

G M B CERAMICS LIMITED

CIN: L26933OR1982PLC001049

Registered Office: Rajgangpur- 770017, Dist. Sundergarh, Odisha

Tel. No: 033 2236-6204 / 06624 220609

Email: admin@gmbceramics.com **Website:** www.gmbceramics.com

NOTICE

NOTICE IS HEREBY GIVEN THAT THE THIRTY EIGHTH ANNUAL GENERAL MEETING OF THE MEMBERS OF M/s. G M B CERAMICS LIMITED WILL BE HELD ON MONDAY, 28th DAY OF SEPTEMBER, 2020 AT 11.30 AM AT THE REGISTERED OFFICE OF THE COMPANY AT RAJGANGPUR, SUNDERGARGH, ORISSA-770017 TO TRANSACT THE FOLLOWING BUSINESS : -

ORDINARY BUSINESS:

1. To receive, consider and adopt
The Audited Standalone Financial Statements of the Company for the financial year ended March 31, 2020 together with the reports of the Board of Directors and Auditors thereon; and
2. To appoint a Director in place of Mr. Ram Avtar Jalan (DIN-00358232), who retires by rotation and being eligible offers herself for reappointment.

SPECIAL BUSINESS:

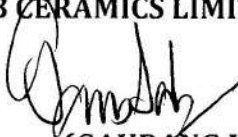
3. To consider, and if thought fit, to pass with or without modification(s), the following resolution as an Special Resolution;

“RESOLVED THAT Pursuant to the provisions of Section 13 and other applicable provisions, if any, of the Companies Act, 2013, (including any statutory modifications or reenactment thereof, for the time being in force), and the rules framed there under, consent of the shareholders of the Company be and is hereby accorded, subject to the approval of the Registrar of Companies, Kolkata, to append following sub clause 4 of Clause III (A) of the Memorandum of Association of Company:

- 1) To carry on the business in India or abroad to take on lease, rent, hire and to construct, build, establish, erect, promote, undertake, acquire, own operate, equip, manage, renovate, recondition, turn to account, maintain and to run warehouses, godowns, open platforms, refrigeration houses, stores and other similar establishments to provide facilities for storage of commodities, goods, articles and things, and for the purpose to act as C & F agent, custodian, warehouseman, transportation and distribution agent, stockist, financier, auctioneer, importer, exporter, or otherwise to deal in all sorts of commodities, vegetables, fruits, edibles and similar goods..”

“RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board be and is hereby authorised to finalise, settle, execute and amend such documents / deeds / writings / papers / agreements as may be required and to do all such acts, deeds, matters and things, as it may in its absolute discretion deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in this regard and also to delegate to the extent permitted by law, all or any of the powers herein conferred to any of Director(s) or any Key Managerial Personnel or any other Officer(s) of the Company.”

Place: Kolkata
Date: 28th August, 2020

By Order of the Board
G M B CERAMICS LIMITED

(GAURANG JALAN)
Managing Director

NOTES:

- A. MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING A PROXY IN ORDER TO BE VALID MUST BE DULY FILLED IN ALL RESPECTS AND SHOULD BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LATER THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.**

Pursuant to the provisions of the Companies Act, 2013 (hereinafter called "the Act") and the Rules made thereunder a person can act as proxy on behalf of Members not exceeding 50 (fifty) in number and holding in the aggregate not more than ten percent (10%) of the total issued and paid up share capital of the Company. Proxies submitted on behalf of the companies, societies, etc., must be supported by an appropriate resolution/authority, as applicable. A member holding more than ten percent (10%) of the total issued and paid up share capital of the Company may appoint a single person as proxy and such person shall not act as a proxy for any other person or member.

- The relevant statements to be annexed to the Notice pursuant to Section 102 of the Act, which sets out details relating to the special business at Item Nos. 4 to 6 of the Notice, are annexed hereto.
- The Company does not have any unclaimed dividend amount to be transferred to Investor Education and Protection Fund (IEPF)
- Members are requested to:
 - Bring their copies of the Annual Report and the attendance slip duly completed and signed at the meeting.
 - Quote their respective folio numbers or DP ID and Client ID numbers for easy identification of their attendance at the meeting.
 - Bodies Corporate, who are the members of the Company, are requested to send a certified copy of the board resolution authorizing their representative(s) to attend and vote at the meeting.
 - In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.

- (Monday) 21st September, 2020 to (Monday) 28th September, 2020 (both days inclusive) in terms of provisions of Section 91 of the Companies Act, 2013 for the purpose of AGM.
- Every member entitled to vote at a meeting of the Company, or on any resolution to be moved thereat, shall be entitled during the period beginning twenty-four hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, to inspect the proxies lodged, at any time during the business hours of the Company, provided not less than three days' notice in writing of the intention to inspect is given to the company.
- As per Regulation 40(7) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Schedule VII to the said Regulations, for registration of transfer of shares, the transferee(s) as well as transferor(s) shall mandatorily furnish copy of their Income Tax Permanent Account Number (PAN). Additionally, for securities market transactions and / or for off market / private transactions involving transfer of shares in physical form of listed companies, it shall be mandatory for the transferee(s) as well as transferor(s) to furnish copy of PAN Card to the Company / Registrar and Share Transfer Agents for registration of such transfer of shares. In case of transmission of shares held in physical mode, it is mandatory to furnish a copy of the PAN Card of the legal heir(s) / Nominee(s).
- In furtherance of the Go Green Initiative, Members holding shares in physical mode are requested to register their e-mail ID's with the Company and Members holding shares in demat mode are requested to register their e-mail ID's with their respective Depository Participants (DPs) in case the same is still not registered.
- If there is any change in the e-mail ID already registered with the Company, members are requested to immediately notify such change to the Registrars & Share Transfer Agents of the Company in respect of shares held in physical form and to their respective Depository Participants in respect of shares held in electronic form.
- Members holding shares in electronic form are requested to intimate immediately, any change in their address or bank mandates to their Depository Participant(s) with whom they are maintaining their demat accounts. Members holding shares in physical form are requested to advise any change in their address or bank mandates immediately to the Company or its Registrars.
- In terms of Section 101 and 136 of the Companies Act, 2013 read together with the Rules made there under, the electronic copy of the Annual Report 2019-20, Notice of the 38th AGM of the Company along with the Admission Slip and Proxy Form are being sent to all the members whose email ids are registered with their respective Depository Participants (DPs).
- The Company or its Registrars for communication purposes unless any member has requested for a physical copy of the same.
- Physical copy of the Annual Report for 2019-20, the Notice of the 38th AGM of the Company

along with the Admission Slip and Proxy Form are being sent to those members who have not registered their email addresses with the Company/ Depository Participants/ Registrars & Share Transfer Agents.

- Members may also note that the Annual Report for the financial year 2019-20 including the Notice convening the Thirty Eighth Annual General Meeting will also be available on the Company's website: www.gmbceramics.com, which can be downloaded from the site. The physical copies of the aforesaid documents will also be available at the Company's registered office in Rajgongpur for inspection during normal business hours on all the working days except Saturdays and Sunday.
- Pursuant to Section 72 of the Act, members holding shares in physical form are advised to file nomination in prescribed form SH - 13. Members desirous of making nominations may send their request in Form SH -13 in duplicate to the Registrars and Share Transfer Agents (RTA) of the Company. Members may obtain a blank Form SH -13 upon request to the Company or its RTA.
- With a view to serving the Members better and for administrative convenience, an attempt would be made to consolidate multiple folios. Members who hold shares in identical names and in the same order of names in more than one folio are requested to write to the Company to consolidate their holdings in one folio.
- Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of Companies Act, 2013 and Register of Contracts 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 Annual General Meeting.

- **E - Voting**

All persons whose names are recorded in the Register of Members or in the Register of Beneficial owners maintained by the Depositories as on the cut-off date namely, 21st September, 2020 only shall be entitled to vote at the General Meeting by availing the facility of remote e-voting or by voting at the General Meeting.

- **VOTING THROUGH ELECTRONIC MEANS**

- In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of the Listing Agreement entered into with the Stock Exchange, the Company is pleased to provide members facility to exercise the right to vote on resolutions proposed to be considered at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place to other than venue of the AGM ("remote e-voting") will be provided by National Securities Depository Limited (NSDL).

- The remote e-voting period commences on (Friday) 25th September, 2020 (09:00 AM) and ends on (Sunday) 27th September 2020 (5:00 PM). During this period members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 21st September, 2020, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
- A person who is not a member as on cut-off date should treat this Notice for information purpose only.
- The process and manner for remote e-voting are as under:
 - **In case a member receives an email from NSDL (for members whose email IDs are registered with the Company/ DP)**
 - Open email and open PDF file viz; “remotee-voting.pdf” with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/PIN for remote e-voting. Please note that the password is an initial password.
 - Note: Shareholders already registered with NSDL for e-voting will not receive the pdf file at “remote e-voting.pdf”
 - Launch internet browser by typing the following URL:<https://www.evoting.nsdl.com>
 - Click on Shareholder–Login
 - Put user ID and password as initial password/PIN noted in step (i) above. Click Login.
 - Password change menu appears. Change the password/PIN with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
 - Home page of remote e-voting opens. Click on remote e-voting: Active Voting Cycles.
 - Select Electronic Voting Event No. (EVEN) of “G M B CERAMICS LIMITED”. 113846
 - Now you are ready for remote e-voting as Cast Vote page opens.
 - Cast your vote by selecting appropriate option and click on “Submit” and also “Confirm” when prompted.
 - Upon confirmation, the message “Vote cast successfully” will be displayed.
 - Once you have voted on the resolution, you will not be allowed to modify your vote.
 - Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send

scanned copy(PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to **anil@mandaassociates.in** with a copy marked to evoting@nsdl.co.in

- **In case a member receives physical copy of the Notice of AGM [for members whose e-mail IDs are not registered or have requested the physical copy]:**
- Initial password is provided in the Annexure or at the bottom of the Attendance Slip for the AGM:

USER ID	PASSWORD
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- Please follow all steps from Sl. No. (ii) to (xii) above to cast vote.

- **VOTING AT AGM**

Due to pandemic COVID-19, Company is providing the facility to members to attend the meeting through online mode also:

Meeting Link:

<https://us04web.zoom.us/j/77798664727?pwd=Mi9vMDhXRENpZGd0ZWZkTzlnaDBJQT09>

Meeting Id- 777 9866 4727

Password- ryuGE4

Members who are physically present can cast their vote at the AGM. The Company will make arrangements of Ballot papers in this regard at the AGM Venue.

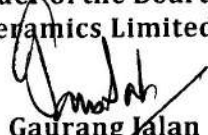
- **OTHER INSTRUCTIONS**

- In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and remote e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: [1800-222-990](tel:1800-222-990).
- If you are already registered with NSDL for remote e-voting then you can use your existing user ID and password/PIN for casting your vote.
- You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
- The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 21st September, 2020.

- Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. 21st September, 2020, may obtain the login ID and password by sending an email to admin@gmbceramics.com or a request at evoting@nsdl.co.in or Issuer/RTA by mentioning their Folio No./DP ID and Client ID No. However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using “Forgot User Details/Password” option available on www.evoting.nsdl.com or contact NSDL at the following toll free no.: 1800-222-990.
- A member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the AGM.
- A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.
- Mr. Anil Kumar Dubey, Partner of M & A Associates Practicing Company Secretaries (Membership No 9488 and CP No – 12588) has been appointed as the Scrutinizer to scrutinize the voting and remote e-voting process in affair and transparent manner.
- The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of or “Ballot Paper” for all those members who are present at the AGM but have not cast their votes by availing there mote e-voting facility.
- The Scrutinizer shall, immediately after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer’s report of the total votes cast in favor or against, if any, to the Chairman or a person authorized by him in writing, who shall counter sign the same and declare the result of the voting forthwith.
- The results declared along with the Scrutinizer's Report shall be placed on the company's website www.gmbceramics.com and on the CSE Limited, where the shares of the Company are listed.
- Subject to receipt of requisite number of votes, the Resolutions shall be deemed to have been passed on the date of the AGM i.e., 28th September, 2020.
- The route map showing directions to reach to the venue of the 38th AGM is given at the end of this Notice as per the requirement of the Secretarial Standards-2.
- All documents referred to in the Notice and Explanatory Statements will be available for inspection at the registered office and the administrative office of the Company, between 12.30 PM and 3.00 PM on all working days (i.e. except Saturdays and Public holidays) up to the date of this AGM.

- The names and address of the Stock Exchanges where at the Company's Equity Shares are listed, are given below:- **The Calcutta Stock Exchange Limited** 7, Lyons Range, Kolkata - 700 001

By Order of the Board
G M B Ceramics Limited


Gaurang Jalan
Managing Director

Place: Kolkata

Date: 28th August, 2020

REQUEST TO MEMBERS

Members are requested to send their question(s), if any, relating to the financial statements, shareholding, etc., to the Company Secretary/Chief Financial Officer at the Registered Office of the Company, on or before 24th Thursday, 2020, so that the answers/ details can be kept ready at the AGM.

Explanatory Statement pursuant to Section 102 of the Companies Act 2013,

Item 3

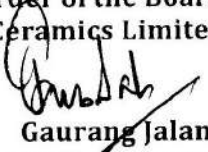
Board of Directors of GMB Ceramics Ltd has taken decision to diversify into Warehousing at its factory site at Balasore. The Company has approached IDCO for its approval for the change of industry status to Warehousing in terms of the Lease deed between the Company and IDCO. The Company has also made necessary application to DIC (District Industries Centre) for the above change. The above amendment would be subject to the approval of the Registrar of Companies, Cuttack and any other Statutory and Regulatory Authority, as may be necessary.

A copy of Memorandum and Articles of Association of the Company together with the proposed alterations is available for inspection by the Members of the Company at its Registered Office during normal business hours on all working days upto the date of the Meeting.

The Directors commend the passing of the Resolution under Item No. 3 of the accompanying Notice for the approval of the Members of the Company.

None of the Directors of the company is in anyway concerned or interested in the resolution.

**By Order of the Board
G M B Ceramics Limited**


**Gaurang Jalan
Managing Director**

Place: Kolkata

Date: 28th August, 2020

DIRECTORS' REPORT

To,
The Members
G M B CERAMICS LIMITED

Your Directors have pleasure in presenting their **Thirty Eighth Annual** Report together with the Audited financial statements of your Company for the year ended 31st March, 2020.

KEY FINANCIAL HIGHLIGHTS

The highlights of the financial results of the Company are as follows:

(AMT. IN RUPEES)

PARTICULARS	<i>Year Ended March 31,2020</i>	<i>Year Ended March 31,2019</i>
<i>Revenue from Operations</i>	-	-
<i>Other Income</i>	1,557,024	3,586,769
<i>Total Revenue</i>	1,557,024	3,586,769
<i>Total Expenses</i>	3,274,808	4,750,537
<i>Profit / (Loss) for the year before tax</i>	(1,717,784)	(1,163,768)
<i>Less : Provision for Taxation</i>	-	-
<i> Current Tax</i>	-	-
<i> Deferred Tax</i>	-	-
<i>Less : Minority Interest</i>	-	-
Profit/ (loss) during the year	(1,717,784)	(1,163,768)
<i>Add : Profit B/F from previous Year</i>	(137,072,428)	(135,908,660)
<i>Sub Total</i>	(138,790,212)	(137,072,428)
<i>Less: P/L Appropriation</i>	-	-
<i>Less : Transferred to Capital & other Reserves</i>	93,800,860	93,800,860
<i>Less: BIFR Relief & Concession</i>	6,481,885	6,481,885
Balance C/f to Balance Sheet	(38,507,467)	(36,789,683)

BUSINESS PERFORMANCE REVIEW

During the financial year 2019-20, the Company's loss amounted to Rs.17,17,784 (rounded off) lakh as against Rs. 1,163,768 (rounded off) lakh in the previous year.

There are no material changes or commitments affecting the financial position of the Company which have occurred between the end of the Financial Year and the date of the report.

PROSPECT

a) Business : The Company is still pursuing for diversifying to warehousing activity; but the company's effort has been interrupted by different external factors including the country-wide pandemic of corona virus since January, 2020. After the pandemic and compliance of certain pre-requisites under the terms of lease deed for land, the Company is expected to commence warehousing activity in the current year.

b) Arbitration Award: As reported in last Annual Report, the status of the Arbitration Award under Special Leave Petition of Neycer India Ltd is still pending in Supreme Court; the functioning of Supreme Court, like most functions in all key Government administration, is affected by the ongoing pandemic.

DIVIDEND

Your Director's regret for not recommending any Dividend on Equity Shares due to continued losses incurred by the Company.

RESERVES

The Company has incurred losses; hence there is no amount- transfer to the statutory reserves during the Financial Year 2019-20.

SHARE CAPITAL

The Equity shares of the Company are listed on the CSE. The paid up Equity Share Capital as on March 31, 2020 was Rs. 3,50,00,000. The Company has neither issued shares with differential rights as to dividend, voting or otherwise nor issued shares (including sweat equity shares) to the employees or Directors of the Company, under any Scheme.

PUBLIC DEPOSIT

Your Company did not accept any deposit from the public during the financial year 2019-2020 within the meaning of Section 73 of the Companies Act, 2013 or the Companies (Acceptance of Deposits) Rules, 2014 nor does it hold any public deposit.

SUBSIDIARY COMPANIES AND CONSOLIDATED FINANCIAL STATEMENTS

As per Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as "Listing Regulations") and applicable provisions of the Companies Act, 2013 read with the Rules issued thereunder, the Company has M/s. Nafisa Trading Co Ltd., an associate company and has no subsidiary company.

LISTING

The Equity Shares of the Company continue to be listed on the CSE Limited (CSE) as on the date of this report. The scrip code number of the Equity Shares of the Company on CSE is 10017404 respectively.

The Company has been regular in making payment of Annual Listing Fees to the Calcutta Stock Exchange.

DIRECTOR AND KEY MANAGERIAL PERSONNEL

In accordance with the provisions of the Companies Act, 2013 and Articles of Association of the Company, Mr. Ram Avtar Jalan, Director of the Company retires by rotation and being eligible and offered herself for re-appointment. Further, the composition of the Board being adequate as per the provisions of the relevant Rules and Regulations.

All the directors of the Company have confirmed that they are not disqualified from being appointed as Directors in terms of Section 164 of the Companies Act, 2013.

Shri Gaurang Jalan (Managing Director), Mrs. Nidhi Sharma (Company Secretary cum Director) and Shri. Dwipayana Kr. Roy Choudhury (Chief Financial Officer) are the Key Managerial Personnel (KMP) of the Company, pursuant to the provisions of the Company Act, 2013 as on the date of this report.

All the Directors, Key Managerial Personnel and senior management of the company have affirmed compliance of with the code of conduct applicable to the Directors and employees of the Company and a declaration in this regard made by the Managing Director is attached which forms a part of this report of Directors. The Code of Conduct is available on the Company's website www.gmbceramics.com

DECLARATION BY INDEPENDENT DIRECTORS

The Company has received declarations from all the Independent Directors that they meet the criteria as laid down under Section 149(6) of the Companies Act, 2013 and Regulation 16 of the SEBI Listing Regulations, 2015.

The Board confirms that the said Independent Directors meet the criteria as laid down under the Companies Act, 2013 as well as the SEBI Listing Regulations, 2015.

SEPARATE MEETING OF INDEPENDENT DIRECTORS

During the year under review, the Independent Directors had, in accordance with the provisions of Schedule IV (Code for Independent Directors) of the Companies Act, 2013 and Regulation 25 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, met separately and discussed and reviewed, inter alia, the performance of Non Independent Directors and the Board as a whole after taking into consideration the views of Executive and Non- Executive Directors.

BOARD AND ITS COMMITTEES

BOARD MEETINGS

The Board met 5 times during the financial year as on 10.05.2019, 01.06.2019, 27.07.2019, 09.11.2019 and 07.02.2020. The intervening gap between the meetings was within the period prescribed under the Companies Act, 2013 and the SEBI Regulation, 2015.

COMMITTEES OF THE BOARD

The Board has formulated the following Committees:

1. Audit Committee: The Audit Committee comprises of followings Directors as members:

Name of the Director	Category	Position
Gaurang Jalan	Promoter	Managing Director
Arabinda De	Independent Director	Director
Madhav Prasad Sureka	Independent Director	Chairman

All the members of the committee possess sound knowledge of accounts, audit. Mr. Madhav Prasad Sureka and Mr. Arabinda De are having expertise in financial management. During the year four (4) Audit Committee meetings were held i.e. on 10th May, 2019, 27th July, 2019, 9th November, 2019 and 7th February, 2020.

2. Nomination and Remuneration Committee:-

The Nomination & Remuneration Committee comprises of followings Directors as members:

Name of the Director	Category	Position
Shri Ram Avtar Jalan	Executive Director	Member
Shri Arabinda De	Independent Director	Chairman
Madhav Prasad Sureka	Independent Director	Director

During the year ended 31st March, 2020, two (2) Nomination & Remuneration committee meetings were held on 27th July, 2019 and 9th November, 2019.

3. Stakeholders Relationship Committee:-

The Stakeholders Relationship Committee comprises of followings Directors as members:

Name of the Director	Category	Position
Shri Ram Avtar Jalan	Executive Director	Member

Shri Arabinda De	Independent Director	Director
Madhav Prasad Sureka	Independent Director	Chairman

During the year ended 31st March, 2020, two (2) Stakeholders Relationship Committee meetings were held on 27th July, 2019 and 9th November, 2019.

BOARD EVALUATION

The Board of Directors of the Company carried out annual evaluation of its own performance, of the Committees of the Board and individual Directors pursuant to the provisions of the Act and the corporate governance requirements as prescribed under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Board's functioning was evaluated on various aspects, including inter alia degree of fulfillment of key responsibilities, board structure and composition, establishment and delineation of responsibilities to various Committees, effectiveness of Board processes. The Directors were evaluated on aspects such as attendance and contribution at Board/ Committee Meetings and guidance/ support to the management outside Board/ Committee Meetings.

In addition, the Managing Director was evaluated on key aspects of his role, including setting the strategic agenda of the Board, encouraging active engagement by all Board members and motivating and providing guidance to the Management. Areas on which the Committees of the Board were assessed included degree of fulfillment of key responsibilities, adequacy of Committee composition and effectiveness of meetings.

The performance evaluation of the Independent Directors was carried out by the entire Board, excluding the Director being evaluated. The performance evaluation of the Non Independent Directors was carried out by the Independent Directors, who also reviewed the performance of the Board as a whole.

POLICY FOR APPOINTMENT AND REMUNERATION:

The Board has, on recommendation of the Nomination and Remuneration Committee formulated a policy for selection and appointment of Directors, senior managements and their remuneration. The said policy is annexed and forms a part of this report.

INTERNAL FINANCIAL CONTROLS

Your Company has in place adequate internal financial controls. This ensures that all transactions are authorised, recorded and reported correctly and assets are safeguarded and protected against loss from unauthorized use or disposition.

We have documented policies and procedures covering all financial and operating functions and processes. The Company's internal control system is commensurate with its size, scale and complexities of its operations.

The Audit Committee oversees and reviews the functioning of the entire audit team and the effectiveness of internal control system at all levels and monitors the implementation of audit recommendations. To maintain its objectivity and independence, the Internal Audit function reports to the Chairman of the Audit Committee.

Your Directors confirm that during the year under review, there were no reportable material weaknesses in the present systems or operations of internal controls.

CONSERVATION OF ENERGY, TECHNOLOGICAL ABSORPTION AND FOREIGN EXCHANGE EARNING & OUTGO

Since your Company's manufacturing facility continued to remain inoperative and close is a non-banking finance Company and does not own any manufacturing facility, the requirement relating to providing the particulars relating to conservation of energy and technology absorption as per Section 134(3) (m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules 2014, are not applicable. During the year, your Company did not earn any income nor incur any expenditure in foreign currency.

RELATED PARTY TRANSACTION

All Related Party Transactions entered into by your Company during the financial year were on arm's length basis and were in the ordinary course of business. No significant related party transactions were made by the Company with its Promoters, Key Managerial Personnel or other designated persons which may have potential conflict with interest of the Company at large.

RISK MANAGEMENT POLICY

In terms of Section 134(3)(n) of the Act, your Directors wish to state that the Company has drawn and implemented a Risk Management Policy including identification of elements of risks, if any, which may threaten the existence of the Company. The above policy is being reviewed/re-visited once a year or at such other intervals as deemed necessary for modifications and revisions, if any.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

The provisions of Section 135 of the Companies Act, 2013, in respect of Corporate Social Responsibility are not applicable to the Company.

VIGIL MECHANISM/WHISTLE BLOWER POLICY

The Company promotes ethical behavior in all its business activities and has put in place a mechanism for reporting illegal or unethical behavior. The employees are free to report violations of applicable laws and regulations and the Code of Conduct.

The policy provides for a formal mechanism for all the directors, employees to report to the Management their genuine concerns or grievances about unethical behavior, actual or suspected fraud and any violation of the Company's Code of Business Conduct and Ethics policy.

The Company has also provided direct access to the Chairman of the Audit Committee on reporting issues concerning Company. The Policy is available on the Company's Website www.gmbceramics.com

During the year under review, no employee was denied access to the Audit Committee. The said policy is available on the website of the Company.

STATUTORY AUDITORS

The financial statements for the year under review have been audited by M/s. Ruwatia & Associates. (FRN-324276E), Chartered Accountants, Statutory auditors of the Company.

At the Annual General Meeting held on 27th day of September, 2018, M/s. Ruwatia & Associates., Chartered Accountants, were appointed as Statutory Auditors of the Company until the conclusion of the Annual General Meeting (AGM) of the company to be held in the year 2023, subject to ratification at every Annual General Meeting; however the requirements of ratification is no more applicable pursuant to the Companies (Amendment) Act, 2017.

SECRETARIAL AUDITOR

In terms of Section 204 of the Companies Act, 2013 and the rules framed thereunder, the Company had appointed Mr. Anil Kumar Dubey partner of M/s. M & A Associates, Practising Company Secretaries to undertake the Secretarial Audit of the Company. The Secretarial Audit Report for the financial year ended 31st March, 2020 is set out as an Annexure and forms a part of this report.

AUDITORS' REPORT

STATUTORY AUDITOR'S REPORT

In terms of Sections 134(2) and 134(3)(ca) of the Act, your Directors are pleased to inform that the remarks mentioned under "Key Audit Matter" in the Auditor's Report have been adequately clarified in the "Opinion" portion of the Auditor's Report. Directors are in agreement with the comments made by the statutory auditors of the Company in their audit report for the financial year FY 2019-20.

DIRECTORS RESPONSIBILITY STATEMENT

To the best of their knowledge and belief and according to the information and explanations obtained, your Directors make the following statement in terms of Section 134 (3) (c) and 134 (5) of the Companies Act, 2013:

- (a) that in the preparation of Annual Accounts for the financial year ended March 31, 2020, the applicable Accounting Standard has been followed;
- (b) that the Directors have 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 March 31, 2020 and the Statement of Profit and Loss for financial year ended March 31, 2020;
- (c) that proper and sufficient care have been taken for maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding assets of the Company and for preventing and detecting frauds and other irregularities;
- (d) that the Annual Accounts have been prepared on a 'going concern' basis;
- (e) that proper internal financial controls laid down by the Directors is being followed by the Company and that such internal financial controls are adequate and are operating effectively; and
- (f) that proper system to ensure compliance with the provisions of all applicable laws as devised by the Directors are in place and that such systems are adequate and operating effectively.

PARTICULARS OF EMPLOYEES

During FY 19-20, your Company had not employed anyone with a remuneration which requires the disclosure as per the Companies Act, 2013 read with relevant Rules. The ratio of remuneration of each Director to the median of employees remuneration and such other details as required under Sec 197(12) of the Companies Act, 2013 read with

Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014, is provided in the annexure and forms part of this report.

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

Particulars of loans given, guarantees given and investments made along with the purpose for which they are proposed to be utilized by the recipient are provided in notes to the Financial Statements which are within the limits prescribed under Section 186 of the Companies Act, 2013.

PREVENTION OF INSIDER TRADING

The Company has adopted a Code of Conduct for Prevention of Insider Trading for its Designated Persons in compliance with the SEBI (Prohibition of Insider Trading) Regulations, 2015. The Code lays down Guidelines, which advise the insiders on procedures to be followed and disclosures to be made, while dealing with the shares of the Company, and cautioning them of the consequences of violations. The Code requires pre- clearance for dealing in the Company's shares and prohibits the purchase or sale of Company shares by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed.

The code of conduct for Prevention of Insider Trading is posted on the website of the Company and can be accessed at: www.gmbceramics.com.

All the Board of Directors and designated employees have confirmed compliance with the Code.

EXTRACT OF ANNUAL RETURN

In terms of the provisions of Section 92 (3) of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014, an extract of the Annual Return for the financial year March 31, 2020 in Form MGT-9 is given in annexure and forms part of this report.

MANAGEMENT DISCUSSION AND ANALYSIS

In terms of Chapter IV of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Management Discussion and Analysis Report on the operations of the Company is not applicable during the financial year 2019-2020.

CORPORATE GOVERNANCE

In terms of Regulation 15 of the SEBI (Listing Obligations and Disclosure Requirement) Regulation, 2015, Company is exempted from the mandatory provisions of the Corporate Governance. However, The Company has taken adequate steps to ensure that all provisions of Corporate Governance should be complied with as far as applicable.

SIGNIFICANT & MATERIAL ORDERS PASSED BY THE REGULATORS

Your Directors confirm that there are no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and Company's future operations.

INSTANCES OF FRAUD, IF ANY REPORTED BY THE AUDITORS

There have been no instances of fraud reported by the Auditors under Section 143(12) of the Act.

MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY

In the 38th Annual General Meeting of the Company the directors were proposes for the alteration in the object clause of the Company.

During the year 2019-2020 no material changes or events affecting the financial position of the Company have occurred between the end of the financial year of the Company to which the financial Statements relates and the date of this report.

POLICY ON PREVENTION OF SEXUAL HARASSMENT OF WOMEN AT THE WORKPLACE

The Company has zero tolerance for sexual harassment at workplace and has adopted a Policy on Prevention, Prohibition and Redressal of Sexual Harassment at the Workplace, in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules there under. The Policy aims to provide protection to employees at the workplace and prevent and redress complaints of sexual harassment and for matters connected or incidental thereto, with the objective of providing a safe working environment, where employees feel secure.

The Company has not received any complaint of sexual harassment during the financial year 2019-20.

APPRECIATION

Your Directors would like to acknowledge the role of all its stakeholders' viz., shareholders, bankers, lenders, borrowers and all others for their continued support to your Company and the confidence and faith that they have always reposed in your Company.

Your Directors acknowledge and appreciate the guidance and support extended by all the Regulatory authorities including Securities Exchange Board of India (SEBI), Ministry of Corporate Affairs (MCA), Registrar of Companies, Cuttack, the Stock Exchanges and the NSDL.

We value the professionalism of all the employees who have proved themselves in a challenging environment and whose efforts have stood the Company in good stead and taken it to present level.

For and on behalf of the Board


Gaurang Jalan
Managing Director
DIN – 00909769


Arabinda De
Director
DIN - 00028093

Place: Rajgangpur
Dated: 28th August, 2020

Registered Office:
Rajgangpur, Sundergarh
Odisha – 770 017

Annexure - 1 to the Directors' Report - FORM AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies Accounts) Rules, 2014)

STATEMENT CONTAINING SALIENT FEATURES OF THE FINANCIAL STATEMENT OF SUBSIDIARIES Part "A" - Subsidiaries

(Amount in Rs.)

Sl. No.	Particulars	1	2
1	Name of the Subsidiary	-	-
2	Reporting period for the subsidiary concerned	-	-
3	Share capital	-	-
4	Reserves & Surplus	-	-
5	Total Assets	-	-
6	Total Liabilities	-	-
7	Investments	-	-
9	Turnover	-	-
10	Profit before taxation	-	-
11	Provision for Taxation (Tax Expenses)	-	-
12	Profit after taxation	-	-
13	Proposed Dividend (Inclusive of DDT)	-	-
14	% of shareholding	-	-

1. Names of subsidiaries which are yet to commence operations: **NOT APPLICABLE.**
2. Names of subsidiaries which have been liquidated or sold during the year :
NOTAPPLICABLE
3. No Company has become a Joint venture or associate during the financial year 2019-20, hence Part – B of form AOC- 1 is not reported.

For and on behalf of the Board


Gaurang Jafan
Managing Director
DIN – 00909769


Arabinda De
Director
DIN - 00028093

Place: Rajgangpur

Dated: 28th August, 2020

Annexure -2 to the Directors' Report

DETAILS PERTAINING TO REMUNERATION AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013, READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014 AND COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) AMENDMENT RULES, 2016

I.

A. The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2019-20:

Name of Director	Designation	Ratio to median remuneration of Employees
Gaurang Jalan	Managing Director	NIL
Ram Avtar Jalan	Executive Director	NIL

The Non-Executive Directors of the Company are entitled for sitting fees as per the statutory provisions and within the limits approved by the shareholders. The details of remuneration of Non-executive Directors are provided in the Corporate Governance Report. The ratio of remuneration and percentage increase in remuneration for Non-executive Directors is therefore not considered for the above purpose.

B. The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial Year 2019-20:

Sl.No.	Name of Director / KMP	Designation	% increase in Remuneration
1.	Gaurang Jalan	Managing Director	NIL
2.	Ram Avtar Jalan	Director	NIL
3.	Arabinda De	Director	NIL
4	Madhav Prasad Sureka	Director	NIL
5	Nidhi Sharma	Company Secretary	NIL

C. The percentage increase in the median remuneration of the employees in the FY 2019 - 2020:-

There has been no increase in the median remuneration of the employees of the Company in FY 2019 - 2020 as compared to FY 2018 - 2019.

D. The number of permanent employees on the rolls of the Company as on 31st March, 2020:-
There were 2 employees on the rolls of the Company.

E. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:- There is no increase in the salaries of employees other than managerial personnel.

Justification for increase: The increase is in line with the increase in the Company's performance, anticipation of future growth of the Company and the Industrial standards.

F. Affirmation that the remuneration is as per Remuneration Policy of the Company: It is hereby affirmed that the remuneration paid to KMPs and other employees are as per the Nomination & Remuneration Policy of the Company.

II. During the year the Company had not engaged any employee drawing remuneration in exceeding the limit specified under Section 197(12) read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) rules, 2014.

For and on behalf of the Board



Gaurang Jalan
Managing Director
DIN - 00909769



Arabinda De
Director
DIN - 00028093

Place: Rajgangpur

Date: 28th August, 2020

Declaration by Independent Directors

To,

The Board of Directors

G M B CERAMICS LTD

Rajgangpur, Sundergarh

Orissa- 770017

Sub: Declaration under Section 149(6) of the Companies Act, 2013

With reference to my directorship in the Company as an Independent Director of the Company with effect from 31st October, 2013.

I, Arabinda De, s/o Mr. Debi Kumar De, residing at Flat no- 13/G, Tower no-2, Diamond City South, 58 M. G. Road, Karunamoyee, Kolkata -700041, West Bengal do here by declare that,

- (a) (i) I am or was not a promoter of the company or its holding, subsidiary or associate company;
- (ii) I am not related to promoters or directors in the company, its holding, subsidiary or associate company;
- (b) I have or had no pecuniary relationship other than remuneration as such director or having transaction **not exceeding ten percent of my total income or such amount as may be prescribed with the* company**, its holding, subsidiary or associate company, or their promoters, or directors, during the two immediately preceding financial years or during the current financial year;
- (c) None of my relatives has or had pecuniary relationship or transaction with the company, its holding, subsidiary or associate company, or their promoters, or directors, amounting to two percent or more of its gross turnover or total income or five lakh rupees or such higher amount as may be prescribed, whichever is lower, during the two immediately preceding financial years or during the current financial year;
- (d) None of my relatives-
 - (i) hold any security of or interest in the company, its holding, subsidiary or associate company during the two immediately preceding financial years or during the current financial year;
 - (ii) is in debted to the company, its holding, subsidiary or associate company or their

promoters, or directors, In excess of such amount as may be prescribed during the two immediately preceding financial years or during the current financial year;

- (iii) has given a guarantee or provided any security in connection with the indebtedness of any third person to the company, its holding, subsidiary or associate company or their promoters, or directors of such holding company, for such amount as may be prescribed during the two immediately preceding financial years or during the current financial year; or
 - (iv) has any other pecuniary transaction or relationship with the company, or its subsidiary, or its holding or associate company amounting to two percent. or more of its gross turnover or total income singly or in combination with the transactions referred to in sub-clause (i), (ii) or (iii).
- (e) I, neither myself nor any of my relatives-
- (i) hold or has held the position of key managerial personnel or is or has been employee of the company or its holding, subsidiary or associate company in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed;
 - (ii) is or has been an employee or proprietor or a partner, In any of the three financial years immediately preceding the financial year in which he is proposed to be appointed, of-
 - (A) a firm of auditors or company secretaries in practice or cost auditors of the company or its holding, subsidiary or associate company or
 - (B) any legal or a consulting firm that has or had any transaction with the company, its holding, subsidiary or associate company amounting to ten percent or more of the gross turnover of such firm;
 - (iii) hold together with my relatives two percent or more of the total Voting power of the company or
 - (iv) is a Chief Executive or director, by whatever name called, of any nonprofit organization that receives twenty-five percent or more of its receipts from the company, any of its promoters, directors or its holding, subsidiary or associate company or that holds two percent. or more of the total voting power of the company;

and I meet the criteria of independence as per the provisions of the Companies Act, 2013.

Date: 26.08.2020

Place: Kolkata

Signature:



ARABINDA DE
DIN: 00028093

Declaration by Independent Directors

To,

The Board of Directors

G M B CERAMICS LTD

Rajgangpur, Sundergarh

Orissa- 770017

Sub: Declaration under Section 149(6) of the Companies Act, 2013

With reference to my directorship in the Company as an Independent Director of the Company with effect from 31st October, 2013.

I Madhav Prasad Sureka s/o Mr. Deoki Nandan Sureka residing at 164/1A, Prince Anwar Shah Road, Near Navnalanda School, Lake Gardens, Kolkata -700045, West Bengal do here by declare that,

- (a) (i) I am or was not a promoter of the company or its holding, subsidiary or associate company;
- (ii) I am not related to promoters or directors in the company, its holding, subsidiary or associate company;
- (b) I have or had no pecuniary relationship other than remuneration as such director or having transaction **not exceeding ten percent of my total income or such amount as may be prescribed with the company**, its holding, subsidiary or associate company, or their promoters, or directors, during the two immediately preceding financial years or during the current financial year;
- (c) None of my relatives has or had pecuniary relationship or transaction with the company, its holding, subsidiary or associate company, or their promoters, or directors, amounting to two percent or more of its gross turnover or total income or five lakh rupees or such higher amount as may be prescribed, whichever is lower, during the two immediately preceding financial years or during the current financial year;
- (d) None of my relatives–
 - (i) hold any security of or interest in the company, its holding, subsidiary or associate company during the two immediately preceding financial years or during the current financial year;
 - (ii) is indebted to the company, its holding, subsidiary or associate company or their

promoters, or directors, In excess of such amount as may be prescribed during the two immediately preceding financial years or during the current financial year;

(iii) has given a guarantee or provided any security in connection with the indebtedness of any third person to the company, its holding, subsidiary or associate company or their promoters, or directors of such holding company, for such amount as may be prescribed during the two immediately preceding financial years or during the current financial year; or

(iv) has any other pecuniary transaction or relationship with the company, or its subsidiary, or its holding or associate company amounting to two percent. or more of its gross turnover or total income singly or in combination with the transactions referred to in sub-clause (i), (ii) or (iii).

(e) I, neither myself nor any of my relatives-

(i) hold or has held the position of key managerial personnel or is or has been employee of the company or its holding, subsidiary or associate company in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed;

(ii) is or has been an employee or proprietor or a partner, In any of the three financial years immediately preceding the financial year in which he is proposed to be appointed, of-

(A) a firm of auditors or company secretaries in practice or cost auditors of the company or its holding, subsidiary or associate company or

(B) any legal or a consulting firm that has or had any transaction with the company, its holding, subsidiary or associate company amounting to ten percent or more of the gross turnover of such firm;

(iii) hold together with my relatives two percent or more of the total Voting power of the company or

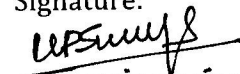
(iv) is a Chief Executive or director, by whatever name called, of any nonprofit organization that receives twenty-five percent or more of its receipts from the company, any of its promoters, directors or its holding, subsidiary or associate company or that holds two percent. or more of the total voting power of the company;

and I meet the criteria of independence as per the provisions of the Companies Act, 2013.

Date: 26.08.2020

Place: Kolkata

Signature:



MADHAV PRASAD SUREKA

DIN: 00731386



M & A Associates
Practicing Company Secretaries

Mob: 9883039240/8334984350

Email: anil@mandaassociates.in

SECRETARIAL AUDIT REPORT

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

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2020

To

**The Members,
G M B Ceramics Limited**

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by G M B Ceramics Limited (hereinafter called the company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit and subject to my separate letter attached as "ANNEXURE – A", I hereby report that in my opinion; the Company has, during the financial year ended on March 31, 2020 (the audit period) 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:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company during the audit period according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the Rules made there under; in terms of section 203 of the Companies Act, 2013.
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made there under; (*The status of the Company is "Active" at Calcutta Stock Exchange during the Audit period under Review*)
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under; (*During the year Company has provided demat facility to the shareholders to avail the services of the Depository*)
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowing. (**Not applicable on the Company during the Audit Period**)
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (SEBI Act):-



22, Madan Mohan Talla Street, Kolkata-700005



M & A Associates
Practicing Company Secretaries

Mob: 9883039240/8334984350

Email: anil@mandaassociates.in

- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (SEBI Act):-
- a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 **(Not Applicable to the Company during the Audit Period)**;
 - d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 w.e.f. October 28, 2014; (Not Applicable to the Company during the Audit Period);
 - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (Not Applicable to the Company during the Audit Period);
 - f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client (Company has appointed Share transfer agent);
 - g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (Not Applicable to the Company during the Audit Period); and
 - h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (Not Applicable to the Company during the Audit Period);

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

- i) SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015; and
- ii) Secretarial Standards 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.

I further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors during the period under review. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance. As per the minutes of the meetings duly recorded and



22, Madan Mohan Talla Street, Kolkata-700005



M & A Associates
Practicing Company Secretaries

Mob: 9883039240/8334984350

Email: anil@mandaassociates.in


signed by the Chairman, the decisions of the Board were unanimous and no dissenting views have been recorded.

I 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.

Based on such checks as considered appropriate and documents provided by the Company, I observed that the specific laws, as applicable to the Company are being duly complied with.

I further report that during the audit period the Company has not passed any Special Resolution and that there were no specific event/ action having a major on the Company's affair in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. This report is to be read out with our letter of even date which is annexed as "ANNEXURE - A" and forms an integral part of this report.

For M & A Associates
Practicing Company Secretaries


Anil Kumar Dubey
Partner
9488 CP No.12588



Place: Kolkata

Dated: 2nd September, 2020

UDIN: F009488B000699287



M & A Associates
Practicing Company Secretaries

Mob: 9883039240/8334984350

Email: anil@mandaassociates.in

ANNEXURE "A"

To

The Members,
G M B Ceramics Limited
Rajgangpur, Sundergarh,
Odisha- 770 017

My Secretarial Audit Report for the financial year March 31, 2020 of even date is to be read along with this annexure.

1. Maintenance of secretarial record is the responsibility of the management of the company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I 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. I earnestly believe that the processes and practices I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and books of accounts of the company.
4. Wherever required, I 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. My examination was limited to the 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.
7. All Disclosures were made to the Stock Exchange however there were some delays in some disclosures.
8. Company has not completed the Financial Audit and submit it as per Regulation 33 (1)(d) of LODR.
9. Company has still in the process of Dematerialization of its Physical shares.
10. Company was non-operational during the FY ended 31.03.2020.

Place: Kolkata
Date: 2nd September, 2020



For M & A Associates
Practicing Company Secretaries

Anil Kumar Dubey
Partner

9488 CP No.12588

UDIN: F009488B000699287

22, Madan Mohan Talla Street, Kolkata-700005

Annexure -4**FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN****As on financial year ended on 31st March, 2020****Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014****I. REGISTRATION & OTHER DETAILS:**

1.	CIN	L26933OR1982PLC001049
2.	Registration Date	26/03/1982
3.	Name of the Company	G M B CERAMICS LIMITED
4.	Category/Sub-category of the Company	COMPANY LIMITED BY SHARES
5.	Address of the Registered office & contact details	RAJGANGPUR , SUNDERGARH ODISHA - 770 017.
	Contact Details Email Address	033 2236-6204 admin@gmbceramics.com
6.	Whether listed company	YES
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	N/A

I. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

(All the business activities contributing 10 % or more of the total turnover of the company shall be stated)

S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	SANITARYWARE	23922	NIL

II. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

SL. NO.	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% of shares held

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

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year[As on 31-March-2019]				No. of Shares held at the end of the year[As on 31-March-2020]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	-	2,100	2,100	0.06%	-	2,100	2,100	0.06%	-
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	-	12,88,700	12,88,700	36.82%	-	12,88,700	12,88,700	36.82%	-
e) Banks / FI	-	5,25,000	5,25,000	15%	-	5,25,000	5,25,000	15%	-
f) Any other	-	-	-	-	-	-	-	-	-
Total shareholding of Promoter (A)	-	18,15,800	18,15,800	51.88%	-	18,15,800	18,15,800	51.88%	-
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	3695	3695	0.11%	-	3695	3695	0.11%	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1):-	-	3695	3695	0.11%	-	3695	3695	0.11%	-
2. Non-Institutions	-	-	-	-	-	-	-	-	-
a) Bodies Corp.	-	8,60,355	8,60,355	24.58%	-	8,60,355	8,60,355	24.58%	-
i) Indian	-	-	-	-	-	-	-	-	-
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals	-	8,15,450	8,15,450	23.30%	-	8,15,450	8,15,450	23.30%	-

i) Individual shareholders holding nominal share capital up to Rs. 1 lakh	-	-	-	-	-	-	-	-	-
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	-	-	-	-	-	-	-	-	-
c) Others (specify)	-	4700	4700	0.13%	-	4700	4700	0.13%	-
Non Resident Indians	-	-	-	-	-	-	-	-	-
Overseas Corporate Bodies	-	-	-	-	-	-	-	-	-
Foreign Nationals	-	-	-	-	-	-	-	-	-
Clearing Members	-	-	-	-	-	-	-	-	-
Trusts	-	-	-	-	-	-	-	-	-
Foreign Bodies - D R	-	-	-	-	-	-	-	-	-
Sub-total (B)(2):-	-	16,80,450	16,80,450	48.01%	-	16,80,450	16,80,450	48.01%	-
Total Public Shareholding (B)=(B)(1)+ (B)(2)	-	16,84,200	16,84,200	48.12%	-	16,84,200	16,84,200	48.12%	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	-	35,00,000	35,00,000	100%	-	35,00,000	35,00,000	100%	-

B) Shareholding of Promoter-

S N	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% 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	NAFISA TRADING COMPANY LTD.	859500	24.56%	0	859500	24.56%	0	NIL
2	INDSTL PROMN & INVST CORPN OF ORISSA LTD. (CO-PROMOTOR AS PER AGREEMENT DT. 17.11.87)	525000	15%	0	525000	15%	0	NIL
3	SWATI NIVESH	309700	8.85%	0	309700	8.85%	0	NIL

	&SERVICES PVT. LTD.							
4	BAHUBALI PICTURES PVT. LTD.	119500	3.41%	0	119500	3.41%	0	NIL
5	LALIT KUMAR JALAN	1100	0.03%	0	1100	0.03%	0	Nil
6	KUSUM JALAN	400	0.01%	0	400	0.01%	0	Nil
7	BAIJNATH JALAN	300	0.009%	0	300	0.009%	0	NIL
8	RAM AVTAR JALAN	100	0.003%	0	100	0.003%	0	Nil
9	MUKESH SARAF	100	0.003%	0	100	0.003%	0	NIL
10	SANTOSH KUMAR SARAF	100	0.003%	0	100	0.003%	0	NIL
	TOTAL	1815800	51.88%	0	1815800	51.88%	0	NIL

C) Change in Promoters' Shareholding (please specify, if there is no change)

SN	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	1815800	51.88%	1815800	51.88%
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc.):	Nil	Nil	Nil	Nil
	At the end of the year	1815800	51.88%	1815800	51.88%

D) Shareholding Pattern of top ten Shareholders:

(Other than Directors, Promoters and Holders of GDRs and ADRs):

SN	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	PRATUSH CONSULTANT PVT. LTD.	254362	7.27%	254362	7.27%
2	RUPAK TRADING PVT. LTD.	253062	7.23%	253062	7.23%
3	NEVELI CERAMICS & REFRACTORIES LTD. (NEY CER INDIA LTD.)	180000	5.14%	180000	5.14%
4	ICICI TRUSTEESHIP SERVICES LTD.	127181	3.63%	127181	3.63%
5	MANGALAM HOUSING	20000	0.57%	20000	0.57%
6	THE CALCUTTA STOCK EXCHANGE ASSOCIAT LTD.	6000	0.17%	6000	0.17%

7	CHANDRIKA PANDEY	4500	0.13%	4500	0.13%
8	SHIV KUMAR BHARTIA	4000	0.11%	4000	0.11%
9	ABC LAND & INVESTMENT COMPANY PVT. LTD.	3800	0.11%	3800	0.11%
10	SUSIL MKUMAR JAIN	2900	0.08%	2900	0.08%
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):	NIL	NIL	NIL	NIL
	At the End of the year	855805	24.45%	855805	24.45%

E) Shareholding of Directors and Key Managerial Personnel:

SN	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	RAM AVTAR JALAN	100	0.003%	100	0.003%
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus / sweat equity etc):	Nil	Nil	Nil	Nil
	At the End of the year	100	0.003%	100	0.003%

F) INDEBTEDNESS -Indebtedness of the Company including interest outstanding/accrued but not due for payment.

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	Nil	5,10,43,937	Nil	5,10,43,937
ii) Interest due but not paid	Nil	Nil	Nil	Nil
iii) Interest accrued but not due	Nil	Nil	Nil	Nil
Total (i+ii+iii)	Nil	5,10,43,937	Nil	5,10,43,937
Change in Indebtedness during the financial year				
* Addition	Nil	Nil	Nil	1,69,26,034
* Reduction	Nil	80,57,937	Nil	80,57,937
Net Change	Nil	(80,57,937)	Nil	(80,57,937)
Indebtedness at the end of the financial year				
i) Principal Amount	Nil	4,29,86,000	Nil	4,29,86,000
ii) Interest due but not paid	Nil	Nil	Nil	Nil
iii) Interest accrued but not due	Nil	Nil	Nil	Nil
Total (i+ii+iii)	Nil	4,29,86,000	Nil	4,29,86,000

XI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

SN.	Particulars of Remuneration	NAME OF DIRECTORS		Total Amount
		Gaurang Jalan		
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	Nil	Nil	Nil
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	Nil	Nil	Nil
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	Nil	Nil	Nil
2	Stock Option	Nil	Nil	Nil
3	Sweat Equity	Nil	Nil	Nil
4	Commission - as % of profit - others, specify...	Nil	Nil	Nil
5	Others, please specify	Nil	Nil	Nil
	Total (A)	Nil	Nil	Nil
	Ceiling as per the Act	Nil	Nil	Nil

B. Remuneration to other directors

SN .	Particulars of Remuneration	NAME OF DIRECTORS			Total Amount
		Ram Avatar Jalan	Madhav Prasad Sureka	Arabinda De	
1	Independent Directors				
	Fee for attending board committee meetings	Nil	Nil	Nil	Nil
	Commission	Nil	Nil	Nil	Nil
	Others, please specify	Nil	Nil	Nil	Nil
	Total (1)	Nil	Nil	Nil	Nil
2	Other Non-Executive Directors	Nil	Nil		
	Fee for attending board committee meetings	Nil	Nil	Nil	Nil
	Commission	Nil	Nil	Nil	Nil
	Others, please specify	Nil	Nil	Nil	Nil
	Total (2)	Nil	Nil	Nil	Nil
	Total (B)=(1+2)	Nil	Nil	Nil	Nil
	Total Managerial Remuneration	Nil	Nil	Nil	Nil

Overall Ceiling as per the Act	Nil	Nil	Nil	Nil
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C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

SN	Particulars of Remuneration	Key Managerial Personnel			
		CEO	CS	CFO	Total
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	Nil	1,50,000	2,01,600	3,51,600
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	Nil	Nil	Nil	Nil
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	Nil	Nil	Nil	Nil
2	Stock Option	Nil	Nil	Nil	Nil
3	Sweat Equity	Nil	Nil	Nil	Nil
4	Commission	Nil	Nil	Nil	Nil
	- as % of profit	Nil	Nil	Nil	Nil
	others, specify...	Nil	Nil	Nil	Nil
5	Others, please specify	Nil	Nil	Nil	Nil
	Total	Nil	1,50,000	2,01,600	3,51,600

XII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil
B. DIRECTORS					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil
C. OTHER OFFICERS IN DEFAULT					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil

Annexure - 5 to the Directors' Report

NOMINATION AND REMUNERATION POLICY

This Nomination and Remuneration Policy is being formulated in compliance with Section 178 of the Companies Act, 2013 read along with the applicable rules thereto and Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. This policy on nomination and remuneration of Directors, Key Managerial Personnel and Senior Management has been formulated by the Nomination and Remuneration Committee (NRC or the Committee) and has been approved by the Board of Directors.

Definitions:

“**Remuneration**” means any money or its equivalent given or passed to any person for services rendered by him and includes perquisites as defined under the Income-tax Act, 1961;

“**Key Managerial Personnel**” means:

- i) Managing Director, or Chief Executive Officer or Manager and in their absence, a Whole-time Director;
- ii) Chief Financial Officer;
- iii) Company Secretary; and
- iv) such other officer as may be prescribed.

“**Senior Managerial Personnel**” mean the personnel of the company who are members of its core management team excluding Board of Directors. Normally, this would comprise all members of management of rank equivalent to General Manager and above, including all functional heads.

Objective:

The objective of the policy is to ensure that :-

- To lay down criteria and terms and conditions with regard to identifying persons who are qualified to become Directors (Executive and Non-Executive) and persons who may be appointed in Senior Management and Key Managerial positions.
- To determine remuneration based on the Company's size and financial position and trends and practices on remuneration prevailing in peer companies.
- the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully;
- to retain, motivate, promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage.
- relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals.

APPOINTMENT AND REMOVAL OF DIRECTOR, KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT

- a) The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend his / her appointment, as per Company's Policy.

- b) A person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has authority to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the position.
- c) Appointment of Independent Directors is subject compliance of provisions of section 149 of the Companies Act, 2013, read with schedule IV and rules there under.
- d) The Company shall not appoint or continue the employment of any person as Whole-time Director who has attained the age of seventy years. Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution.
- e) The Director, KMP and Senior Management Personnel shall retire as per the applicable provisions of the Regulations and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, Senior Management Personnel in the same position / remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

TERM / TENURE

- a) Managing Director/Whole-time Director:**
 - i. The Nomination and Remuneration Committee shall identify a person according to the requirements of the Company for the above position and recommend their appointment to the Board including the terms of appointment and remuneration.
 - ii. The Board shall consider the recommendation of the NRC and accordingly approve the appointment and remuneration. The appointment of MD, JMD,

WTD shall be subject to the approval of the Shareholders.

- iii. Appointment of other employees will be made in accordance with the Company's HR Policy.

The Company shall appoint or re-appoint any person as its Executive Chairman, Managing Director or Executive Director for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term.

b) Independent Director:

An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.

No Independent Director shall hold office for more than two consecutive terms of upto maximum of 5 years each, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director.

Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly.

At the time of appointment of Independent Director it should be ensured that number of Boards on which such Independent Director serves is restricted to seven listed companies as an Independent Director and three listed companies as an Independent Director in case such person is serving as a Whole-time Director of a listed company or such other number as may be prescribed under the Act.

EVALUATION

The Committee shall carry out evaluation of performance of Director, KMP and Senior Management Personnel

yearly or at such intervals as may be considered necessary.

REMOVAL

The Committee may recommend with reasons recorded in writing, removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the Companies Act, 2013, rules and regulations and the policy of the Company or by the Board on its own if the person commits a breach of the duties, functions and responsibilities or obligations on any reason prescribed by the law or AOA or the Listing Agreement or for reason of poor performance as measured as a result of performance evaluation.

POLICY FOR REMUNERATION TO DIRECTORS/KMP/SENIOR MANAGEMENT PERSONNEL

1) Remuneration to Managing Director:

- a) The Managing Director shall be eligible for remuneration as may be approved by the Shareholders of the Company on the recommendation of the Committee and the Board of Directors. The Remuneration/ Commission etc. to be paid to Managing Director shall be governed as per provisions of the Companies Act, 2013 and rules made there under or any other enactment for the time being in force and the approvals obtained from the Members of the Company.
- b) The Nomination and Remuneration Committee shall make such recommendations to the Board of Directors, as it may consider appropriate with regard to remuneration to Managing Director.

2) Remuneration to Non- Executive / Independent Directors:

- a) The Non-Executive / Independent Directors may receive sitting fees for attending meeting of the Board and the committee and such other

remuneration as permissible under the provisions of Companies Act, 2013. The amount of sitting fees shall be such as may be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors.

- b) The profit-linked Commission shall be paid within the monetary limit approved by the Shareholders of the Company subject to the same not exceeding 1% of the net profits of the Company computed as per the applicable provisions of the Regulations.
- c) An Independent Director shall not be eligible to get Stock Options and also shall not be eligible to participate in any share based payment schemes of the Company. Non-Executive Directors are eligible for Stock Options as approved by the shareholders.
- d) Any remuneration paid to Non- Executive / Independent Directors for services rendered which are of professional in nature shall not be considered as part of the remuneration for the purposes of clause (b) above if the following conditions are satisfied:
 - i) The Services are rendered by such Director in his capacity as the professional; and
 - ii) In the opinion of the Committee, the director possesses the requisite qualification for the practice of that profession.

Any incidental expense incurred by the Directors with relation to the participation in the meetings of the Board and other Sub Committees shall be reimbursed.

3) Remuneration to Executive Directors, Key Managerial Personnel and Senior Management:

- a) The remuneration to Key Managerial Personnel and Senior Management shall consist of fixed pay and incentive pay, in compliance with the

provisions of the Companies Act, 2013 and in accordance with the Company's Policy.

- b) Remuneration of Executive Directors, Key Managerial Personnel and Senior Management is determined and recommended by the Nomination & Compensation Committee and approved by the Board. Remuneration of Executive Directors is also subject to the approval of the shareholders.
- c) The Incentive pay shall be decided based on the balance between performance of the Company and performance of the Key Managerial Personnel

and Senior Management, to be decided annually or at such intervals as may be considered appropriate.

IMPLEMENTATION

- The Committee may issue guidelines, procedures, formats, reporting mechanism and manuals in supplement and for better implementation of this policy as considered appropriate.
- The Committee may Delegate any of its powers to one or more of its members.

Independent Auditor's Report

To the Members of GMB Ceramics Ltd.

Report on the Financial Statements

We have audited the accompanying (Standalone) financial statements of **GMB Ceramics Ltd.** ("the company") which comprise the Balance Sheet as at 31st March, 2020, the statement of Profit and Loss, Cash Flow Statement for the year ended, and a summary of significant accounting policies and other explanatory information.

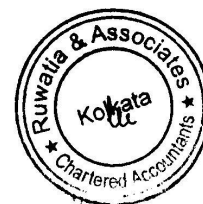
In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report:



Key Audit Matter

Following key audit matters came up in the process of our audits which are duly reported in the manner so required in our report.

1. The negative net worth of the company is indicative about the company's status as a going concern.
2. Inventories are valued at cost instead of their realisable value.
3. Company have not provided depreciation on its fixed assets.

Information other than the financial statements and auditors' report thereon

The Company's board of directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, Business Responsibility Report but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

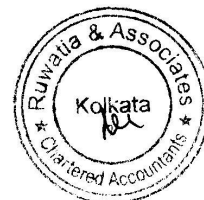
In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the (Standalone) 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 of these (Standalone) Financial Statements that give a true and fair view of the financial position, financial performance and cash flows of the company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the act for safeguarding 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these (standalone) 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 the ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give 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 the 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 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 (Standalone) financial statements



Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid (Standalone) 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 March 31, 2020, and its Loss and its Cash Flow for the year ended on that date subject to the following:

1. *The company's accumulated loss has exceeded its capital and reserve surplus indicating a negative net worth.*
2. *The current asset in the form of inventories carried forward for a number of years at cost instead of the realisable value. The change in value being unascertainable has not been given effect.*
3. *The company continued to follow the practice of not providing depreciation on the unused fixed assets, and the amount of depreciation for wear and tear of unused assets is unascertainable and as such not given effect.*

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), as amended, issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.

2. As required by section 143 (3) of the Act, we report that subject to our comments in 'opinion' above:-

a. we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;

b. in our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

c. the Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account

d. in our opinion, the aforesaid (Standalone) financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

e. On the basis of written representations received from the directors as on March 31, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 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 the requirements of section 197(16) of the Act, as amended: In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

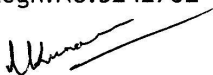
h. With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company does not have any pending litigations that will impact its financial position significantly.

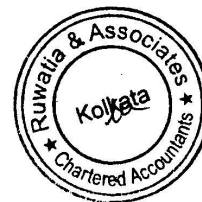
ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For and on behalf of
Ruwatia & Associates.
Chartered Accountants
Firm Regn.No.324276E



Mukesh Kumar Ruwatia
Proprietor
Membership number: 060231
Place: Kolkata
Date: 28th day of August, 2020
UDIN : 20060231 AAAABW2341



"Annexure A" to the Independent Auditors' Report

The Annexure referred to in our report to the members of **GMB Ceramics Ltd.** for the year ended 31st March, 2020. We further report that:-

1 (a) The Company has not maintained proper records showing full particulars, including quantitative details and situation of fixed assets; we are explained that the factory of the company was in the custody of financial institution subsequent to which the relevant register kept in the factory are not available.

(b) The Fixed Assets have not been physically verified by the management during the year .

(c) The title deeds of immovable properties are held in the name of the company

2) The inventories have not been physically verified by the management during the year .

3) The Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability partnerships or other parties covered in the Register maintained under section 189 of the Act. Accordingly, the provisions of clause 3 (iii) (a) to (c) of the Order are not applicable to the Company and hence not commented upon.

4) In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 in respect of loans, investments, guarantees, and security.

5) The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.

6) Since the company's manufacturing activity continues to remain suspended during the year and no other activity and transaction took place, in our opinion the provisions of sub-section (1) of section 148 of the Companies Act, 2013 is not applicable to the company.



7) (a) According to information and explanations given to us and on the basis of our examination of the books of account, and records, the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income-Tax, Sales tax, Service Tax, Duty of Customs, Duty of Excise, Value added Tax, Cess and any other statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at March 31, 2019 for a period of more than six months from the date on when they become payable.

b) According to the information and explanation given to us, there are no dues of income tax, sales tax, service tax, duty of customs, duty of excise, value added tax outstanding on account of any dispute.

8) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to banks. The Company has not taken any loan either from financial institutions or from the government and has not issued any debentures.

9) Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments and term Loans. Accordingly, the provisions of clause 3 (ix) of the Order are not applicable to the Company and hence not commented upon. *

10) Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the Company or on the company by its officers or employees has been noticed or reported during the year.

11) The Company has paid\provided managerial remuneration.

12) In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 3 (xii) of the Order are not applicable to the Company.

13) In our opinion, the company has entered transaction with the related parties under section 177 and 188 of Companies Act, 2013 in ordinary course of business.

14) Based upon the audit procedures performed and the information and explanations given by the management, the company has not made any preferential allotment or



private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3 (xiv) of the Order are not applicable to the Company and hence not commented upon.

15) Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company and hence not commented upon.

16) In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company and hence not commented upon.

For and on behalf of
Ruwatia & Associates.
Chartered Accountants
Firm Regn.No.324276E



Mukesh Kumar Ruwatia
Proprietor
Membership number: 060231 *
Place: Kolkata
Date: 28th day of August, 2020
UDIN: 20060231 AAAA BW 2341



“Annexure B” to the Independent Auditor’s Report

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 **GMB ceramics Ltd.** (“The Company”) as of March 31, 2020 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

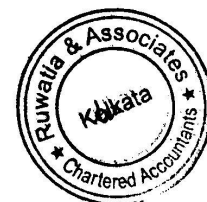
Management’s Responsibility for Internal Financial Controls

The Company’s management is responsible for establishing and maintaining internal financial controls based on “the 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 Institute of Chartered Accountants of India”. 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 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 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 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 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 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, 2020, 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 on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India".

For and on behalf of

Ruwatia & Associates.
Chartered Accountants
Firm Regn.No.324276E



Mukesh Kumar Ruwatia
Proprietor
Membership number: 060231
Place: Kolkata
Date: 28.08.2020
UDIN: 20060231AAABW2341



GMB CERAMICS LTD.
BALANCE SHEET AS AT 31ST MARCH, 2020

(in rupees)

	PARTICULARS	NOTE NO.	AS AT MARCH 31,	
			2020	2019
I.	ASSETS			
1	Non-current Assets			
	(a) Property, Plant and Equipment	2	53,702,936	53,702,936
2	Current Assets			
	(a) Inventories	3	4,231,341	4,231,341
	(b) Financial Assets			
	(i) Cash and Cash Equivalents	4	10,160,179	355,161
	(ii) Fixed Deposit		-	20,000,000
	(ii) Loans	5	11,534,250	11,213,268
	Total Assets		79,628,706	89,502,706
II.	EQUITY AND LIABILITIES			
1	EQUITY			
	(a) Equity Share Capital	6	35,000,000	35,000,000
	(b) Other Equity	7	-38,507,467	-36,789,683
2	LIABILITIES			
	A. Non-current Liabilities			
	(a) Financial Liabilities			
	(i) Other Financial Liabilities	8	42,986,000	51,043,937
	B. Current Liabilities			
	(a) Financial Liabilities			
	(b) Other Current Liabilities	9	40,145,629	40,244,844
	(c) Provisions	10	4,544	3,608
	Total Equity and Liabilities		79,628,706	89,502,706

The accompanying notes form an integral part of the financial statements.

Significant Accounting Policies

1

As per our report of even date attached

for Ruwalia & Associates
Chartered Accountants
Firm Registration No. 324276E

Mukesh Kumar Ruwalia

(Mukesh Kumar Ruwalia)
Proprietor

Membership No. 060231

Place : Kolkata

Dated: August 28, 2020

UDIN: 20060231AAAABW2341

for and on behalf of the Board of Directors of GMB Ceramics Ltd.

Gaurang Jalan
Gaurang Jalan
Managing Director

DIN : 00909769

Arabinda De
Arabinda De
Director

DIN : 00028093

Dwipayan Kr. Roy Choudhury

Dwipayan Kr. Roy Choudhury

Chief Financial Officer

PAN : AOKPR7220K

Nidhi Sharma

Nidhi Sharma

Company Secretary

Associate Mem.No:42014



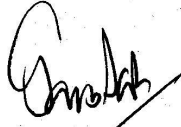
GMB CERAMICS LTD.

Cash Flow Statement for the year ended 31st March, 2020


	2019-20	2018-19
	Rs.	Rs.
A. Cash Flow from Operating Activities		
Net Profit before Tax & Extra-ordinary Items	(1,717,784)	(1,163,768)
Adjustment for :		
Transfer to capital reserves	-	-
Interest charged to Profit & Loss Account	-	-
Opening Profit/(Loss) before Working Capital Charges	(1,717,784)	(1,163,768)
Adjustment for :		
(Increase) / Decrease in Trade Receivables	-	-
Increase / (Decrease) in Current Liabilities	(99,215)	39,745,752
Increase / (Decrease) in Short Term Provisions	936	(2,822)
(Increase) / Decrease Inventories	-	-
Increase / (Decrease) in Trade payables	-	(105,822)
Cash generated from Operations	(1,816,063)	38,473,340
Cash Flow before Extra-ordinary Items	-	72,500
Net Cash from Operating Activities	(1,816,063)	38,545,840
B. Cash flow from Investing Activities		
(Increase) / Decrease in Long Term Loans & Advances	(320,982)	(1,307,964)
(Increase) / Decrease in investments	20,000,000	(20,000,000)
(Increase) / Decrease in Fixed Asstes		
Net Cash from investing Activities	19,679,018	(21,307,964)
C. Cash Flow from Financing Activities		
Increase/(Decrease) in Long term Borrowings	(8,057,937)	(16,926,034)
Increase/ (Decrease) in Short Term Borrowings		
Net Cash from Financing Activities	(8,057,937)	(16,926,034)
Net Changes in Cash and Cash Equivalent (A+B+C)	9,805,018	311,842
Cash & Cash Equivalents as at 1st April, 2019 (Opening Balance)	355,161	43,319
Cash & Cash Equivalents as at 31st March, 2020 (Closing Balance)	10,160,179	355,161

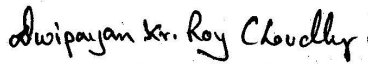
Note : Figures in Bracket represent Cash Outflows.

As per Annexed report of even date.
For Ruwatia & Associates
Chartered Accountants
Firm Registration No. 324276E


Gaurang Jalan
Managing Director
DIN : 00909769


Arabinda De
Director
DIN : 00028093


(Mukesh Kumar Ruwatia)
Proprietor
Membership No. 060231
Place : Kolkata
Dated : August, 28 2020
UDIN : 20060231A000BW234)


Dwipayan Kr. Roy Choudhury
Chief Financial Officer
PAN : AOKPR7220K


Nidhi Sharma
Company Secretary
Associate Membership:42014



Note:1

A. Basis of preparation of financial statements

(i) Statement of compliance and basis of preparation

These financial statements are prepared in accordance with Indian Accounting Standards (Ind AS), the provisions of the Companies Act, 2013 ("the Companies Act"), as applicable and guidelines issued by the Securities and Exchange Board of India ("SEBI"). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

Up to the year ended March 31, 2017, the Company prepared its financial statements in accordance with the requirements of the Indian GAAP ("Previous GAAP"), which included Standards notified under the Companies (Accounting Standards) Rules, 2006. The date of transition to Ind AS is April 1, 2016.

Accounting policies have been applied consistently to all periods presented in these financial statements

The financial statements correspond to the classification provisions contained in Ind AS 1, "Presentation of Financial Statements". For clarity, various items are aggregated in the statements of profit and loss and balance sheet. These items are disaggregated separately in the notes to the financial statements, where applicable

(ii) Use of estimates and judgment

The preparation of the financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from those estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected. In particular, information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements are included in the following notes:

a) Income taxes: The major tax jurisdictions for the Company are India. Significant judgments are involved in determining the provision for income taxes including judgment on whether tax



positions are probable of being sustained in tax assessments. A tax assessment can involve complex issues, which can only be resolved over extended time periods.

b) **Deferred taxes:** Deferred tax is recorded on temporary differences between the tax bases of assets and liabilities and their carrying amounts, at the rates that have been enacted or substantively enacted at the reporting date. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable profits during the periods in which those temporary differences and tax loss carry-forwards become deductible. The Company considers the expected reversal of deferred tax liabilities and projected future taxable income in making this assessment. The amount of the deferred tax assets considered realizable, however, could be reduced in the near term if estimates of future taxable income during the carry-forward period are reduced.

c) **EPS:** The following reports basic and diluted earning per equity shares in accordance with basic earning per share has been computed by dividing net profit or loss by weighted average number of equity shares outstanding for the period. Diluted earning per share has been computed using the weighted average number of equity shares and diluted potential equity shares outstanding for the period.

B. Significant accounting policies

(i) Functional and presentation currency

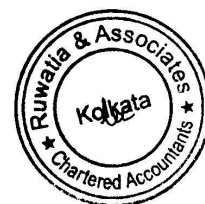
These financial statements are presented in Indian rupees, the national currency of India, which is the functional currency of the Company.

(ii) Financial instruments

Non derivative financial instruments consist of:

- Financial assets, which include cash and cash equivalents, trade receivables, unbilled revenues, finance lease receivables, employee and other advances, investments in equity and debt securities and eligible current and non-current assets;
- Financial liabilities, which include long and short-term loans and borrowings, bank overdrafts, trade payables, eligible current and non-current liabilities.

Non derivative financial instruments are recognized initially at fair value. Financial assets are derecognized when substantial risks and rewards of ownership of the financial asset have been transferred. In cases where substantial risks and rewards of ownership of the financial assets are neither transferred nor retained, financial assets are derecognized only when the Company has not retained control over the financial asset



Subsequent to initial recognition, non-derivative financial instruments are measured as described below:

A. Cash and cash equivalents

The Company's cash and cash equivalents consist of cash on hand and in banks and demand deposits with banks, which can be withdrawn at any time, without prior notice or penalty on the principal.

For the purposes of the cash flow statement, cash and cash equivalents include cash on hand, in banks and demand deposits with banks, net of outstanding bank overdrafts that are repayable on demand and are considered part of the Company's cash management system. In the balance sheet, bank overdrafts are presented under borrowings within current liabilities.

B. Other financial assets:

Other financial assets are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are presented as current assets, except for those maturing later than 12 months after the reporting date which are presented as non-current assets. These are initially recognized at fair value and subsequently measured at amortized cost using the effective interest method, less any impairment losses. These comprise trade receivables, unbilled revenues, cash and cash equivalents and other assets.

C. Trade and other payables

Trade and other payables are initially recognized at fair value, and subsequently carried at amortized cost using the effective interest method. For these financial instruments, the carrying amounts approximate fair value due to the short term maturity of these instruments.

(iii) Equity

a) Share capital and share premium

The authorized share capital of the Company as of March 31, 2020, is 55 million consisting 55,00,000 equity shares of 10 each. Par value of the equity shares is recorded as share capital

Every holder of the equity shares, as reflected in the records of the Company as of the date of the shareholder meeting shall have one vote in respect of each share held for all matters submitted to vote in the shareholder meeting.

b) Capital Reserve

Capital reserve amounting to 9,10,00,860 is not freely available for distribution.

c) Profit & Loss A/c

Profit & Loss A/c comprises of the Company's undistributed earnings after taxes



d) Other comprehensive income

Changes in the fair value of financial instruments measured at fair value through other comprehensive income and actuarial gains and losses on defined benefit plans are recognized in other comprehensive income (net of taxes), and presented within equity as other comprehensive income.

e) Other reserves

Other reserve includes Central investment subsidy, Project Subsidy & BIFR relief & concession of amount Rs 25,00,000 , Rs 3,00,000, Rs 64,81,885.

(iv) Property, plant and equipment

a) Recognition and measurement

Property, plant and equipment are measured at cost less accumulated depreciation and impairment losses, if any. Cost includes expenditures directly attributable to the acquisition of the asset. General and specific borrowing costs directly attributable to the construction of a qualifying asset are capitalized as part of the cost

b) Depreciation

The Company has not charged depreciation since March, 2001 as the company's plant continues to remain inoperative since 15th November, 1997.

(v) Inventories

Inventories are valued at cost.

(vi) Employee benefits

The Company has the following employee benefit plan:

A. Provident fund

Employees receive benefits from a provident fund, which is a defined benefit plan. The employer and employees each make periodic contributions to the plan. A portion of the contribution is made to the approved provident fund trust managed by the Company while the remainder of the contribution is made to the government administered pension fund. The contributions to the trust managed by the Company is accounted for as a defined benefit plan as the Company is liable for any shortfall in the fund assets based on the government specified minimum rates of return.

(vii) Provision, Contingent Liability &Contingent Asset

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.



The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset, if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

(viii) Finance cost

Finance cost comprise interest cost on borrowings, gain or losses arising on re-measurement of financial assets at FVTPL, gains/(losses) on translation or settlement of foreign currency borrowings and changes in fair value and gains/ (losses) on settlement of related derivative instruments. Borrowing costs that are not directly attributable to a qualifying asset are recognized in the statement of profit and loss using the effective interest method.

(viii) Leases

The determination of whether an arrangement is, or contains, a lease is based on the substance of the arrangement at the inception date. The arrangement is, or contains a lease if, fulfillment of the arrangement is dependent on the use of a specific asset or assets or the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement. Proportionate cost of leasehold land has not been written off

2. There is no significant reconciliation items in its financial position prepared under previous GAAP and those prepared under Ind AS.
3. There is no significant reconciliation items between profit prepared under previous GAAP and those prepared under Ind AS.
4. There is no significant reconciliation items between cash flow prepared under previous GAAP and those prepared under Ind AS.
5. Arbitration Award dated 23.06.1999 in Company's favour has been confirmed by the Division Bench of Hon'ble High Court of Calcutta vide its Order dated 24.09.2018 against Neycer India Ltd., which preferred a Special Leave Petition (SLP) before the Hon'ble Supreme Court of India; pending disposal of SLP, the Supreme Court of India directed Neyer India Ltd., vide its Order dated 22.11.2018, for depositing of Rs.4 Crore to our Company returnable if so ordered by the Supreme Court of India. Accordingly, the deposit of Rs.4 Crore was received on 30.01.21019.



D. Related Party Disclosure

Following transaction were carried out with related party in ordinary course of Business

Nature of Transaction	2019-20
Compensation to KMP-Remuneration to Nidhi Sharma	1,50,000
Loan taken from Related Parties	2,21,93,000
Loan repaid to Related parties	3,02,50,937



GMB CERAMICS LTD

Note 2 :- Property, Plant & Equipment

	LAND	BUILDINGS	PLANT AND MACHINERY	FUNITURE AND FIXTURES	TOTAL
Gross Carrying Value :					
As at APRIL 1,2018	4,400,229	35,666,779	53,478,402	905,767	94,451,177
Additions	-	-	-	-	-
Disposal / adjutments	-	-	-	-	-
As at March 31,2019	4,400,229	35,666,779	53,478,402	905,767	94,451,177
As at APRIL 1,2019	4,400,229	35,666,779	53,478,402	905,767	94,451,177
Additions	-	-	-	-	-
Disposal / adjutments	-	-	-	-	-
As at March 31,2020	4,400,229	35,666,779	53,478,402	905,767	94,451,177
Accumulated Depreciation / impairment					
As at APRIL 1,2018	-	10,838,039	29,339,086	571,116	40,748,241
Depreciation					
Disposal / adjutments					
As at March 31,2019	-	10,838,039	29,339,086	571,116	40,748,241
As at APRIL 1,2019	-	10,838,039	29,339,086	571,116	40,748,241
Depreciation					
Disposal / adjutments					
As at March 31,2020	-	10,838,039	29,339,086	571,116	40,748,241
Net Carrying Value					
As at APRIL 1,2018	4,400,229	24,828,740	24,139,316	334,651	53,702,936
As at March 31,2019	4,400,229	24,828,740	24,139,316	334,651	53,702,936
As at March 31,2020	4,400,229	24,828,740	24,139,316	334,651	53,702,936



GMB CERAMICS LIMITED

NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2020

	31 MARCH,2020	31 MARCH,2019		
3 INVENTORIES				
Stores & Spares (At cost)	417,880	417,880		
Stock of Electrical goods (At cost)	15,016	15,016		
Stock of Kiln Materials (At cost)	61,025	61,025		
Raw Materials (At cost)	125,507	125,507		
Packing Mataerials (At cost)	23,195	23,195		
Finished Goods (At cost)	2,949,459	2,949,459		
Finished Moulds & Other iltems (At cost)	639,259	639,259		
	<u>4,231,341</u>	<u>4,231,341</u>		
4 CASH & CASH EQUIVALENTS				
Cash in Hand	128,960	144,242		
UCO Bank , Sweep A/C	99,91,528			
UCO Bank , Kolkata	29,044			
SBI, Balasore	10,647			
	<u>10,031,219</u>	<u>210,919</u>		
	<u>10,160,179</u>	<u>355,161</u>		
5 FINANCIAL ASSET-LOANS				
Advances				
Advance Against Expense :				
Expenditure- Arbitration Award	10,880,941	10,858,309		
Advance to IDCO	139,610	172,976		
Security Deposit	10,000	10,000		
GST Input Receivable	348,534	157,953		
TDS Receivable	155,165	14,030		
	<u>11,534,250</u>	<u>11,213,268</u>		
6 SHARE CAPITAL				
(a) Capital Structure				
<u>Authorised</u>				
55,00,000 Equity Shares of Rs.10/- each	55,000,000	55,000,000		
	<u>55,000,000</u>	<u>55,000,000</u>		
<u>Issued, Subscribed and Fully Paid-up</u>				
35,00,000 Equity Shares of Rs.10/- each fully paid in cash	35,000,000	35,000,000		
	<u>35,000,000</u>	<u>35,000,000</u>		
(b) Share Capital Reconciliation				
Equity Shares	Nos.	Amount	Nos.	Amount
Opening Balance	3,500,000	35,000,000	3,500,000	35,000,000
Issued during the period	-	-	-	-
Closing Balance	3,500,000	35,000,000	3,500,000	35,000,000



(c) Particulars of Equity Shareholders holding more than 5% shares at Balance Sheet date

Name of the Shareholder	No. of shares	%holding	No. of shares	%holding
Industrial Promotion & Investment Corporation of Orissa Ltd	525,000	15	525,000	15
Neiveli Ceramics & Refractories Ltd	180,000	5	180,000	5
Nafisa Trading Co Ltd	859,500	25	859,500	25
Swati Nivesh & Services Ltd	309,700	9	309,700	9
Rupak Trading Pvt Ltd	253,062	7	253,062	7
Pratush Consultants Pvt Ltd	254,362	7	254,362	7
7 RESERVES & SURPLUS				
Capital Reserve	91,000,860		91,000,860	
Other Reserves :				
- Central Investment Subsidy	2,500,000		2,500,000	
- Project Subsidy	300,000		300,000	
- BIFR Relief & Concession	6,481,885		6,481,885	
- Profit & Loss Statement as per last Balance Sheet	-137,072,428			
Add : Profit/(Loss) for the year	-17,17,784			
Total Reserves & Surplus	-38,507,467		-137,072,428	-36,789,683
8 Other Financial Liabilities				
(a) Loans & Advances from related Parties				
Advances :				
- from Directors (Unsecured)	13,400,000		21,238,937	
- from Body Corporates (Unsecured)	29,586,000		29,805,000	
	42,986,000		51,043,937	
9 OTHER CURRENT LIABILITIES				
- Security Deposit			5,000	
Deposit Received Against Arbitration Award (see note no.- 5)	40,000,000		40,000,000	
Other Liabilities	145,629		239,844	
	40,145,629		40,244,844	
10 SHORT TERM PROVISIONS				
Employees Provident Fund	4,544		3,608	
	4,544		3,608	
11 OTHER INCOME				
Misc Income	-		585,590	
Share Profit	-		26,018	
Sweep Interest	62,030		6,953	
Interest on F.D.	1,489,707		140,300	
Interest From Income Tax	630		-	
Written Off	4,657		-	
Dividend	-		6,055	
	1,557,024		764916.00	



12 EMPLOYEE BENEFITS EXPENSE

Director Remuneration	150,000	150,000
Salary & Allowances	562,320	288,360
Employers' Provident Fund	62,607	39,554
Staff Welfare A/c	6,805	4,021
	<u>781,732</u>	<u>481,935</u>

13 OTHER EXPENSES

Administrative Charges	-	15,000
Avertisement & Publicity	11,704	10,472
IDCO Arrear Payment	426,518	0
IDCO Statutory Payment	497,128	0
IDCO Lease Rent	33,366	49,032
Bank Charges	7,626	2,973
Computer soft ware expenses	22,399	10,620
Conveyance Expenses	1,832	2,273
Dematerialisation Charges	92,534	407
Factory Expenses	619,620	605,500
Filing Fees	9,000	13,600
General Expenses	175,378	150,917
Interest on TDS	-	280
Interest on PF	189	-
Listing fees	25,000	25,000
Late fee	-	500
Postage & Telegram	46,620	28,418
Project report	10000	-
Printing & Stationery	8,390	5,892
Power & Fuel Charges	212,410	239,860
Professional Charges	89,390	48,790
Professional Tax	2,500	2,500
Repair & Maintenance	-	24,700
Share Loss	-	1,664
Telephone Expenses	3,551	2,299
Trade Licence	2,150	4,310
Travelling Charges	154,821	49,917
Website Expenses - email	2,950	3,121
Written off	-	7,180
Audit Fees :		
Statutory Audit Fees	30,000	30,000
CSE Ltd.Review Report	8,000	8,000
	<u>2,493,076</u>	<u>1,328,225</u>

Dematerialisation Charges:

Custodial Fees	12,750	-
D-Mat Charges	1694	407
Maintenance Fees	38090	-
Processing Fees	40,000	-



GMB CERAMICS LTD.

Statement of Changes in Equity for the year ended March 31, 2020

a) Equity Share Capital

Particulars	Note No.	As at 31 March 2020		As at 31 March 2019	
		No. of Shares	Amount	No. of Shares	Amount
Balance at beginning of reporting period		3,500,000	35,000,000	3,500,000	35,000,000
Changes in Equity Share Capital					
Balance at the end of reporting period		3,500,000	35,000,000	3,500,000	35,000,000

b) Other Equity

Particulars	Capital Reserve	Other Reserves	BFIR Relief & Concession	Profit & loss A/C	Total other Equity
Balance as at April 1, 2019	91,000,860	2,800,000	6,481,885	-137,072,428	-36,789,683
Profit for the period				-1,717,784	-1,717,784
Other comprehensive income for the period					
Total comprehensive income for the period	91,000,860	2,800,000	6,481,885	-138,790,212	-38,507,467
Balance as at March 31, 2020	91,000,860	2,800,000	6,481,885	-138,790,212	-38,507,467

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