

DIRECTOR'S REPORT

Dear Members,

Your Directors have pleasure in presenting the Twenty Ninth Annual Report and Audited Accounts for the year ended 31st March 2019.

FINANCIAL RESULTS:**(Rs. In lacs)**

Particulars	31.03.2019	31.03.2018
Revenue from operation & Other Income	2123.56	2385.77
Profit before Finance Cost, Depreciation & Tax	98.42	226.94
Less:		
Finance cost	121.90	93.90
Depreciation	98.50	100.06
Income Tax	--	6.72
Excess/short provision of taxes in earlier years	--	.03
MAT Credit Entitlement	--	-87.58
Deferred Tax	-31.95	-9.58
Profit/loss for the period from continuing operations for the year	-90.03	123.39
Profit/(loss) from Discontinued operations	--	--
Profit/(loss) for the year	-90.03	123.39
Other Comprehensive Income (Net of Tax)		
a) Items that will not be reclassified to profit or loss remeasurement of defined benefit plan	1.08	-2.19
b) Items that will be reclassified to profit or loss fair value change in cash and cash equivalent	--	0.17
Total Comprehensive Income for the Year (Comprising Profit/loss and other Comprehensive income for the period)	-88.95	121.36
Balance brought forward from last year	357.93	332.67
Prior period Adjustment/ Errors	----	-96.10
Balance carried forward	268.98	357.93

DIVIDEND:

In view of non-availability of sufficient profit, your Directors express their inability to recommend payment of dividend in respect of the year under review.

PERFORMANCE

During the year under review, your Company has achieved turnover of Rs.2123.56 Lacs in comparison to previous year Rs. 2385.77 Lacs which is a decline of 10.9%.

The reasons for that are

- Continuing global recession leading to downturn global trade.
- Shortage of Raw Material due to export of Rough Granite Blocks
- Decreasing demand of natural products like Granites which are being replaced by engineered stones.

DIRECTORS' RESPONSIBILITY STATEMENT:**Your Directors state that:**

- in the preparation of the annual accounts for the year ended March 31, 2019, the applicable accounting standards read with requirements set out under Schedule III to the Act, have been followed and there are no material departures from the same;
- 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 as at March 31, 2019 and of the profit of the Company for the year ended on that date;
- c) the Directors have taken proper and sufficient care for the 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 fraud and other irregularities;
 - d) the Directors have prepared the annual accounts on a 'going concern' basis;
 - e) the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and
 - f) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

CORPORATE GOVERNANCE

The Company is committed to maintain the highest standards of corporate governance and adhere to the corporate governance requirements set out by SEBI. The Company has also implemented several best corporate governance practices as prevalent globally. The report on Corporate Governance as stipulated under the Listing Agreement forms an integral part of this Report. The requisite certificate from the Auditors of the Company confirming compliance with the conditions of corporate governance is attached to the report on Corporate Governance.

LISTING INFORMATION

The Shares of the Company are listed with and traded in dematerialized form on Bombay Stock Exchange Ltd. (BSE).

The Listing Fee has been paid to the Stock Exchange for the year 2019-20. The ISIN No. of the company is INE 741B01027

MANAGEMENT'S DISCUSSION AND ANALYSIS REPORT

Management's Discussion and Analysis Report for the year under review, as stipulated under Schedule-V of the Listing Regulation with the Stock Exchanges in India, is presented in a separate section forming part of the Annual Report.

CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES

All contracts / arrangements / transactions entered by the Company during the financial year with related parties were in the ordinary course of business and on an arm's length basis. During the year, the Company had not entered into any contract / arrangement / transaction with related parties which could be considered material in accordance with the policy of the Company on materiality of related party transactions.

Information on transactions with related parties pursuant to Section 134(3)(h) of the Act read with rule 8(2) of the Companies (Accounts) Rules, 2014 are given in Annexure I in Form AOC-2 and the same forms part of this report.

The Policy on related party transactions and dealing with related party transactions as approved by the Board may be accessed on the Company's website at the link :- http://www.glittek.com/images/pdf/related_party_transaction_policy.pdf

Your Directors draw attention of the members to Note 32 to the financial statement which sets out related party disclosures.

RISK MANAGEMENT

The Company manages, monitors and reports on the principal risks and uncertainties that can impact its ability to achieve its strategic objectives. The Company's management systems, organizational structures, processes, standards, code of conduct and behaviors together form the Risk Management System (RMS) that governs how the Company conducts the business and manages associated risks.

INTERNAL FINANCIAL CONTROLS

The Company has in place adequate internal financial controls with reference to financial statements. During the year, such controls were tested and no reportable material weakness in the design or operation were observed.

DIRECTORS AND KEY MANAGERIAL PERSONNEL**Retirement by Rotation:**

Shri Kamal Kumar Agarwal is retiring by rotation and being eligible, offer himself for re-appointment, pursuant to Section 152(6) of the Companies Act, 2013.

Re-appointments:

Independent directors Shri A. T. Gowda and Shri A. Venkatesh were appointed by the members for a period of five years in their 24th Annual General Meeting held on 29th September, 2014. They are completing their term on 28th September, 2019.

Based on the recommendation of the NRC along with pursuant to performance evaluation of Shri A. T. Gowda as the member of the Board and subject to approval of members, the Board proposes to re-appoint Shri A. T. Gowda as an independent director not liable to retire by rotation for a second term effective from 28th September, 2019 to 27th September, 2024.

Based on the recommendation of the NRC along with pursuant to performance evaluation of Shri A. Venkatesh as the member of the Board and subject to approval of members, the Board proposes to re-appoint Shri A. Venkatesh as an independent director not liable to retire by rotation for a second term effective from 28th September, 2019 to 27th September, 2024.

The profile and particulars of experience, attributes and skills of the above Directors is disclosed in the notice convening the AGM to be held on Friday, September, 27th, 2019.

Key Managerial Person (KMP):

Pursuant to provisions of section 203 of Companies Act, 2013 and the Rules made thereunder. Accordingly, Your Company is in compliance with the said requirement by having the following as the KMP:

Names	Designation
Shri Kamal Kumar Agarwal	Managing Director
Shri Ashoke Agarwal	Joint Managing Director
Shri Ashok Kumar Modi	Chief Financial Officer
Smt. Lata Bagri	Company Secretary

The Company has received declarations from all the Independent Directors of the Company confirming that they meet the criteria of independence as prescribed both under the Act and Regulation 16(b) of the Listing Regulations of Listing Agreement with the Stock Exchanges.

Criteria for Determining Qualifications, Positive Attributes and Independence of a Director:

The Nomination and Remuneration Committee had formulated the criteria for determining qualifications, positive attributes and independence of Directors in terms of provisions of Section 178 (3) of the Act and Part-D(A)(1) of Schedule II of SEBI (LODR) Regulations, 2015 of the Listing Agreement. The Committee reviewed the same.

Independence: In accordance with the above criteria, a Director will be considered as an 'Independent Director' if he/ she meets with the criteria for 'Independent Director' as laid down in the Act and Regulation 25 of SEBI (LODR) Regulations, 2015.

Qualifications: A transparent Board nomination process is in place that encourages diversity of thought, experience, knowledge, perspective, age and gender. It is also ensured that the Board has an appropriate blend of functional and industry expertise. While recommending the appointment of a Director, the Nomination and Remuneration Committee considers the manner in which the function and domain expertise of the individual will contribute to the overall skill-domain mix of the Board.

Positive Attributes: In addition to the duties as prescribed under the Act, the Directors on the Board of the Company are also expected to demonstrate high standards of ethical behavior, strong interpersonal and communication skills and soundness of judgment. Independent Directors are also expected to abide by the 'Code for Independent Directors' as outlined in Schedule IV to the Act.

The Company has devised a Policy for performance evaluation of Independent Directors, Board, Committees and other individual Directors which includes criteria for performance evaluation of the non-executive directors and executive directors.

Annual evaluation of the performance of the Board, its Committees and of individual directors

Pursuant to the provisions of the Act and Listing Regulations, the Board has carried out an annual evaluation of its own performance, performance of the Directors as well as the evaluation of the working of its Committees.

The Nomination and Remuneration Committee has defined the evaluation criteria, procedure and time schedule for the Performance Evaluation process for the Board, its Committees and Directors.

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, information and functioning.

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 Chairman was also 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 Managing Director & CEO.

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 Chairman and the Non Independent Directors was carried out by the Independent Directors who also reviewed the performance of the Board as a whole. The Nomination and Remuneration Committee also reviewed the performance of the Board, its Committees and of the Directors.

The Chairman of the Board provided feedback to the Directors on an individual basis, as appropriate. Significant highlights, learning and action points with respect to the evaluation were presented to the Board.

The details of programmes for familiarization of Independent Directors with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company and related matters are put up on the website of the Company at the link: www.glittek.com/images/pdf/Familiarisation-Programme-for-Independent-Director.aspx

POLICY ON PREVENTION, PROHIBITION AND REDRESSAL OF SEXUAL HARASSMENT AT 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 also constituted an Internal Complaints Committee, known as the Prevention of Sexual Harassment (POSH) Committee, to inquire into complaints of sexual harassment and recommend appropriate action.

The Company has not received any complaint of sexual harassment during the financial year 2018-19.

REMUNERATION POLICY

The Company has adopted a Remuneration Policy for the Directors, Key Managerial Personnel and other employees, pursuant to the provisions of the Act and Listing Regulations.

The philosophy for remuneration of Directors, Key Managerial Personnel and all other employees of the Company is based on the commitment of fostering a culture of leadership with trust. The Remuneration Policy of the Company is aligned to this philosophy.

The Nomination and Remuneration Committee has considered the following factors while formulating the Policy:

- (i) 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;
- (ii) Relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and

(iii) 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.

The policy is placed on Company website <http://www.glittek.com/remuneration-policy>.

DETAILS IN RESPECT OF FRAUDS REPORTED BY AUDITORS UNDER SECTION 143(12)

During the year under review, there were no frauds reported by the auditors to the Audit Committee or the Board under section 143(12) of the Companies Act, 2013.

AUDITORS AND AUDITORS' REPORT

Statutory Auditors

K K S & Co. was reappointed as the statutory auditors of the Company for a period of Five year commencing from the conclusion of ensuing 28th Annual General Meeting held on Thursday 20th September, 2018 to the conclusion of 33rd Annual General Meeting of the Company to be held in the year 2023 on the remuneration mutually agreed upon by the Board of Directors and the Statutory Auditors. Pursuant to the amendments made to section 139 of the Companies Act, 2013 by the Companies (Amendment) Act effective from May 7, 2018, the requirement of seeking ratification of the Members for the appointment of the Statutory Auditors has been withdrawn from the Statute. Hence, the resolution seeking ratification of the Members for continuance of their appointment at the AGM is not being sought.

The Notes on financial statement referred to in the Auditors' Report are self-explanatory and do not call for any further comments. The Auditors' Report does not contain any qualification, reservation or adverse remark.

Secretarial Auditor

The Board had appointed M/s S.M. Gupta & Co., Practicing Company Secretary, to conduct Secretarial Audit for the financial year 2018-19. The Secretarial Audit Report for the financial year ended March 31, 2019 is annexed herewith marked as Annexure-II to this Report. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

DISCLOSURES:

Audit Committee

The Audit Committee comprises three Directors, two being independent namely Shri A.Venkatesh (Chairman), A.T.Gowda and Non-Executive Director Shri Bimal Kumar Agarwal as other members. All the recommendations made by the Audit Committee were accepted by the Board.

VIGIL MECHANISM/ WHISTLE BLOWER POLICY

The Company has adopted a Whistle Blower Policy, to provide a formal mechanism to the Directors and employees to report their concerns about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct or ethics policy. The Policy provides for adequate safeguards against victimization of employees who avail of the mechanism and also provides for direct access to the Chairman of the Audit Committee. It is affirmed that no personnel of the Company has been denied access to the Audit committee. The Policy on vigil mechanism and whistle blower policy may be accessed on the Company's website at the link: <http://www.glittek.com/images/pdf/WHISTLE.pdf>.

Meetings of the Board

Six meetings of the Board of Directors were held on 18.04.2018, 30.05.2018, 13.08.2018, 14.11.2018, 14.02.2019 and 25.03.2019 during the year.

Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134 (3) (m) of the Act read with Rule 8 of The Companies (Accounts) Rules, 2014, is annexed as Annexure III

Extract of Annual Return

Extract of Annual Return of the Company is annexed herewith as Annexure IV to this Report.

Disclosures required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

- i. Ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year:

Shri Kamal Kumar Agarwal	Managing Director	30.25:1
Shri Ashoke Agarwal	Joint Managing Director	29.89:1
Shri Bimal Kumar Agarwal	Non-Executive Director	Nil

- ii. The percentage increase in remuneration of each director, chief executive officer, chief financial officer, company secretary in the financial year:

Directors, Chief Executive Officer, Chief Financial Officer and Company Secretary	% increase in remuneration in the financial year
Shri Kamal Kumar Agarwal, Managing Director and Chief Executive Officer	28.09
Shri Ashoke Agarwal, Joint Managing Director	29.37
Shri Ashok Kumar Modi, Chief Financial Officer	5.87
Lata Bagri, Company Secretary	6.74

- iii. The percentage increase in the median remuneration of employees in the Financial Year is around 26.71%.

- iv. The no. of permanent employees on the rolls of the Company are 66.

- v. 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:

The average percentage increase made in the salaries of total employees other than managerial personnel in the last financial year is 20.12% as against 28.72% increase in the remuneration of managerial personnel (as defined in the Companies Act, 2013)

- vi. Affirmation that the remuneration is as per the remuneration policy of the Company : Yes

GENERAL

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review:

1. Details relating to deposits covered under Chapter V of the Act.
2. Issue of equity shares with differential rights as to dividend, voting or otherwise.
3. Issue of shares (including sweat equity shares) to employees of the Company under ESOS
4. Neither the Managing Director nor the Joint Managing Director of the Company receive any remuneration or commission from any of its subsidiaries as the Company does not have any Subsidiary.
5. Particulars of Loans, Guarantees or Investments
6. Particulars of Employees and related disclosures as per section 197(12) and Rule 5(2) and Rule 5(3).
7. No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.

ACKNOWLEDGEMENT

Your Directors would like to express their sincere appreciation for the assistance and co-operation received from the financial institutions, banks, Government authorities, customers, vendors and members during the year under review. Your Directors also wish to place on record their deep sense of appreciation for the committed services by the Company's executives, staff and workers.

By order of the Board

(Kamal Kumar Agarwal)
Managing Director

Place: Hoskote
Date: 14th August, 2019

(Ashoke Agarwal)
Jt. Managing Director