhi - 110 041 India. Equity shares of the Company are listed in India on BSE Limited.

The Company has manufacturing plants in Kassar (Haryana). The Company is a manufacturer of Ceramic Transfer and manufacturer & trader of Designer Tiles.

The financial statements of the Company for the year ended 31 March, 2018 were authorized for issue in accordance with a resolution of the directors on 24 May, 2018.

2 Significant Accounting Policies

The Company has consistently applied the following accounting policies to all periods presented in the financial statements.

2.1 Basis of preparation

The financial statements of Schablona India Limited (“the Company”) comply in all material aspects with Indian Accounting Standards (“Ind AS”) as prescribed under section 133 of the Companies Act, 2013 (“the Act”), as notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended by the Companies (Indian Accounting Standards) (Amendment) Rules, 2016 and other accounting principles generally accepted in India.

The financial statement up to year ended 31 March, 2017 were prepared in accordance with Generally Accepted Accounting Principles (GAAP) in India and complied with the applicable accounting standards prescribed in the Companies (Accounting Standards) Rules, 2014 issued by the Central Government and as per relevant provisions of the Companies Act, 2013 read together with Paragraph 7 of The Companies (Accounts) Rules, 2014.

The Company followed the provisions of Ind-AS 101 in preparing its opening Ind AS Balance Sheet as of the date of transition i.e 1st April 2016 and transitional adjustment were recognized directly through retained earnings (Refer Note No. 39).

2.2 Basis of measurement

The financial statements have been prepared under the historical cost convention on accrual basis and the following items, which are measured on following basis on each reporting date:

- Certain financial assets and liabilities that is measured at fair value.
- Defined benefit liability/(assets): present value of defined benefit obligation less fair value of plan assets.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company take into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- **Level 1** inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the company can access at the measurement date;
- **Level 2** inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- **Level 3** inputs are unobservable inputs for the asset or liability.

SCHABLONA INDIA LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

2.3 Functional and presentation currency

These financial statements are presented in Indian National Rupee ('INR'), which is the Company's functional currency. All amounts have been rounded to the nearest lacs, unless otherwise indicated.

2.4 Use of judgements and estimates

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of the company's accounting policies and the reported amounts of assets, liabilities, income and expenses. Management believes that the estimates used in the preparation of the financial statements are prudent and reasonable. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively.

Judgements

Information about the judgements made in applying accounting policies that have the most significant effects on the amounts recognised in the financial statements have been given below:

- Classification of financial assets: assessment of business model within which the assets are held and assessment of whether the contractual terms of the financial asset are solely payments of principal and interest on the principal amount outstanding.

Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the financial statements for the every period ended is included below:

- Measurement of defined benefit obligations: key actuarial assumptions;
- Recognition of deferred tax assets: availability of future taxable profit against which carry-forward tax losses can be used;
- Impairment test: key assumptions underlying recoverable amounts.
- Useful life and residual value of Property, Plant and Equipments.
- Recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources

2.5 Classification of Assets and Liabilities as Current and Non-Current

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset/liabilities is treated as current when it is:

- Expected to be realised/settled (liabilities) or intended to be sold or consumed in normal operating cycle.
- Held primarily for the purpose of trading
- Expected to be realised/settled within twelve months after the reporting period, or
- Cash and cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period or there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other assets/liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets/liabilities.

The operating cycle is the time between the acquisition of the assets for processing and their realisation in cash and cash equivalents.

SCHABLONA INDIA LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

2.6 Property, Plant and Equipment

Recognition and Measurement

Items of property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment loss, if any. The cost of assets comprises of purchase price and directly attributable cost of bringing the assets to working condition for its intended use including borrowing cost and incidental expenditure during construction incurred upto the date when the assets are ready to use. Capital work in progress includes cost of assets at sites, construction expenditure and interest on the funds deployed less any impairment loss, if any.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as a separate items (major components) of property, plant and equipment.

Subsequent Measurement

Subsequent expenditure is capitalised only if it is probable that there is an increase in the future economic benefits associated with the expenditure will flow to the company.

However, Fixed Assets relating to "Transfer Division " have been stated at the revalued cost as on 31 Aug 2003; pursuant to the order dt.14 December 2004 of Hon'ble Calcutta High Court, under the Capital Reduction scheme approved by them as per provision of Section 100(1)(b) of the Companies Act, 1956

Depreciation

Depreciation is calculated on Straight Line Method using the rates arrived at estimated useful lives given in Schedule II of the Companies Act, 2013 except in case of cars, which is being depreciated over 5 years instead of 8 years. As per company policy car is transferred to employee after 5 years.

Depreciation on additions to or on disposal of assets is calculated on pro-rata basis.

Depreciation methods, useful lives and residual values are reviewed in each financial year end and changes, if any, are accounted for prospectively.

De-recognition

An item of property, plant and equipment is de-recognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between net disposal proceeds and the carrying amount of the asset and is recognised in the statement of profit and loss.

2.7 Borrowing Cost

Borrowing costs directly attributable to the acquisition, construction of qualifying assets are capitalised as part of the cost of such assets upto the assets are substantially ready for their intended use.

2.8 Foreign Exchange Transaction:

Transaction in foreign currency is recorded in Indian rupees using the rates of exchange prevailing on the dates of transactions. 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 and unrealised exchange adjustment, gain and losses are dealt with in the Statement of Profit and loss.

2.9 Employee benefits

Short term employee benefits

Short-term employee benefits are expensed in the year in which the related services are provided. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

SCHABLONA INDIA LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

Defined contribution plans

Employee benefits in the form of Provident Fund (with Government Authorities) and Employees' pension Scheme are defined as contribution plan and charged as expenses during the period in which the employees perform the services.

Defined benefit plans

For defined benefit retirement, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of government bonds.

The effect of the remeasurement changes (comprising actuarial gains and losses) to the asset ceiling (if applicable) and the return on plan assets (excluding interest)), is reflected in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to the statement of profit and loss. Past service cost is recognised in the statement of profit and loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Defined benefit costs are categorised as follows:

- service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- net interest expense or income; and
- remeasurement

The Company presents the first two components of defined benefit costs in the statement of profit and loss in the line item employee benefits expense.

The retirement benefit obligation recognised in the balance sheet represents the actual deficit or surplus in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

Other long-term employee benefits

The Company has long term employment benefit plans i.e. accumulated leave. Accumulated leave is encashed to eligible employees at the time of retirement. The liability for accumulated leave, which is a defined benefit scheme, is provided based on actuarial valuation as at the Balance Sheet date, based on Projected Unit Credit Method, carried out by an independent actuary.

2.10 Revenue Recognition

The Company recognises revenue from sale of goods when;

- i) the Company has transferred to the buyer the significant risks and rewards of ownership of the goods;
- ii) the amount of revenue can be measured reliably;
- iii) it is probable that the economic benefits associated with the transaction will flow to the Company; and
- iv) the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Revenue (other than sale of goods) is recognised to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. Claim on insurance companies, interest and others, where quantum of accrual cannot be ascertained with reasonable certainty, are accounted for on acceptance basis.

Revenue represents net value of goods and services provided to customers after deducting for certain incentives

SCHABLONA INDIA LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

including, but not limited to discounts, volume rebates, incentive programs etc.

Interest income are recognised on an accrual basis using the effective interest method.

2.11 Inventories

Inventories are valued at lower of cost and net realisable value except waste/scrap which is valued at net realisable value. Cost of finished goods and stock in process is determined by taking cost of purchases, material consumed, labour and related overheads. Cost of raw materials and stores & spare parts is computed on weighted average basis. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and to make the sale.

2.12 Provisions, Contingent Liabilities and Contingent Assets

Bases on the best estimate provisions are recognized when there is a present obligation (legal or constructive) as a result of a past event and it is probable ("more likely than not") that it is required to settle the obligation, and a reliable estimate can be made of the amount of the obligation at reporting date.

A contingent liability is a possible obligation that arises from a past event, with the resolution of the contingency dependent on uncertain future events, or a present obligation where no outflow is probable. Major contingent liabilities are disclosed in the financial statements unless the possibility of an outflow of economic resources is remote.

Contingent assets are not recognized in the financial statements but disclosed, where an inflow of economic benefit is probable.

2.13 Income tax

Income tax expense comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to items recognised directly in equity or in Other Comprehensive Income.

Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. It is measured using tax rates enacted or substantively enacted at the reporting date. Current tax assets and liabilities are offset only if, the Company:

- a) Has a legally enforceable right to set off the recognised amounts; and
- b) Intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Deferred tax

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the balance sheet and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from initial recognition of goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the balance sheet date.

SCHABLONA INDIA LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

2.14 Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The board of directors of the Company has been identified as being the chief operating decision maker by the Management of the Company.

2.15 Standard issued but not yet effective

The amendments to standards that are issued, but not yet effective, up to the date of issuance of the Company's financial statements are disclosed below. The Company intends to adopt these standards, if applicable, when they become effective.

The Ministry of Corporate Affairs (MCA) has issued the Companies (Indian Accounting Standards) Amendment Rules, 2017 and has amended the following standards:

Recent Accounting pronouncements

(a) Standards issued but not yet effective

On 28 March 2018, the Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) (Amendments) Rules, 2018, notifying amendments to Ind AS 21, 'The Effects of Changes in Foreign Exchange Rates' and Ind AS 115, 'Revenue from Contracts with Customers.' The amendments are applicable to the Company from 1 April, 2018.

(b) Amendment to Ind AS 21

Appendix B to Ind AS 21, Foreign currency transactions and advance consideration: On 28 March, 2018, Ministry of Corporate Affairs (MCA) has notified the Companies (Indian Accounting Standards) Amendment Rules, 2018 containing Appendix B to Ind AS 21, Foreign currency transactions and advance consideration which clarifies the date of the transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income, when an entity has received or paid advance consideration in a foreign currency. The amendment will come into force from 1 April 2018. The Company is evaluating the requirements of the amendment and the effect on the financial statements will be given in due course.

(c) Amendment to Ind AS 115

Ind AS 115 - Revenue from Contract with Customers: On 28 March, 2018, Ministry of Corporate Affairs (MCA) has notified the Ind AS 115 - Revenue from Contract with Customers. The core principle of the new standard is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Further the new standard requires enhanced disclosures about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers. The standard permits two possible methods of transition:

- Retrospective approach - Under this approach the standard will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors
- Retrospectively with cumulative effect of initially applying the standard recognized at the date of initial application (Cumulative catch-up approach).

The effective date for adoption of Ind AS 115 is financial periods beginning on or after 1 April, 2018. The Company is evaluating the requirements of the amendment and the effect on the financial statements will be given in due course.

SCHABLONA INDIA LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

3. Property, Plant and Equipment

Particulars	GROSS BLOCK				ACCUMULATED DEPRECIATION				NET BLOCK	
	As at 1st April 2016	Additions	Disposal/ Adjustment	As at 31st March 2017	As at 1st April 2016	For the Year	Disposal/ Adjustment	As at 31st March 2017	As at 31st March 2017	As at 1st April 2016
Tangible Assets										
Freehold land	9.53	-	-	9.53	-	-	-	-	9.53	9.53
Building	126.49	-	-	126.49	-	7.06	-	7.06	119.43	126.49
Leasehold Building	29.08	-	-	29.08	-	1.25	-	1.25	27.83	29.08
Plant and equipment	241.43	4.28	11.32	234.39	-	32.64	1.33	31.31	203.08	241.43
Furniture and fixtures	6.84	0.21	-	7.05	-	1.85	-	1.85	5.20	6.84
Computer	4.27	10.14	0.34	14.07	-	1.82	0.30	1.52	12.55	4.27
Office equipments	3.66	-	-	3.66	-	0.38	-	0.38	3.28	3.66
Vehicles	10.12	26.27	-	36.39	-	4.99	-	4.99	31.40	10.12
Total	431.42	40.90	11.66	460.66	-	49.99	1.63	48.36	412.30	431.42

Particulars	GROSS BLOCK				ACCUMULATED DEPRECIATION				NET BLOCK	
	As at 1st April 2017	Additions	Disposal/ Adjustment	As at 31st March 2018	As at 1st April 2017	For the Year	Disposal/ Adjustment	As at 31st March 2018	As at 31st March 2018	As at 1st April 2017
Tangible Assets										
Freehold land	9.53	-	-	9.53	-	-	-	-	9.53	9.53
Building	126.49	-	-	126.49	7.06	7.06	-	14.12	112.37	119.43
Leasehold Building	29.08	-	-	29.08	1.25	1.25	-	2.50	26.58	27.83
Plant and equipment	234.39	1.15	1.33	234.21	31.31	32.53	1.27	62.57	171.64	203.08
Furniture and fixtures	7.05	-	-	7.05	1.85	1.41	-	3.26	3.79	5.20
Computer	14.07	0.70	2.06	12.71	1.52	2.65	1.95	2.22	10.49	12.55
Office equipments	3.66	-	-	3.66	0.38	0.38	-	0.76	2.90	3.28
Vehicles	36.39	14.85	1.01	50.23	4.99	7.23	0.30	11.92	38.31	31.40
Total	460.66	16.70	4.40	472.96	48.36	52.51	3.52	97.35	375.61	412.30

1. Refer Note No.14 for Assets pledged/hypothecated
2. Refer Note 39 for First time adoption.

SCHABLONA INDIA LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

(Rs. in Lacs)			
Particulars	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
4 Deferred Tax Asset			
Beginning of the year	111.91	111.91	111.91
Reversed during the year	(111.91)	-	-
	-	111.91	111.91
In the absence of virtual certainty of Future Taxable Profits, Deferred tax asset recognized earlier has been reversed.			
5 Other Non-Current Assets			
Deposit with Government Department	13.63	13.72	13.71
Deposit with others	6.97	0.39	2.78
Prepaid Expenses	3.27	1.18	3.87
	23.87	15.29	20.36
6 Inventories			
(Valued at lower of cost & new realisable value)			
Raw Material	82.30	110.90	105.69
Work-in-Progress	22.11	35.38	16.10
Finished Goods	168.61	183.61	272.30
Stock-in-Trade	132.09	78.36	176.96
Stores & Spares	10.09	1.48	13.31
	415.20	409.73	584.36
7 Trade Receivables			
Unsecured ,Considered Good			
Others	933.96	736.73	483.76
	933.96	736.73	483.76
Including Rs 14.03 Lakhs receivable from related parties.			
8 Cash & Cash Equivalents			
Balance with Banks			
- Current Accounts	2.86	3.60	10.44
Cash in hand	0.33	0.19	0.52
	3.19	3.79	10.96
9 Other Bank Balances			
Unpaid Dividend Account	3.10	4.31	5.45
Fixed Deposit held as margin money	16.25	41.25	4.41
	19.35	45.56	9.86
10 Current Tax Assets			
Advance Tax (Net of provisions)	29.40	29.22	28.86
	29.40	29.22	28.86
11 Other Current Assets			
Balances with Government Authorities	59.97	105.14	130.07
Deposit with others	15.06	8.49	14.03
Interest Receivable	1.84	2.39	0.44
Advance to Suppliers	25.09	10.34	1.21
	101.96	126.36	145.75

SCHABLONA INDIA LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

	(Rs. in Lacs)		
Particulars	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
12 Share Capital			
Authorised :			
50,00,000 (31 March, 2017: 50,00,000; 1 April, 2016: 50,00,000) Equity Shares of Rs. 10/- each.	500.00	500.00	500.00
Issued, Subscribed & Paid Up :			
31,59,215 (31 March, 2017: 31,59,215; 1 April, 2016: 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 Calcutta High Court)	126.37	126.37	126.37
	126.37	126.37	126.37

Note :

	Number of Shares	Amount
(a) Reconciliation of Equity Share Capital		
Outstanding as on April 1, 2016	3,159,215	126.37
Equity Shares issued/bought back during the year	-	-
Outstanding at March 31, 2017	3,159,215	126.37
Equity Shares issued/bought back during the year	-	-
Outstanding at March 31, 2018	3,159,215	126.37

(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 :

Name of the Shareholders	No. of Shares	No. of Shares	No. of Shares
Bhilwara Holdings Limited	-	626,911	626,911
Hiralall Somany	-	431,647	431,647
SR Continental Limited	-	-	390,800
Somany Ceramics Limited	-	-	200,000
Sarvottam Vanijya Limited	-	711,388	-
Shreekant Somany	590,082	-	-
Abhishek Somany	590,082	-	-
Shrivatsa Somany	590,082	-	-
	1,770,246	1,769,946	1,649,358

SCHABLONA INDIA LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

(Rs. in Lacs)		
Particulars	As at 31st March 2018	As at 31st March 2017
13 Other Equity		
Capital Reserve	0.63	0.63
General Reserve		
Balance at the beginning of the year	75.00	75.00
Add: Transferred from surplus in Statement of Profit and Loss	-	-
General Reserve	<u>75.00</u>	<u>75.00</u>
Retained Earning		
Balance at the beginning of the year	(1,089.33)	(497.61)
Net Profit/(Loss) for the current year	(505.25)	(591.72)
Closing Balance	<u>(1,594.58)</u>	<u>(1,089.33)</u>
Other Comprehensive Income		
Balance at the beginning of the year	(0.69)	(1.20)
Net Profit/(Loss) for the current year	2.30	0.51
Closing Balance	<u>1.61</u>	<u>(0.69)</u>
Total Other Equity	<u>(1,517.34)</u>	<u>(1,014.39)</u>

(Rs. in Lacs)			
Particulars	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
14 Borrowings			
Secured :			
Car Loans			
From Banks	29.85	24.77	6.71
	<u>29.85</u>	<u>24.77</u>	<u>6.71</u>
Less: Current Maturities			
Car Loans			
From Banks	7.57	5.29	1.45
	<u>7.57</u>	<u>5.29</u>	<u>1.45</u>
	<u>22.28</u>	<u>19.48</u>	<u>5.26</u>
(a) Car loan is secured against hypothecation of vehicles purchase thereunder and repayable in monthly installments as per stipulation in the loan agreement.			
15 Other Financial Liabilities			
Security Deposit	255.70	210.83	199.27
	<u>255.70</u>	<u>210.83</u>	<u>199.27</u>

SCHABLONA INDIA LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

(Rs. in Lacs)			
Particulars	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
16 Provisions			
Employees Benefits	19.04	21.74	22.53
Less: Provision for Short Term Leave Encashment	2.08	1.51	1.82
	16.96	20.23	20.71
17 Borrowings			
<i>Secured :</i>			
Cash Credit	-	12.23	482.61
<i>Unsecured :</i>			
From Body Corporate	720.00	720.00	220.00
Book Overdraft	36.54	-	-
	756.54	732.23	702.61
<p>An Overdraft/Bill Discounting facility was availed during the FY 2016-17 from SBI Bank against F.D of Rs.25 Lakh. Cash Credit utilised as on 1 April, 2016 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 and land & building of the Company. The said financial assistance is additionally secured by way of a Corporate Guarantee of M/s. Somany Ceramics Limited and the same was fully repaid in the FY 2016-17.</p>			
18 Trade Payables			
Outstanding dues to Micro and Small Enterprises#	-	-	-
Outstanding dues other than Micro and Small Enterprises	1,783.61	1,586.08	1,048.23
	1,783.61	1,586.08	1,048.23
<p># The Company has not received any intimation from its suppliers being registered under Micro, Small and Medium Enterprises Development Act, 2006 (MSME). Hence the necessary disclosure required under MSME can not be made.</p>			
19 Other financial Liabilities			
Unpaid dividend	3.10	4.31	5.45
Current Maturity of Non Current Borrowings	7.57	5.29	1.45
Other Liabilities	132.01	112.44	66.02
Interest Accrued	89.05	35.05	-
	231.73	157.09	72.92
20 Other Current Liabilities			
Statutory Dues	27.89	24.77	24.81
Advance From Customers	176.86	5.47	24.42
	204.75	30.24	49.23
21 Provisions			
Employees Benefits	21.94	22.73	25.82
	21.94	22.73	25.82

SCHABLONA INDIA LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

	(Rs. in Lacs)	
Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
22 Revenue from Operations		
Sale of Goods	2,343.44	2,268.23
Income from Services	-	1.81
	2,343.44	2,270.04
23 Other Income		
Liabilities no longer required written back	0.59	1.13
Interest received	1.19	2.98
	1.78	4.11
24 Cost of Materials Consumed		
Raw Material Consumed	562.13	828.84
Packing Material Consumed	23.96	55.60
	586.09	884.44
25 Change in Inventories		
Closing Stock		
Finished goods	168.61	183.61
Work-in-progress	22.11	35.38
Stock-in-trade	132.09	78.36
	322.81	297.35
Opening Stock		
Finished goods	183.61	272.30
Work-in-progress	35.38	16.10
Stock-in-trade	78.37	176.96
	297.36	465.36
Increase/(Decrease) in Stock	25.45	(168.01)
Add:(Increase)/Decrease in excise duty on stock	11.24	2.87
	36.69	(165.14)
26 Employees Benefit Expenses		
Salary, Wages and Bonus	408.60	454.56
Contribution to Provident Fund and Other Funds	18.09	22.56
Workmen & Staff Welfare	16.11	27.25
	442.80	504.37
27 Finance Costs		
Interest on Borrowings	111.48	114.09
	111.48	114.09

SCHABLONA INDIA LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

(Rs. in Lacs)			
Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017	
28 Other Expenses			
Power & Fuel	57.64	61.45	
Stores & Spares	25.86	78.52	
Travelling Expenses	44.96	50.20	
Bank Charges			
Repairs and Maintenance			
- Building	0.81	0.47	
- Plant & Machinery	4.14	2.55	
- Others	5.15	6.56	
Exchange Rate Fluctuation	0.10	-	
Freight Outward and Handling Charges	27.61	35.19	
Insurance Expense	5.28	3.95	
Legal & Professional Charges	14.00	7.78	
Postage, Telegram & Telephone	6.19	13.11	
Rates & Taxes	6.02	6.79	
Rent	30.77	32.76	
Selling and Distribution expenses	124.27	99.01	
Job Work	-	2.55	
Payment to Auditors			
- Audit Fees	1.50	1.50	
- Certification Fees	-	0.08	
- Out of pocket expenses	0.15	0.27	
Loss on Sale of Assets	0.17	-	
Miscellaneous expenses	16.66	12.69	
	371.28	415.43	
29 Earning per Share			
Profit/(Loss) for the year	(502.95)	(591.21)	
weighted average number of equity share of Rs.4/- each	3,159,215	3,159,215	
EPS - Basic and Diluted (per share in Rs.)	(15.92)	(18.71)	
30 Contingent liabilities, contingent assets and commitments			
Contingent liabilities (not provided for) in respect of:	<u>31.03.2018</u>	<u>31.03.2017</u>	<u>31.03.2016</u>
1 Co-surety given to Sales Tax Authorities on behalf of M/s Somany Ceramics Ltd.	12.50	12.50	12.50
2 Sales Tax and purchase tax demands, among others against which the Company has preferred appeals	-	-	28.46
3 Income Tax demands against which the Company has preferred appeals	0.47	0.47	0.47
31 Employee benefits			
(i) The Company contributes to the following post-employment defined benefit plans in India.			
(ii) Defined Contribution Plans:			
The Company makes contributions towards provident fund to a defined contribution retirement benefit plan for qualifying employees. Under the plan, the Company is required to contribute a specified percentage of payroll cost to the retirement benefit plan to fund the benefits.			

SCHABLONA INDIA LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

	(Rs. in Lacs)	
Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Contribution to Government Provident Fund	7.90	9.98

(iii) Defined Benefit Plan:

The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. Gratuity liability is being contributed to the gratuity fund formed by the Company.

The most recent actuarial valuation of plan assets and the present value of the defined benefit obligation for gratuity were carried out as at 31 March 2018. The present value of the defined benefit obligations and the related current service cost and past service cost, were measured using the Projected Unit Credit Method.

- A. Based on the actuarial valuation obtained in this respect, the following table sets out the status of the gratuity plan and the amounts recognised in the Company's financial statements as at balance sheet date: **(Rs. in Lacs)**

	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Net defined benefit (liability) / asset			
Liability for Gratuity			
Non-current	49.69	55.35	58.29
Current	5.34	5.22	0.58
	55.03	60.57	58.87

B. Movement in net defined benefit (asset) liability

The following table shows a reconciliation from the opening balances to the closing balances for net defined benefit (asset) liability and its components:

	31st March 2018			31st March 2017		
	Defined benefit obligation	Fair Value of plan assets	Net Defined (asset)/ liability	Defined benefit obligation	Fair value of plan assets	Net defined (asset)/ liability
Balance as at 1 April	60.56	39.34	21.22	58.87	34.86	24.01
Included in profit or loss						
Current service cost	4.70	-	4.70	5.97	-	5.97
Interest cost / (income)	3.95	3.03	0.92	3.95	2.61	1.34
Past Service Cost including curtailment Gains/Losses	2.08	-	2.08	-	-	-
	10.73	3.03	7.70	9.92	2.61	7.31
Included in OCI						
Remeasurements loss / (gain)						
- Actuarial loss / (gain) arising from:	-	-	-	-	-	-
- demographic assumptions	-	-	-	-	-	-
- financial assumptions	(1.55)	-	(1.55)	3.83	-	3.83
- experience adjustment	3.91	-	3.91	0.19	-	0.19
- on plan assets	-	0.43	(0.43)	-	4.13	(4.13)
	2.36	0.43	1.93	4.02	4.13	(0.11)
Other						
Contributions paid by the employer	-	11.00	(11.00)	-	10.00	(10.00)
Benefits paid	(18.62)	(18.62)	-	(12.25)	(12.26)	0.01
Acquisition adjustment	-	-	-	-	-	-
	(18.62)	(7.62)	(11.00)	(12.25)	(2.26)	(9.99)
Balance as at 31 March	55.03	35.18	19.85	60.56	39.34	21.22

SCHABLONA INDIA LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

(Rs. in Lacs)			
Particulars	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
C Plan Assets			
Fund managed by insurer	100%	100%	100%
	<u>100%</u>	<u>100%</u>	<u>100%</u>
D. Actuarial assumptions			
The following were the principal actuarial assumptions at the reporting date (expressed as weighted averages).			
Discount rate	7.71%	7.50%	8.00%
Expected rate of future salary increase	6.00%	6.00%	6.00%
Mortality	100% of IALM (2006 - 08) ULTIMATE	100% of IALM (2006 - 08) ULTIMATE	100% of IALM (2006 - 08) ULTIMATE

Assumptions regarding future mortality have been based on published statistics and mortality tables.

The company expects to pay Rs. 11 Lakhs (Previous year Rs. 10 Lakhs) in contribution to its defined benefit plans in the next year.

E. Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

Particulars	31st March 2018		31st March 2017	
	Increase	Decrease	Increase	Decrease
Discount rate (0.5% movement)	(2.99)	4.28	(3.83)	4.20
Expected rate of future salary increase (0.5% movement)	4.31	(3.04)	4.01	(3.68)
Attrition Rate (-/+ 0.5%)	0.49	0.47	0.00	(0.01)
Mortality Rate (-/+ 0.10%)	0.51	0.45	0.03	(0.04)

Sensitivities due to mortality & withdrawals are insignificant & hence ignored. Sensitivities as to rate of inflation, rate of increase of pensions in payment, rate of increase of pensions before retirement & life expectancy are not applicable being a lump sum benefit on retirement.

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

F. Description of Risk Exposures:

Valuations are based on certain assumptions, which are dynamic in nature and vary over time. As such Company is exposed to various risks as follow -

- A) Salary Increases- Actual salary increases will increase the Plan's liability. Increase in salary increase rate assumption in future valuations will also increase the liability.
- B) Investment Risk – If Plan is funded then assets liabilities mismatch & actual investment return on assets lower than the discount rate assumed at the last valuation date can impact the liability.
- C) Discount Rate: Reduction in discount rate in subsequent valuations can increase the plan's liability.
- D) Mortality & disability – Actual deaths & disability cases proving lower or higher than assumed in the valuation can impact the liabilities.
- E) Withdrawals – Actual withdrawals proving higher or lower than assumed withdrawals and change of withdrawal rates at subsequent valuations can impact Plan's liability.

SCHABLONA INDIA LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

32. Related Parties

A. Related parties and their relationships

- i Key Managerial Personnel (KMP) and their relatives
- | Name | Relationship |
|--------------------------|--|
| Mr. Satish C Vishwakarma | Executive Director and CFO. |
| Mr. N. Goenka | Non-Executive Non-Independent Director |
| Ms. Ritika Mansata | Company Secretary |
- ii Enterprise Under Common Control
Somany Ceramics Limited (w.e.f. 19 January, 2018)

B. Transactions with the above in the ordinary course of business

Nature of Transactions	Key managerial Personnel	
	For the year ended 31st March, 2018	For the year ended 31st March, 2017
a) Payments to Key Managerial Personnel and their relatives		
Mr. Satish C Vishwakarma		
-Remuneration	20.09	19.75
outstanding at the year end		
-Remuneration	2.14	2.04
Mr. N. Goenka		
Sitting Fees	0.14	0.12
Ms. Abha Kabra		
Sitting Fees	0.14	0.12
Ms. Ritika Mansata		
-Remuneration	3.63	3.50
outstanding at the year end		
-Remuneration	0.42	0.38
Summary of payment made to KMP		
Short term employee benefits*	23.72	23.25
Other Payments	0.28	0.24
*excludes provision in respect of gratuity and compensated absences as the same is determined on an actuarial basis for Company as whole.		
b) Enterprise Under Common Control		
Somany Ceramics Limited		
- Purchase of goods	338.41	
- Sales of goods	57.41	
- Rent paid	3.66	
Outstanding at the year end		
- Trade Payables	654.30	
- Trade Receivable	14.03	

SCHABLONA INDIA LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

33. Financial Instruments - Fair values and risk management

I Fair value measurements

A. Financial instruments by category

Particulars	As at 31st March 2018		As at 31st March 2017		As at 1 April 2016	
	FVTPL	Amortised Cost	FVTPL	Amortised Cost	FVTPL	Amortised Cost
Financial assets						
Trade receivables	-	933.96	-	736.73	-	483.76
Cash and cash equivalents	-	3.19	-	3.79	-	10.96
Other bank balances	-	19.35	-	45.56	-	9.86
	-	956.50	-	786.08	-	504.58
Financial liabilities						
Borrowings						
Non Current	-	22.28	-	19.48	-	5.26
Current	-	756.54	-	732.23	-	702.61
Trade payables	-	1,783.61	-	1,586.08	-	1,048.23
Other Financial Liabilities						
Non Current	-	255.70	-	210.83	-	199.27
Current	-	231.73	-	157.09	-	72.92
	-	3,049.86	-	2,705.71	-	2,028.29

B. Financial assets and liabilities measured at amortised cost

Particulars	As at 31st March 2018		As at 31st March 2017		As at 1 April 2016	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Financial assets						
Trade receivables	933.96	933.96	736.73	736.73	483.76	483.76
Cash and cash equivalents	3.19	3.19	3.79	3.79	10.96	10.96
Other bank balances	19.35	19.35	45.56	45.56	9.86	9.86
	956.50	956.50	786.08	786.08	504.58	504.58
Financial liabilities						
Borrowings						
Non Current	22.28	22.28	19.48	19.48	5.26	5.26
Current	756.54	756.54	732.23	732.23	702.61	702.61
Trade payables	1,783.61	1,783.61	1,586.08	1,586.08	1,048.23	1,048.23
Other Financial Liabilities						
Non Current	255.70	255.70	210.83	210.83	199.27	199.27
Current	231.73	231.73	157.09	157.09	72.92	72.92
	3,049.86	3,049.86	2,705.71	2,705.71	2,028.29	2,028.29

The management considers that the carrying amount of financial assets and financial liabilities carries at amortised cost approximates their fair value.

SCHABLONA INDIA LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

II. Financial risk management

The Company has exposure to the following risks arising from financial instruments:

- credit risk;
- liquidity risk; and
- market risk.

i. Risk management framework

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The board of directors has established the processes to control risks through defined framework.

The Company's risk management policy is established to identify and analyse the risks faced by the Company, to set appropriate controls. The Company's Audit Committee oversees compliance with the Company's risk management policy, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The Audit Committee is assisted in its oversight role by Internal Audit.

ii. Credit risk

Financial loss to the Company, arising, if a customer or counterparty to a financial instrument fails to meet its contractual obligations principally from the Company's receivables from customers. The carrying amount of financial assets represents the maximum credit exposure.

Trade and other receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. Each new customer is analyzed individually for creditworthiness. The Company's review includes market check, industry feedback, past financials and external ratings, if they are available, and in some cases bank reference checks are also done. Sales credit limit are set up for each customer and reviewed periodically.

The Company creates allowances, if any, for impairment that represents its expected credit losses in respect of trade and other receivables. The management uses a simplified approach for the purpose of computation of expected credit loss for trade receivables.

The gross carrying amount of trade receivables is Rs 933.96 Lakhs (31 March 2017 – Rs. 736.73 Lakhs, 1 April 2016 – Rs.483.76 Lakhs).

iii. Liquidity risk

Liquidity risk is the risk that the Company may face difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to manage liquidity is to ensure, as far as possible, sufficient liquidity to meet its obligations, under both normal and stressed conditions.

Management monitors rolling forecasts of the Company's liquidity position and cash & cash equivalents on the basis of expected future cash flows.

Maturities of financial liabilities

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and exclude contractual interest payments and the impact of netting agreements.

SCHABLONA INDIA LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

Particulars	Carrying Amounts 31st March 2018	Contractual cash flows			
		On demand	Less than 1 Year	1-5 years	More than 5 years
Financial liabilities					
Borrowings					
Non Current	22.28	-	-	22.28	-
Current	756.54	-	756.54	-	-
Trade payables	1,783.61	-	1,783.61	-	-
Other Financial Liabilities					
Non Current	255.70	-	-	255.70	-
Current	231.73	-	231.73	-	-
Total liabilities	3,049.86	-	2,771.88	277.98	-

Particulars	Carrying Amounts 31st March 2017	Contractual cash flows			
		On demand	Less than 1 Year	1-5 years	More than 5 years
Financial liabilities					
Borrowings					
Non Current	19.48	-	-	19.48	-
Current	732.23	-	732.23	-	-
Trade payables	1,586.08	-	1,586.08	-	-
Other Financial Liabilities					
Non Current	210.83	-	-	210.83	-
Current	157.09	-	157.09	-	-
Total liabilities	2,705.71	-	2,475.40	230.31	-

Particulars	Carrying Amounts 1st April 2016	Contractual cash flows			
		On demand	Less than 1 Year	1-5 years	More than 5 years
Financial liabilities					
Borrowings					
Non Current	5.26	-	-	5.26	-
Current	702.61	-	702.61	-	-
Trade payables	1,048.23	-	1,048.23	-	-
Other Financial Liabilities					
Non Current	199.27	-	-	199.27	-
Current	72.92	-	72.92	-	-
Total liabilities	2,028.29	-	1,823.76	204.53	-

iv. Market risk

Market risk is the risk that changes in market prices – such as foreign exchange rates and interest rates – will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return. The Company uses derivatives like forward contracts to manage market risks on account of foreign exchange and various debt instruments on account of interest rates.

SCHABLONA INDIA LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

34 Payment to Auditors (Rs. in Lacs)

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Payments to Auditors :		
Statutory audit fee	1.10	1.10
Tax audit fee	0.40	0.40
Certification Fees	-	0.08
Reimbursement of expenses	0.15	0.27
Total	1.65	1.85

35 Capital management

The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. Management monitors the return on capital as well as the level of dividends to ordinary shareholders. The following table summarises the capital of the Company:-

Particulars	(Rs. in Lacs)		
	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Equity Share Capital	126.37	126.37	126.37
Other Equity	(1,517.34)	(1,014.39)	(423.18)
Total Equity	(1,390.97)	(888.02)	(296.81)
Non Current Borrowings	22.28	19.48	5.26
Current maturities of Non-Current Borrowings	7.57	5.29	1.45
Other Current Borrowings	720.00	720.00	220.00
Total Debts	749.85	744.77	226.71

36 Changes in Liabilities and Asset from Financing Activities are as under :

Particulars	As at 31st March, 2018	Cash Flow	Non-Cash Charges		As at 31st March, 2017
			Foreign Exchange Movement	Other	
Non current borrowings	29.85	5.08	-	-	24.77
Other Current Borrowings	756.54	24.31	-	-	732.23
Equity Share Capital	126.37	-	-	-	126.37
Total Liabilities from Financing activity	912.76	29.39	-	-	883.37

37 The Company has accumulated losses of Rs 1592.97 Lakhs as on Balance Sheet date. However the company is making necessary efforts to reduce losses/generate profit, going forward. Accordingly, financial statement are prepared on going concern basis.

38. Segment Information :

Disclosures as required by Indian Accounting Standard (Ind AS) 108 Operating Segments identification of Segments : Segments have been identified inline with Indian Accounting Standard on 'Operating Segments' (Ind AS - 108), taking into account the organizational structure as well as the differential risk and returns of this segment and as per the quantitative criteria specified under Ind-AS. The Company has identified the following segments.

Information about Operating Segments for the year ended 31-03-2018 and 31-03-2017 is as follows

Particulars	Designer Tiles		Transfer Sheets		Unallocable		Total	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
A. REVENUE								
1 Gross Segment Revenue (External Customers)	1,975.08	1,876.40	417.82	498.23	1.78	4.11	2,394.68	2,378.74
Inter-Segment	49.46	104.59	-	-	-	-	49.46	104.59
Total	1,925.62	1,771.81	417.82	498.23	1.78	4.11	2,345.22	2,274.15
2 Other Income	-	-	-	-	-	-	-	-
B. RESULTS								
1 Segment Result(PBIT)	(279.35)	(402.43)	(2.51)	(75.20)	-	-	(281.86)	(477.63)
Less:								
2 Interest Expense (Net)	-	-	-	-	111.48	114.09	111.48	114.09
3a. Deferred Tax	-	-	-	-	111.91	-	111.91	-
4 Profit after Tax	(279.35)	(402.43)	(2.51)	(75.20)	(223.39)	(114.09)	(505.25)	(591.72)
C Other Information:								
1 Segment Assets	1,482.07	1537.84	368.53	241.13	51.94	-	1,902.54	1,778.97
2 Segment Liabilities	2,695.14	1307.49	212.00	122.23	69.49	-	2,976.63	1,429.72
3 Depreciation and Amortization Expenses	33.97	32.53	18.54	17.45	-	-	52.51	49.98
4 Capital Expenditure								
5 Net capital employed							(1,074.09)	349.25

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

39 First Time Adoption of Ind AS

As stated in note 2, these are the Company's first financial statements prepared in accordance with Ind AS. The accounting policies set out in note 2 have been applied in preparing the financial statements for the year ended 31 March 2018, the comparative information presented in these financial statements for the year ended 31 March 2017 and in the preparation of an opening Ind AS statement of financial position at 1 April 2016 (the Company's date of transition). In preparing its opening Ind AS statement of financial position, the Company has adjusted amounts reported previously in financial statements prepared in accordance with Indian GAAP (previous GAAP). An explanation of how the transition from previous GAAP to Ind AS has affected the Company's financial position, financial performance and cash flows is set out in the following tables and the notes that accompany the tables.

Exemptions and exceptions availed

Set out below are the applicable Ind AS 101 optional exemptions and mandatory exceptions applied in the transition from previous GAAP to Ind AS.

A. Ind AS optional exemptions

Deemed cost

Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition after making necessary adjustments for de-commissioning liabilities. Accordingly, the Company has elected to measure all of its property, plant and equipment and intangible assets at their previous GAAP carrying value.

B. Ind AS mandatory exceptions

(i) Estimates

An entity's estimates in accordance with Ind AS at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error. Ind AS estimates as at 1 April 2016 are consistent with the estimates as at the same date made in conformity with previous GAAP. The Company made estimates for Impairment of financial assets based on expected credit loss model in accordance with Ind AS at the date of transition as these were not required under previous GAAP.

(ii) Classification and measurement of financial assets

Ind AS 101 requires an entity to assess classification and measurement of financial assets on the basis of the facts and circumstances that exist at the date of transition to Ind AS.

C. Reconciliations between previous GAAP and Ind AS

Ind AS 101 requires an entity to reconcile equity, total comprehensive income and cash flows for prior periods. The following tables represent the reconciliations from previous GAAP to Ind AS.

Reconciliation of equity

Particulars	Notes to first-time adoption	As at 1st April 2016		As at 31st March 2017			
		Previous GAAP*	Adjustments	Ind AS	Previous GAAP*	Adjustments	Ind AS
Assets							
Non-Current Assets							
Property, Plant and Equipments		431.42	-	431.42	412.30	-	412.30
Deferred Tax Assets (Net)		111.91	-	111.91	111.91	-	111.91
Other Non-Current Assets		20.36	-	20.36	15.29	-	15.29
Current Assets							
Inventories		584.36	-	584.36	409.73	-	409.73
Financial Assets							
(I) Trade Receivables		483.76	-	483.76	736.73	-	736.73
(II) Cash And Cash Equivalents		10.96	-	10.96	3.79	-	3.79
(III) Bank Balances Other than (II) Above		9.86	-	9.86	45.56	-	45.56
Current Tax Assets		28.86	-	28.86	29.22	-	29.22
Other Current Assets		145.75	-	145.75	126.36	-	126.36
TOTAL ASSETS		1,827.24	-	1,827.24	1,890.89	-	1,890.89

SCHABLONA INDIA LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

Particulars	Notes to first-time adoption	As at 1st April 2016			As at 31st March 2017		
		Previous GAAP*	Adjustments	Ind AS	Previous GAAP*	Adjustments	Ind AS
EQUITY AND LIABILITIES							
Equity							
Equity Share Capital		126.37	-	126.37	126.37	-	126.37
Other Equity	3	(423.18)	-	(423.18)	(1,014.39)	-	(1,014.39)
Liabilities							
Non-Current Liabilities							
Financial Liabilities							
(I) Borrowings		5.26	-	5.26	19.48	-	19.48
(II) Other Financial Liabilities		199.27	-	199.27	210.83	-	210.83
Provisions		20.71	-	20.71	20.23	-	20.23
Current Liabilities							
Financial Liabilities							
(I) Borrowings		702.61	-	702.61	732.23	-	732.23
(II) Trade Payables		1,048.23	-	1,048.23	1,586.08	-	1,586.08
(III) Other Financial Liabilities		72.92	-	72.92	157.09	-	157.09
Other Current Liabilities		49.23	-	49.23	30.24	-	30.24
Provisions		25.82	-	25.82	22.73	-	22.73
TOTAL EQUITY AND LIABILITIES		1,827.24	-	1,827.24	1,890.89	-	1,890.89

*The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purposes of this note.

Reconciliation of total comprehensive income for the year ended 31 March 2017

Particulars	Notes to first-time adoption	Previous GAAP*	Adjustments	Ind AS
Revenue				
Revenue from operations		2,270.04	-	2,270.04
Other income		4.11	-	4.11
Total income		<u>2,274.15</u>	<u>-</u>	<u>2,274.15</u>
Expenses				
Cost of materials consumed		884.44	-	884.44
Purchase of Stock in Trade		636.79	-	636.79
Changes in inventories of finished goods, stock-in-Trade and work-in-progress		165.14	-	165.14
Excise duty		96.35	-	96.35
Employee benefits expense	1	503.86	0.51	504.37
Finance costs		114.09	-	114.09
Depreciation and amortization expense		49.99	-	49.99
Other expenses		415.43	-	415.43
Total Expenses		<u>2,866.09</u>	<u>0.51</u>	<u>2,866.60</u>

SCHABLONA INDIA LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

Particulars	Notes to first-time adoption	Previous GAAP*	Adjustments	Ind AS
Profit/(Loss) before exceptional items and tax		(591.94)	(0.51)	(592.45)
Exceptional Item		(0.73)	-	(0.73)
Profit/ (Loss) before tax		(591.21)	(0.51)	(591.72)
Tax expense:				
Current tax		-	-	-
Deferred tax		-	-	-
Income Tax related to earlier years		-	-	-
Profit/ (Loss) for the period (A)		(591.21)	(0.51)	(591.72)
Other comprehensive income				
Items that will not be reclassified to profit or loss				
Remeasurement of defined benefit plans	1	-	0.51	0.51
Income tax relating to remeasurement of defined benefit plans		-	-	-
Total other comprehensive income for the period (B)		-	0.51	0.51
Total comprehensive income for the period (A + B)		(591.21)	-	(591.21)

*The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purposes of this note.

Reconciliation of total equity as at 31st March, 2017 and 1 April 2016

Particulars	Notes to first-time adoption	31st March 2017	1st April 2016
Total equity (shareholder's funds) as per previous GAAP		(888.02)	(296.81)
Adjustments		-	-
Total equity as per Ind AS		(888.02)	(296.81)

Impact of Ind AS adoption on the statements of cash flows for the year ended 31 March 2017

Particulars	Notes to first-time adoption	Previous GAAP*	Adjustments	Ind AS
Net cash flow from operating activities		53.30	-	53.30
Net cash flow from investing activities		(29.11)	-	(29.11)
Net cash flow from financing activities		(31.36)	-	(31.36)
Net increase/(decrease) in cash and cash equivalents		(7.17)	-	(7.17)
Cash and cash equivalents as at 1 April 2016		10.96	-	10.96
Cash and cash equivalents as at 31 March 2017		3.79	-	3.79

*The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purposes of this note.

SCHABLONA INDIA LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

D. Notes to first-time adoption:

1 Remeasurements of post-employment benefit obligations

Under previous GAAP, actuarial gains and losses related to the defined benefit schemes for gratuity were recognised in profit or loss. Under Ind AS, the actuarial gains and losses form part of remeasurement of the net defined benefit liability/asset which is recognised in OCI. Consequently, the tax effect of the same has also been recognised in OCI instead of profit or loss.

2 Other comprehensive income

Under Ind AS, all items of income and expense recognised in a period should be included in profit or loss for the period, unless a standard requires or permits otherwise. Items of income and expense that are not recognised in profit or loss but are shown in the statement of profit and loss as 'other comprehensive income' includes remeasurements of defined benefit plans and tax thereon. The concept of other comprehensive income was not there under previous GAAP.

3 Retained earnings

Retained earnings as at April 1, 2016 has been adjusted consequent to the above Ind AS transition adjustments

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

Chartered Accountants
(Firm Regn. No. 500106N)
(CA. Tushar Jain)
Partner
Membership No. 524134

Place : New Delhi
Dated : 24th day of May, 2018

N. Goenka
Director
(DIN - 00060864)

Satish C. Vishwakarma
Executive Director and CFO
(DIN - 06891937)

Ritika Mansata
Company Secretary
(ACS - 34156)

SCHABLONA INDIA LIMITED

CIN : L51109DL1983PLC318655

Registered Office : 82/19, Bhakerwara Road, Mundka, New Delhi - 110 041, Phone : 011-2834 1085

Share Dept. : 2, Red Cross Place, Kolkata - 700 001, Phone No. : 033-22487406/5913

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

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]

34th Annual General Meeting to be held on 19th September, 2018

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 34th Annual General Meeting of the Company, to be held on Wednesday, 19th September, 2018 at 11:30 A.M., at City Park Resort, Ghevra, Rohtak Road (NH-10), Opp. Metro Pillar No. 631, New Delhi - 110 041 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, 2018 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	Appointment of M/s. Shalin Poddar & Associates, Chartered Accountants, as the Statutory Auditors of the Company for a term of 5 (five) consecutive years i.e. from 1st April, 2018 to 31st March, 2023.			

Signed this _____ day of _____ 2018

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 34th Annual General Meeting of the Company.
7. Please complete all details of Member(s) in above box, before submission.

SCHABLONA INDIA LIMITED

CIN : L51109DL1983PLC318655

Registered Office : 82/19, Bhakerwara Road, Mundka, New Delhi - 110 041, Phone : 011-2834 1085

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

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

ATTENDANCE SLIP

34TH 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 34th Annual General Meeting of the Company at City Park Resort, Ghevra, Rohtak Road, (NH-10), Opp. Metro Pillar No. 631, New Delhi - 110 041 on Wednesday, 19th September, 2018 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

