

DIRECTORS' REPORT for the year ended 31st March 2022.

To

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

Your Directors have pleasure in presenting their Thirty Second Annual report with the Audited Financial Statements of the Company for the year ended 31st March 2022.

INDUSTRY OUTLOOK

The year 2021 had suddenly changed the outlook of several industries in a matter of a few days. The second wave saw a downfall in the overall business and in the global ceramic tile and sanitaryware market. But slowly there has been a recovery in the production in all other ceramic producing countries which has driven a global recovery. The investments in technology have also exceeded the forecasts made by the global ceramic plant and machinery manufacturers.

This has also been aided by the increased spending on infrastructure by the government, rapid urbanisation and consumer preference shift, which, in turn is encouraging the demand for ceramic tiles in residential and commercial buildings across the countries. It is not just the new projects that will drive the demand for ceramic tiles in the country but also increasing application of tiles in replacement and renovation projects.

The rapid pace of urbanization in emerging economies is a key driver of the market. There is a growing number of remodeling projects in offices, hotels, and homes that are focusing on imparting makeover to wash basins and water closets and are being smartly crafted to meet these requirements, thus expanding the sales opportunities in the ceramic tiles and sanitaryware market.

Talking about this year's and challenges ahead, it is going to be a tough year with the gas prices increasing which is 30 percent of the input cost. Also, the high rates of freight which has and will slow exports for the industry as a whole, until the freight rates start going down. ICCTAS is actively following up with the government to reduce the rate of GST from 18 percent to 12 percent and also to bring gas under GST.

Most definitely the technology advancement will open new avenues for new applications. Tiles have the potential to replace many traditional wall and floor coverings material going forward. Earlier the largest size one can produce was 2 feet by 4 feet, now this has changed and the products can be 6 feet by 10 feet and also 3mm thin tiles.

INDUSTRY CONCERNS

- Rate of GST on Tiles and Sanitary ware.
- Clean and green environment.
- Sunset review of anti-dumping duty on import of tiles from China.

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

- ❖ to consider the lowering, the GST from the current 18% to 12% thus making the product cheaper and more affordable in line with the nations dream to have housing for all.

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- ❖ ICCTAS standing by its commitment for clean and green environment defended the order of Hon'ble Green Tribunal prohibiting the use of coal gasifiers which was challenged firstly before the Gujarat High Court and then Supreme Court of India.
- ❖ To promote Indian exports, the council have also requested the government to relook at the various trade agreements with neighboring nations.

MEMBERSHIP

The total number of Council Members as on 31st March 2022 stands at 30.

EXTRACT OF ANNUAL RETURN

The extract of annual return, in Form MGT-9 for the Financial Year 2021-22 has been enclosed with this report as Annexure-I.

NUMBER OF BOARD MEETING

Four meetings of the Board were held during the financial year 2021-22 – 5th May 2021, 31st August 2021, 15th December 2021 and 30th March 2022.

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

The activities of the Company consist of assisting the cause of its Members for promotion of Ceramic Tiles and Sanitaryware and to serve the interest of its Members. The Company is not engaged in any manufacturing or other business activity requiring any reporting on conservation of energy and technology absorption.

The Company has not incurred any expenditure in foreign currency during the year under review.

DIRECTORS

The following are the Directors on the Board as on 31st March 2022.

1. Mr. Abhishek Somany
2. Mr. Anil Kumar Beejawat
3. Mr. Chetan Kajaria
4. Mr. Harjivanbhai Laljibhai Ghodasara
5. Mr. Kamleshkumar Bhagubhai Patel
6. Mr. Mansukh Tribhuvanbhai Kaila
7. Mr. Prem Narayan Trivedi
8. Mr. Rajnish Nazar Sacheti
9. Mr. Rishi Kajaria
10. Mr. Sarat Kumar Chandak

However, Mr. Ashok Kajaria who was appointed as a Director of the Company on 27.02.2018 resigned from the position of Directorship of the Company w.e.f 29.10.2021.

Mr. Manish R Savsani who was appointed as a Director of the Company on 16.09.2016 resigned from the position of Directorship of the Company w.e.f 29.03.2022.

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. Harjivanbhai Laljibhai Ghodasara
2. Mr. Kamleshkumar Bhagubhai Patel
3. Mr. Sarat Kumar Chandak

The retiring Directors are eligible for re-appointment.

1. Mr. Rishi Kajaria was appointed as Additional Director by the Board in its meeting held on 15.12.2021.

The above named Additional Director will stand retired on conclusion of the ensuing Annual General Meeting.

The retiring Additional Director is eligible for appointment as Director.

MATERIAL DISCLOSURE OF THE DEVELOPMENT AFTER YEAR ENDING 31ST MARCH 2022 TILL THE SIGNING OF THIS DIRECTOR'S REPORT

One of our members Kajaria Tiles Pvt. Ltd. has been amalgamated with Kajaria Ceramics Ltd., which had been duly approved by the Hon'ble National Company Law Tribunal vide its order dt. 26.11.2021. The amalgamation stands completed on 09.12.2021.

On amalgamation Kajaria Tiles Pvt. Ltd. stands dissolved, hence it has ceased to be member of ICCTAS.

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 31st March 2022, 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 31st March, 2022 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. Grover & Associates, Chartered Accountants retire with the conclusion of ensuing Annual General Meeting. Our earlier auditor M/s. J S Johar and Associates, Chartered Accountants 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.

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 GIVEN AND INVESTMENTS MADE

The Company has not given any loan or made investment or given guarantee under Section 186 of the Companies Act, 2013 during the year under review

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 31st March 2022 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.

For and on behalf of the Board of Directors

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Abhishek Somany

Chairman

Place: New Delhi

Dated: 25th July 2022

Form No. MGT-9**EXTRACT OF ANNUAL RETURN**as on the financial year ended on 31st March, 2022

[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	U74999DL1990NPL038848
2	Registration Date	5 th 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 th Floor 4/2 Siri Institutional Area August Kranti Marg New Delhi – 110 016 Ph.: 011-40364502 E-mail: info@icctas.com
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