

**DIRECTORS' REPORT** for the year ended 31<sup>st</sup> March 2016.

To

**The Members of  
INDIAN COUNCIL OF CERAMIC TILES AND SANITARYWARE**

Your Directors have pleasure in presenting their Twenty Sixth Annual report with the Audited Accounts of the Company for the year ended 31<sup>st</sup> March 2016.

**INDUSTRY OUTLOOK**

Ceramic tile industry is estimated to be Rs.27000 Crore as of 31<sup>st</sup> March 2016. India is 3<sup>rd</sup> largest producer and consumer of ceramic tiles. However, per capita consumption in India is very low. The industry has very high potential for growth particularly in view of the thrust on urbanization and the programs announced by the government of India such as Swachh Bharat Abhiyan, Toilets for All and Building Smart Cities. We expect the industry will grow at CAGR of 12% - 15%. The future of the ceramic tile industry is bright.

India has been producing the world class tiles by using the latest technology. Technical up-gradation is happening very fast and Indian tiles in terms of effect and aesthetics are at par with international standards. The industry has large export potential also.

The Council is recognized nationally as well as internationally as the apex organization of manufacturers of ceramic tiles and sanitaryware in India and has been participating in all the important International Forums.

**INDUSTRY CONCERNS**

- Rising input costs of major raw materials and fuels, eroding competitive edge.
- No ceramic industry cell in the Government to act as a nodal agency to address industry concerns and
- China has been vigorously dumping their tiles in Indian Markets which has posed a serious threat for the survival and growth of the indigenous industry.

The Council continued its earlier actions to fulfill the wish list of the industry by requesting the government

- ❖ to provide Natural Gas / R-LNG at spot prices for the industry
- ❖ to rationalize the freight rates.
- ❖ to establish a dedicated desk in the Ministry for ceramic tiles industry headed by a Joint Secretary to appraise the concerns of the Industry
- ❖ to impose Anti-dumping duty on tiles imported from China.

**ACTIONS FULFILLED**

Based on the preliminary findings and recommendations of the DG, Anti-dumping, the Ministry of Finance has issued notification on 29.03.2016 imposing provisional anti-dumping duty @ 1.37 US\$ per sq.mt. on glazed/unglazed porcelain/vitrified tiles in polished or unpolished finish with less than 3% water absorption imported from China.

Cont...2/-

## **MEMBERSHIP**

During the year three companies M/s. Cengres Tiles, Euro Ceramics and Swastik Ceracon ceased to be members of the Council and M/s. Somany Vitrified and Taurus Tiles enrolled as new members of the Council. The total number of Council Members as on 31<sup>st</sup> March 2016 is 29.

## **EXTRACT OF ANNUAL RETURN**

The extract of annual return, in Form MGT-9 for the Financial Year 2015-16 has been enclosed with this report as Annexure-I.

## **NUMBER OF BOARD MEETING**

Five meetings of the Board were held during the financial year 2015-16 – 26<sup>th</sup> June 2015, 31<sup>st</sup> August 2015, 26<sup>th</sup> September 2015, 29<sup>th</sup> December 2015 and 30<sup>th</sup> March 2016.

## **DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to the requirement under Section 134(5) of the Companies Act, 2013, with respect to the Directors' Responsibility Statement, it is hereby confirmed:

- i. That in the presentation of the accounts for the financial year ended on 31<sup>st</sup> March 2016, the applicable accounting standards have been followed along with proper explanation relating to materials departures;
- ii. That the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give true and fair view of the state of affairs of the Company at the end of the financial year and excess of expenditure over income of the Company for the year under review;
- iii. That the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv. That the Directors have prepared the accounts for the financial year ended on 31<sup>st</sup> March 2016 on a going concern basis.
- v. The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

## **AUDITORS**

M/s. J. S. Johar & Associates, Chartered Accountants retire with the conclusion of ensuing Annual General Meeting and are eligible for re-appointment. The Company has received a letter from them to the effect that their appointment, if made, will be within the limit prescribed under Section 139 of the Companies Act, 2013 and that they are not disqualified for such appointment within the meaning of Section 141 of the Companies Act 2013.

The comments in the Annual Report read with the Notes on Accounts referred to in the Auditors' Report are self-explanatory and therefore do not call for any further comments.

Cont...3/-

### **INTERNAL CONTROL SYSTEM**

The Company has wide ranging established systems of internal financial controls to adequately ensure that the financial and other records maintained are accurate, effective and are reliable for preparing Financial Statements.

### **PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS UNDER SECTION 186**

There are no loans, guarantees and investments under Section 186 by the company.

### **PARTICULARS OF CONTRACTS OR ARRANGMENTS WITH RELATED PARTIES**

There are no contracts or arrangements with related parties by the company.

### **MATERIAL CHANGES AFFECTING THE FINANCIAL POSITION OF THE COMPANY**

There are no material changes and commitments in the operation of the Company from the Financial Year ended 31<sup>st</sup> March 2016 to the date of signing of the Director's Report.

There are no significant and material orders passed by the Regulators and Courts that would impact the going concern status of the Company and its future operations.

### **DIRECTORS**

The following are the Directors on the Board.

1. Mr. A. K. Kajaria
2. Mr. Bimal Kumar Ruia
3. Mr. Harjivanbhai Ghodasara
4. Mr. Mansukhbhai Kaila
5. Mr. M. K. Daga
6. Mr. Mukeshbhai Patel
7. Mr. P. N. Trivedi
8. Mr. Shreekant Somany
9. Mr. Vijay Aggarwal

In terms of Article 25 of Articles of Association of the company, the following Directors will retire by rotation on Annual General Meeting.

1. Mr. A. K. Kajaria
2. Mr. M. K. Daga
3. Mr. Shreekant Somany

The retiring Directors are eligible for re-appointment.

In addition to the above Directors the following were appointed as Additional Directors by the Board in its meeting held on 26.12.2015.

1. Mr. Rajnish Sacheti
2. Mr. T Seshagiri Rao

Both the above Additional Directors will stand retired on conclusion of the ensuing Annual General Meeting.

The retiring Additional Directors are eligible for re-appointment.

**CONSERVATION OF ENERGY, TECHNOLOGY, ABSORPTION, FOREIGN EXCHANGE EARNING AND OUTGO**

Your Company's activities consist of assisting and promotion of Ceramic Tiles and Sanitaryware to serve the interest of its members. It is not engaged in manufacturing, has no foreign collaboration and it has not exported any goods or services. Hence the directors have nothing to report on the particulars in respect of

- a) Conservation of energy.
- b) Technology absorption, adaptation and innovation.

The company has not received any foreign remittances.

**For and on behalf of the Board of Directors**

**-sd-**

**P N Trivedi**  
**Chairman**

Place: New Delhi

Dated: 30<sup>th</sup> June 2016

**Form No. MGT-9****EXTRACT OF ANNUAL RETURN**as on the financial year ended on 31<sup>st</sup> March, 2016[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**

1	CIN	U72999DL1990NPL038848
2	Registration Date	5 <sup>th</sup> January 1990
3	Name of the Company	INDIAN COUNCIL OF CERAMIC TILES AND SANITARYWARE
4	Category / Sub-Category of the Company	Section 8 Company (Not for profit)
5	Address of the Registered office and contact details	PHD House, 4 <sup>th</sup> Floor 4/2 Siri Institutional Area August Kranti Marg New Delhi – 110 016 Ph.: 011-26964238 E-mail: <a href="mailto:info@icctas.com">info@icctas.com</a>
6	Whether listed company	No
7	Name, Address and Contact details of Registrar and Transfer Agent, if any	N.A

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

The company is a not-for-profit body, promoting domestic manufacturing interest of the members engaged in the ceramic tile and sanitaryware manufacturing.

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES**

The company does not have any Holding, Subsidiary and Associate Companies.

**IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)**

Not Applicable

**V. INDEBTEDNESS**

The company had no debts at any time during the year.

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

No remuneration is paid to any Directors and Key Managerial Personnel.

**VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES**

Nil