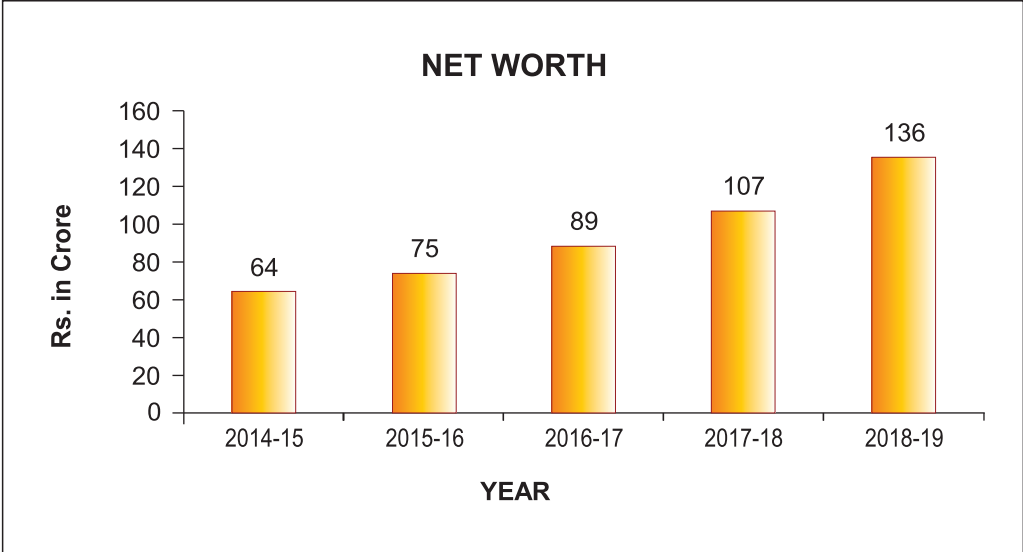
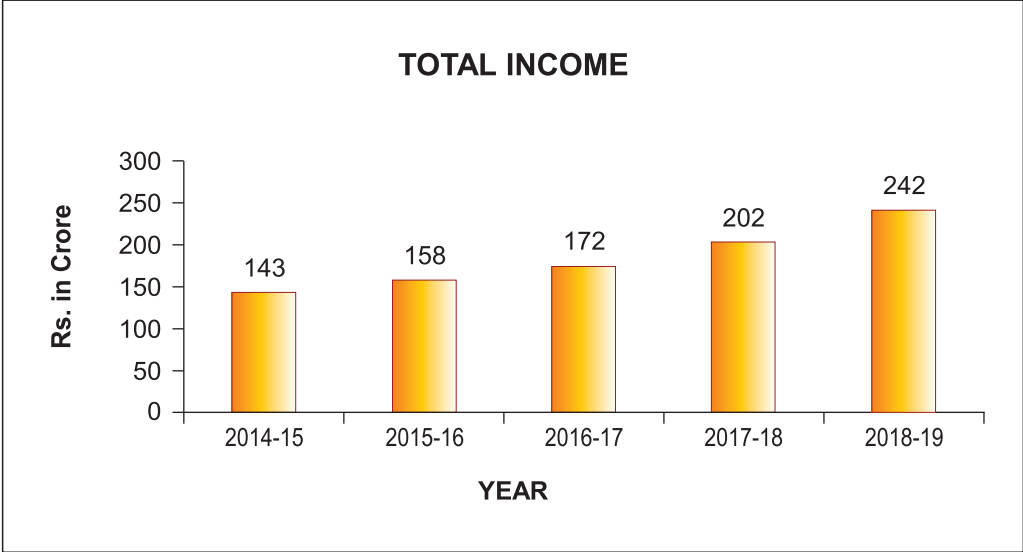


ROOTS MULTICLEAN LTD



27th
Annual Report
2018-19



Note: The above data is based on standalone financial statements.

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Statutory Auditors

M/s Subramaniam Vasudev & Co.
Chartered Accountants, Salem
(Firm no. 004110S)

Cost Auditors

M/s Ramakrishnan & Co.
Cost Accountants, Coimbatore
(Firm No. 100285)

Bankers

Indian Overseas Bank
State Bank of India
Citi Bank N.A.
The Hongkong and Shanghai
Banking Corporation Ltd

Company's Registrar and Share Transfer Agents

M/s S.K.D.C. Consultants Limited
Registrar and Share Transfer Agents
Post Box No.2016, Kanapathy Towers
3rd Floor, 1391/A1, Sathy Road
Ganapathy Post, Coimbatore – 641 006
Telephone: +91 0422-4958995, 2539835
Email: info@skdc-consultants.com
Web: www.skdc-consultants.com

Board of Directors

Sri K Ramasamy (DIN 00034360)
(Executive Chairman)
Sri R Varun Karthikeyan (DIN 00585158)
(Managing Director)
Sri P T Kuppuswamy (DIN 00032309)
Dr M P Vijayakumar (DIN 05103089)
Sri S T Velu (DIN 00054195)
Smt R K Umaadhevi (DIN 01067950)
Sri K Ravi (DIN 01590268)
Sri A Kasilingam (DIN 00912883)
Sri Preben Laustsen (DIN 06554783)
Dr S Chandrasekar (DIN 01773256)
Sri V M Rajashekar (DIN 08208467) (w.e.f. 29.09.18)
Sri Frank Ulbricht (DIN 08258166) (w.e.f. 19.12.18)

Company Secretary

Sri G Balasubramaniam (FCS 9699)

Registered Office

R.K.G. Industrial Estate
Ganapathy, Coimbatore – 641 006. India
Phone : +91 422 4330330 Fax: +91 422 2332107
Email : rmclsales@rootsemail.com
Web : rootsmulticlean.in

Factories**Main Unit**

Mettupalayam Post, Kovilpalayam
Kinathukadavu Taluk – 642 110

Ezecclean Division

Sanganoor Road
Ganapathy, Coimbatore – 641 006

Flipper Division

Mettupalayam Post
Kinathukadavu Taluk – 642 110

Logistics Division

Malumichampatti
Coimbatore – 641 050

NOTICE TO SHAREHOLDERS

NOTICE is hereby given that the 27th Annual General Meeting of the Shareholders of the Company will be held on **Thursday, the 26th day of September 2019 at 10.30 a.m.** at the Registered Office of the Company at **R.K.G.Industrial Estate, Ganapathy, Coimbatore – 641 006** to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt (a) the Audited Standalone Financial Statements of the Company for the financial year ended 31st March, 2019 and the reports of the Board of Directors and the Auditors thereon; and (b) the Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2019 and the report of Auditors thereon and in this regard to pass the following resolutions as Ordinary Resolution:
 - a) “RESOLVED THAT the Audited Standalone financial statements of the Company for the financial year ended March 31, 2019 and the reports of the Board of Directors and Auditors thereon laid before this meeting, be and are hereby considered and adopted.”
 - b) “RESOLVED THAT the Audited Consolidated financial statements of the Company for the financial year ended March 31, 2019 and the report of Auditors thereon laid before this meeting, be and are hereby considered and adopted.”
2. To declare dividend on equity shares.
3. To appoint a Director in the place of Sri Preben Laustsen (DIN 06554783), who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in the place of Dr.S.Chandrasekar (DIN 01773256), who retires by rotation and being eligible, offers himself for re-appointment.
5. To appoint a Director in the place of Sri S.T.Velu (DIN 00054195), who retires by rotation and being eligible, offers himself for re-appointment.
6. To consider and approve the re-appointment of M/s. Subramaniam Vasudev & Co., Chartered Accountants (Firm no. 004110S) as Statutory Auditors of the Company for a period of 5 years and to pass the following resolution as an Ordinary Resolution.

“RESOLVED that pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 read along with Companies (Audit and Auditors) Rules, 2014, as recommended by the Audit Committee and approved by the Board of Directors, the Company be and hereby consents to the re-appointment of M/s. Subramaniam Vasudev & Co., Chartered Accountants (Firm no. 004110S) as Statutory Auditors of the Company for a period of 5 years from the conclusion of the 27th Annual General Meeting until the conclusion of the 32nd Annual General Meeting of the Company on such remuneration as may be fixed by the Board of Directors from time to time.

FURTHER RESOLVED that in respect of services rendered or to be rendered in other capacities, the Statutory Auditors be paid such other remuneration as may be decided.

FURTHER RESOLVED that the Board of Directors / Company Secretary of the Company be and are hereby authorised to file the requisite forms, returns, etc., with the appropriate authorities and to take such other actions as may be required in this regard.”

SPECIAL BUSINESS:

7. To consider and if deemed fit, to pass with or without modification, the following resolution as an Ordinary Resolution.

“RESOLVED that Sri V.M.Rajashekar (DIN 0008208467) Additional Director be and is hereby appointed as a Director of the Company”.

8. To consider and if deemed fit, to pass with or without modification, the following resolution as an Ordinary Resolution.

“RESOLVED that Sri Frank Ulbricht (DIN 0008258166) Additional Director be and is hereby appointed as a Director of the Company”.

9. To approve the increase in the remuneration payable to Sri R.Varun Karthikeyan (DIN 00585158), Managing Director of the Company and in this regard to consider and if thought fit, to pass with or without modification, the following resolution as a Special Resolution.

“RESOLVED THAT pursuant to the provisions of Sections 196, 197, 203, Schedule V and other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, (including any statutory modification(s) or re-enactment thereof for the time being in force), as recommended by the Nomination and Remuneration Committee and approved by the Board of Directors, the Company be and hereby accords its approval for the increase in the remuneration payable to Sri R.Varun Karthikeyan (00585158), Managing Director of the Company with effect from 1st January 2019 until the expiry of his present tenure on the following terms and conditions:

- I. Salary : Rs.1,45,171/- per month.
- II. Perquisites : In addition to Salary, perquisites restricted to an amount equal to annual salary, shall be allowed as detailed below :

a. Housing:

The expenditure on hiring unfurnished accommodation shall not exceed 40% of the salary over and above 10% payable by the Managing Director. Where he resides in his own house or where the Company does not provide accommodation to the Managing Director, House rent allowance may be paid subject to the ceiling mentioned above. The expenditure incurred by the Company on Gas, Electricity, Water and Furnishings will be valued as per the Income-tax Rules, 1962. This will, however, be subject to a ceiling of 10% of the salary.

b. Other perquisites:

- i) Medical Expenses for self and family subject to a ceiling of one month's salary.
 - ii) Leave Travel Concession for self and family once in a year to any place in India subject to a ceiling of one month's salary.
 - iii) Fees of clubs subject to a maximum of two clubs. This will not include admission and life membership fees.
 - iv) Personal Accident Insurance premium not exceeding 10% of the salary.
-

- c. He shall also be eligible to the following benefits, which shall not be included in the computation of the ceiling on the remuneration.
- i) PF / SAF : Contribution to Provident Fund and / or Super Annuation Fund and / or Annuity Fund to the extent of 27% of the Salary.
 - ii) Gratuity : Payable at a rate not exceeding half a month's salary for each completed year of service or at the rate as may be modified from time to time as per the Payment of Gratuity Act, 1972.
- d. He shall be entitled for reimbursement of all actual expenses including on entertainment, conveyance, travelling etc., incurred during the course of the Company's business.

The Company shall provide a car and telephone facility at his residence, which will not be considered as perquisites.

- e. He shall be paid a commission of 0.30% on the profit before tax and 0.75% on the incremental profit before tax every year computed under Section 197 of the Companies Act, 2013.

The Managing Director shall not be paid any sitting fees for attending the meeting of the Board of Directors or Committee thereof.

The appointment is terminable by three months' notice on either side.

RESOLVED FURTHER that in the event of no profits or inadequacy of profits, the remuneration payable to Sri R.Varun Karthikeyan (00585158), Managing Director shall not exceed the limits specified in Schedule V of the Companies Act, 2013 or such other limits as may be notified by the Government from time to time as minimum remuneration.

RESOLVED FURTHER THAT Sri G.Balasubramaniam, Company Secretary (FCS 9699) of the Company be and is hereby authorized to file necessary returns with Registrar of Companies in connection with the above."

10. To approve the remuneration of the Cost Auditors for the financial year ending March 31, 2020 and in this regard, to consider and if thought fit, to pass with or without modification the following resolution as an Ordinary Resolution.

"RESOLVED THAT pursuant to the provisions of Section 148(3) and other applicable provisions, if any of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force) the Cost Auditors M/s. Ramakrishnan & Co.(Firm No. 100285), appointed by the Board of Directors of the Company to conduct the audit of the cost records of the Company for the financial year ending March 31, 2020, be paid a remuneration of Rs.1,00,000/- per annum plus applicable GST and other out of pocket expenses.

RESOLVED FURTHER that Sri G.Balasubramaniam, Company Secretary (FCS 9699) of the Company be and is hereby authorised to do such acts, deeds and things and to file the necessary forms / returns with appropriate authorities as may be necessary in this regard."

Coimbatore
Date: 08.07.2019

By order of the Board
(Sd.) G.Balasubramaniam
Company Secretary
(FCS 9699)

NOTES:

1. Every member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself / herself. Such proxy need not be a member of the Company. Proxy forms duly stamped and executed should be lodged at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.
2. The Register of Members and Share Transfer books will remain closed from 20.09.2019 to 26.09.2019 (Both days inclusive).
3. Members are requested to immediately notify changes in their address, if any, to the Registered office of the Company. Members are requested to provide their bank account details viz., Bank branch, account type, account number and address of the bank with Pincode Number to the Registered office of the Company.
4. Members are requested to bring a copy of the Annual Report to the Annual General Meeting.
5. As per the recent notification by Government the securities of the companies can be transferred only in dematerialised form. Hence Members are requested to dematerialise their equity shares from physical form to demat form. The International Security Identification Number [ISIN] allotted to the Equity Shares of the Company is INE01LF01013.
6. Company's Registrar and Share Transfer Agents:
M/s. S.K.D.C. Consultants Limited,
Registrar and Share Transfer Agents,
Post Box No.2016, Kanapathy Towers,
3rd Floor, 1391/A1, Sathy Road,
Ganapathy Post, Coimbatore – 641 006.
Telephone: +91 0422-4958995, 2539835
Email: info@skdc-consultants.com
Web: www.skdc-consultants.com
7. Members are requested to note that dividends not claimed within Seven Years from the date of transfer to the Company's Unpaid Dividend Account, will be transferred to the Investor Education and Protection Fund (IEPF).
8. Members who wish to claim dividends, which remain unclaimed, are requested to communicate with the Company Secretary, Registered Office of the Company and the Company's Registrar and Share Transfer Agents, M/s. S.K.D.C. Consultants Limited.
9. The members who have a claim on the dividends and shares may claim the same from IEPF Authority by submitting an online application in the prescribed Form (Form No. IEPF-5) available on the website www.iepf.gov.in and sending a physical copy of the same, duly signed to the Company, along with required documents as prescribed in the Form.
10. The Statement pursuant to Section 102(1) of the Companies Act, 2013, relating to the Special Business to be transacted at the Meeting is annexed hereto.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 (1) OF THE COMPANIES ACT, 2013.**For item no.7**

The Board of Directors in their 117th Meeting held on 29th September 2018 appointed Sri V.M.Rajashekar (DIN 08208467) as an Additional Director of the Company. The Additional Director holds office upto the date of this Annual General Meeting. The Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing the appointment of Sri V.M.Rajashekar as a Director of the Company.

Accordingly the resolution set out in item no.7 is proposed for your approval.

None of the Directors, Key Managerial Personnel or their relatives except Sri V.M.Rajashekar is interested or concerned in the proposed resolution.

For item no.8

The Board of Directors in their 118th Meeting held on 19th December 2018 appointed Sri Frank Ulbricht (DIN 08258166) as an Additional Director of the Company. The Additional Director holds office upto the date of this Annual General Meeting. The Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing the appointment of Sri Frank Ulbricht as a Director of the Company.

Accordingly the resolution set out in item no.8 is proposed for your approval.

None of the Directors, Key Managerial Personnel or their relatives except Sri Frank Ulbricht is interested or concerned in the proposed resolution.

For item no.9

Sri R.Varun Karthikeyan (DIN 00585158), was re-appointed as Managing Director of the Company, for a period of five years with effect from 23rd January 2017 and the same was approved by the Shareholders in the 25th Annual General Meeting of the Company held on 27th September 2017. The Nomination and Remuneration Committee in its meeting held on 19th December 2018 recommended to the Board for increase in the remuneration payable to Sri R.Varun Karthikeyan.

Accordingly, the Board accepted the recommendation of the Nomination and Remuneration Committee in its 118th meeting held on 19th December 2018 and recommends the special resolution set forth in item no.9 for the approval of the members.

Except Sri R.Varun Karthikeyan, Sri K.Ramasamy (DIN 00034360) and Smt R.K.Umaadhevi (DIN 01067950), none of the Directors, Key Managerial Personnel or their relatives are concerned or interested financially or otherwise, in the proposed special resolution as set out in item no.9 of this notice.

For item no.10

The Board of Directors in their 119th Meeting held on 25th March 2019 accepted the recommendation of the Audit Committee and has approved the appointment and remuneration of the Cost Auditors to conduct audit of Cost Accounting Records maintained in accordance with Companies (Cost Records and Audit) Rules 2014 at a remuneration of Rs.1,00,000/- per annum plus applicable GST and other out of pocket expenses for the financial year ending March 31, 2020.

In accordance with the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors as recommended by the Audit Committee and approved by the Board of Directors, has to be ratified by the members of the Company. Accordingly, consent of the members is sought for passing an ordinary resolution as set out in item no.10 of the notice for ratification of the remuneration payable to the Cost Auditors for the financial year ending 31st March 2020.

None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out in item no.10 of the notice. The Board recommends the ordinary resolution set out in item no.10 of the notice for approval of the members.

Coimbatore
Date: 08.07.2019

By order of the Board
(Sd.) G.Balasubramaniam
Company Secretary
(FCS 9699)

DIRECTORS' REPORT

Dear Shareholders,

Your Board has pleasure in presenting the Twenty Seventh Annual Report and Audited Statement of Accounts of the Company for the year ended 31st March 2019.

FINANCIAL RESULTS

	2018-19 (Rs. in Crore)	2017-18 (Rs. in Crore)	Growth %
Revenue from Sale of Products			
Sales - Domestic	169.42	137.22	23.47
- Exports	63.85	56.42	13.17
	233.27	193.64	20.47
Revenue from Sale of services	4.98	4.92	1.22
Other Operating Revenue	3.82	4.04	(5.45)
Other Income	0.21	0.46	(54.35)
Total Revenue	242.28	203.06	19.31
Operating Profit	51.22	36.78	39.26
Finance Costs	(3.50)	(1.75)	
Depreciation	(6.76)	(5.78)	
Profit Before Tax	40.96	29.25	40.00
Provision for taxation	(12.25)	(10.00)	
Provision for Deferred tax Asset / (Liability)	0.29	(0.58)	
Profit After Tax	29.00	18.67	55.33
Balance brought forward	10.25	6.58	
Profit Available for Appropriation	39.25	25.25	55.45

Results of Operations, State of Company's Affairs and Future Outlook

Your Company has achieved a Total Revenue of Rs.242.28 Crore for the financial year 2018-19 as against Rs.203.06 Crore in the previous year 2017-18, reflecting a growth rate of 19.31%.

Export Turnover from cleaning equipments stands at Rs.63.85 Crore for the year 2018-19 as against Rs.56.42 Crore in the previous year 2017-18, reflecting a growth rate of 13.17%. Your Company not only added quite a lot of new customers into the fold but also increased the product portfolio in the export front.

Your Company is giving more focus to improve its performance in the domestic manufacturing by way of import substitution and export market development for indigenous products.

Profit before tax for the year ended 31st March 2019 is Rs.40.96 Crore as compared to Rs.29.25 Crore in the corresponding previous year, registering a growth of 40.00%. Profit after tax for the year under review stood at Rs.29.00 Crore compared to Rs.18.67 Crore in the corresponding previous year, representing a growth of 55.33%.

During the year, your Company's flagship product 'WIZZARD' has crossed 1 lakh machines in terms of volume of production.

The year 2018-19 has been an important milestone in the history of your Company with the commencement of construction activities as a part of expansion of the factory at Kaniyalampalayam Village, Kinathukadavu Taluk, Coimbatore.

India's growth forecast is the brightest spot in a grim forecast for the world economy. The Bank's Economic Prospects Report forecast India's economy to grow by 7.5% during this and the next two fiscal years, retaining its top spot as the fastest growing major economy. It would be helped by a "more accommodative monetary policy" and low inflation. Private consumption and investment will benefit from strengthening credit growth in an environment of more accommodative monetary policy and with inflation.

Numerous foreign companies are setting up their facilities in India on account of various Government initiatives like Make in India and Digital India. Make in India initiative with an aim to boost the manufacturing sector of Indian economy, to increase the purchasing power of an average Indian consumer, which would further boost demand and hence spur development, in addition to benefiting investors. The Government of India, under the Make in India initiative, is trying to give boost to the contribution made by the manufacturing sector and aims to take it up to 25% of the Gross Domestic Product (GDP) from the current 17%. Besides, the Government has also come up with Digital India initiative, which focuses on three core components: creation of digital infrastructure, delivering services digitally and to increase the digital literacy.

India is expected to be the third largest consumer economy as its consumption may triple to US\$ 4 trillion by 2025, owing to shift in consumer behaviour and expenditure pattern, according to Boston Consulting Group (BCG) report. India's GDP is expected to reach US\$ 6 trillion by FY27 and achieve upper-middle income status on the back of digitisation, globalisation, favourable demographics and reforms. India has retained its position as the third largest startup base in the world with over 4,750 technology start-ups.

Though there is a global uncertainty and Challenges, your Company is expected to perform better in the current year and benefit all the stakeholders.

New Products

New Product Development is an area where your company always invests heavily year after year. During the year under review, your company has launched a slew of new and innovative products like the RB 650, RB 750, Hydroblast 250C and the Hydroblast 250H. The RB 650 and the RB 750 has been very well received by the market and their volumes are expected to increase drastically in the coming years. The contribution from all the products launched during the last 3 years is around 9% of the total turnover and the R&D expenditure of the company stands at 2.51% of the total turnover (2.28% in the previous year). This consistent spending for R&D enables your company to continuously innovate and launch world class products.

Reserves

A sum of Rs.20 Crore from the current profits of the financial year 2018-19 has been transferred to General Reserve.

Details of dividend proposed and paid

In respect of the current year, the Directors propose that a dividend of Rs.2.50 per share be paid on equity shares. This equity dividend is subject to approval of Shareholders at the ensuing Annual General Meeting and has not been included as a liability in the financial statements. The proposed equity dividend is payable to those Shareholders whose name appear in the Register of Members as on the Book Closure / Record Date.

The total estimated equity dividend to be paid is Rs.50,00,000. The payment of this dividend is estimated to result in payment of dividend tax of Rs.10,27,766 @ 20.56% (Previous year 2017-18 Dividend Rs. 50,00,000 Dividend Distribution Tax Rs. 10,27,766)

Share Capital

The paid-up capital of the Company as at 31.03.2019 stood at Rs.2.00 Crore. During the year under review, the Company has not made any fresh issue of shares.

Extract of Annual Return

The extract of Annual Return, in form MGT - 9, for the Financial Year 2018-19 has been enclosed with this report (*Annexure 1*).

Number of Board Meetings

During the Financial Year 2018-19, four meetings of the Board of Directors of the company were held.

The details of Board meetings are given below:

Date	Board Strength	Number of Directors Present
27 th June 2018	10	8
29 th September 2018	11	10
19 th December 2018	12	10
25 th March 2019	12	12

Attendance of Directors during the year:

Name of the Director	Number of Meetings	
	Held	Attended
Sri K Ramasamy	4	4
Sri R Varun Karthikeyan	4	4
Sri S T Velu	4	4
Sri P T Kuppuswamy	4	4
Dr M P Vijayakumar, IAS (Retd.)	4	3
Sri K Ravi	4	4
Sri A Kasilingam	4	3
Smt R K Umaadhevi	4	2
Dr S Chandrasekar	4	4
Sri Preben Laustsen	4	3
Sri V M Rajashekar (w.e.f. 29.09.18)	3	3
Sri Frank Ulbricht (w.e.f. 19.12.18)	2	2

Particulars of Loans, Guarantees and Investments under Section 186 of Companies Act, 2013

During the year under review, the Company has given loan to its Wholly owned subsidiary, Roots Multi Clean Inc., USA, within the ambit of Companies Act, 2013.

Other than the above, no other loans, guarantees and investments were made by the Company covered under Section 186 of the Companies Act, 2013.

The Company has made investment by way of subscribing to equity shares during previous financial years and the details of the same have been given in the notes to the financial statements. The Company has not made any investments during the financial year 2018-19. The Company has not made investment in excess of the limit prescribed as per the provisions of the Companies Act, 2013.

Comments on Auditors’ Report

There are no qualifications, reservations or adverse remarks or disclaimers made by the Statutory Auditors of the Company.

HR Development and Industrial Relation

Your Company’s biggest asset is its highly skilled and dedicated employees at all levels and it is proud of the excellent relationship with its employees. People are our most valuable asset and your Company places the engagement, development and retention of talent as its highest priority, to enable the achievement of organisation’s vision.

Particulars of Contracts or 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 (*Annexure 2*). Since there are no transactions which are not on arm’s length basis and material in nature, Form AOC-2 is not being annexed.

The policy on materiality of related party transactions and dealing with related party transactions has been approved by the Board.

Your Directors draw attention of the members to note no.35 to the financial statement which sets out related party disclosures.

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

The details of Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo are as below:

a) Conservation of Energy:

Steps taken for conservation	<p>Energy:</p> <p>a. By optimising and rationalizing the motor capacity with respect to the application load in Powder Coating and Shot Blasting units, we achieved a cost saving in RO plant run hours i.e., reduced by installing additional membranes (250 litres capacity to 750 litres capacity)</p> <p>b. By installing Auto Timers, use of air conditioners optimized.</p> <p>c. With above initiatives, we had realized a cost saving of Rs.3.5 Lakhs annually.</p> <p>Water:</p> <p>For doing back wash process in Sewage Treatment Plant (STP), it has been changed from using Bore well water to reject water discharged from RO process and demineralized water generation plant.</p> <p>By this change, the Company have saved (stopped pumping out) 6,25,000 litres of bore well water.</p>
Steps taken for utilizing alternate sources of energy	The Company continues to explore the possibilities of using solar / thermal technology to avoid / reduce fossil fuel (LPG) for the powder coating process.
Capital investment on energy conservation equipments	NIL

b) Technology Absorption:

Efforts made for technology absorption	To meet the ever increasing customer expectations and regulatory requirements, the R&D team of your Company is taking customer expectations and regulatory requirements as a part of design input and makes every effort to embed the appropriate technologies CANBUS systems in large products like TMS, Duel Fuel engines (Environment friendly engines) in RHINO range of products, etc., to give best reliability in our products, electronic controls and user friendly systems, contemporary styling that will satisfy the customer, compete in the market effectively and make our products comply with regulatory requirements.
Benefits derived	Cost reduction, competitiveness and improved efficiency.
Expenditure on Research & Development, if any	Rs.6.09 Crore
Details of technology imported, if any	NIL
Year of import	NIL
Whether imported technology fully absorbed	NIL
Areas where absorption of imported technology has not taken place, if any	Not Applicable

c) Foreign Exchange Earnings / Outgo:

The Foreign Exchange earnings and outgo are as below:

Foreign exchange earned Rs.63.17 Crore (FOB Value of Exports)

Foreign exchange outgo Rs.42.99 Crore

Risk Management Policy

During the year, your Company's rate of growth in sales volume has outgrown the industry growth rate, which was made possible through several measures implemented by the Management. Managing risks while strategising was key in the successful outcome of these initiatives. The Risk Management process includes risk identification, impact assessment, effective implementation of the mitigation plans and risk reporting.

The Company is also continuously developing and launching new and improved products to stay ahead of competition. In both the value and premium product segments, your Company has introduced models and variants, which promise customers, superior value and lower cost of ownership.

Your company has identified the following risks:

1. Business Risk
 - a. Market risk
 - b. Foreign Investment Risk
 - c. Competition Risk
 - d. Business Model Risk

2. Operational Risk
 - a. People
 - b. Technology Risk
 - c. Process and Systems
 - d. Fixed Assets
3. Financial Risk
 - a. Credit Risk
 - b. Currency Risk
 - c. Liquidity Risk
 - d. Interest Rate risk

The Apex Committee of the Company reviews the Risk management Matrix on monthly basis, to achieve the business objectives, effectively and efficiently, which is brought to the attention of the Audit Committee of the Board.

Directors and Key Managerial Personnel

All the Independent Directors hold office for a fixed term and are not liable to retire by rotation and are entitled to receive remuneration by way of sitting fees, reimbursement of expenses for participation in the meetings of the Board and / or committees and profit related commission in terms of applicable provisions of the Companies Act and as determined by the Board of Directors from time to time.

In the 117th Board Meeting held on 29th September 2018, Sri V.M.Rajashekar (DIN 08208467) has been appointed as an Additional Director of the Company in terms of Article 10 of Company's Articles of Association. Sri V.M.Rajashekar shall hold office until the date of this Annual General Meeting of the Company. The resolution for appointment of Sri V.M.Rajashekar is placed before the Shareholders for approval.

In the 118th Board Meeting held on 19th December 2018, Sri Frank Ulbricht (DIN 08258166) has been appointed as an Additional Director of the Company in terms of Article 10 of Company's Articles of Association. Sri Frank Ulbricht shall hold office until the date of this Annual General Meeting of the Company. The resolution for appointment of Sri Frank Ulbricht is placed before the Shareholders for approval.

The Directors Sri Preben Laustsen (DIN 06554783), Dr.S.Chandrasekar (DIN 01773256) and Sri S.T.Velu (DIN 00054195) are retiring by rotation and are eligible for re-appointment.

The Nomination and Remuneration Committee in its meeting held on 19th December 2018 recommended to the Board for the increase in remuneration payable to Sri R.Varun Karthikeyan (DIN 00585158), Managing Director of the Company with effect from 1st January 2019 until the expiry of his present tenure, subject to approval of the Shareholders.

The particulars of Employees as per Rule 5(2) and Rule 5(3) of Companies (Appointment and Remuneration of Managerial Personnel Rules), 2014 has been enclosed with this report (*Annexure 3*).

The Executive Chairman and Managing Director of the Company are in receipt of commission from the Company. The details of remuneration / commission received by them are disclosed in MGT-9 annexed to this report. However, they did not receive any remuneration or commission from the Wholly Owned Subsidiary Company.

Meeting of Independent Directors

During the year, a meeting of Independent Directors was held on 25th March 2019 to review the performance of the Board as a whole on parameters of effectiveness and to assess the quality, quantity and timeliness of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties. Sri P.T.Kuppuswamy (DIN 00032309), Chairman of the meeting presented the views of the Independent Directors on matters relating to Board processes and the overall affairs of the Company to the full Board. All the Independent Directors were present at the Meeting.

Internal control systems and their adequacy

Process measures have been identified in association with respective process owners for the organizational process determined by the Management and documented. Trend on these measures are being monitored and appropriate corrective action are implemented in time to arrest the negative trend and improve the performance. Product, Process and System Audits are determined and documented to conduct internal audit as per audit plan and auditors are qualified to perform the task objectively. Monthly MIS on various parameters determined are submitted to the Management at defined target days. The scope includes internal audit related to financial aspects as well.

In the opinion of the Board, appropriate internal control systems do exist commensurate to the size and nature of the Company.

Internal Financial Control

The Company has an established Internal Financial Control framework including internal controls over financial reporting, operating controls and anti-fraud framework. The framework is reviewed regularly by the Management and tested by internal audit team and presented to the Audit Committee. Based on the periodical testing, the framework is strengthened, from time to time, to ensure adequacy and effectiveness of Internal Financial Controls.

Deposits

Your Company has not accepted any deposits and as such, no amount of principal or interest was outstanding as of the Balance sheet date.

Declaration by Independent Directors

The Company has received necessary declaration from all the Independent Directors under Section 149(7) of the Companies Act, 2013 that they meet the criteria of Independence as laid down in Section 149(6) of the Companies Act, 2013.

Compliance with Secretarial Standards

The Company has in place proper systems to ensure compliance with the provisions of the applicable Secretarial Standards issued by The Institute of Company Secretaries of India and such systems are adequate and operating effectively.

Corporate Social Responsibility (CSR)

The Corporate Social Responsibility Committee has formulated and recommended to the Board, a Corporate Social Responsibility Policy (CSR Policy) indicating the activities to be undertaken by the Company, which has been approved by the Board.

The CSR report for the year ended March 31, 2019 is attached as *Annexure 4* to the Board's report.

Audit Committee

Audit Committee comprising of Sri P.T.Kuppuswamy (DIN 00032309), Dr.M.P.Vijayakumar, IAS (Retd.) (DIN 05103089) and Sri K.Ravi (DIN 01590268), as members of the Committee had Four meetings during the year under review viz., 27.06.2018, 29.09.2018, 19.12.2018 and 25.03.2019. All recommendations made by the Audit Committee during the year were accepted by the Board of Directors.

Credit Rating

During the year under review, the Rating Committee of ICRA Limited, after due consideration, has upgraded the long term from [ICRA]A- (pronounced ICRA A minus) to [ICRA]A (pronounced ICRA A) and upgraded the short term rating from [ICRA]A2+ (pronounced ICRA A two plus) to [ICRA]A1 (pronounced ICRA A one) rating for your Company.

Transfer of unclaimed / unpaid amounts and shares to the Investor Education and Protection Fund

In terms of Section 124(5) of the Companies Act, 2013 ("the Act") read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, if the dividend transferred to the Unpaid Dividend Account of the Company remains unpaid or unclaimed for a period of seven years from the date of such transfer then such unclaimed or unpaid dividend shall be transferred by the Company along with interest accrued, if any to the Investor Education and Protection Fund, a fund established under sub-section (1) of Section 125 of the Act.

In terms of Section 124(6) of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, if the shares on which dividend has not been paid or claimed by a shareholder for a period of seven consecutive years or more shall be credited to the demat account of Investor Education and Protection Fund Authority within a period of thirty days of such shares becoming due. Upon transfer of such shares, all benefits, if any, accruing on such shares shall also be credited to such demat account and the voting rights on such shares shall remain frozen till the rightful owner claims the shares.

In light of the aforesaid provisions, the Company has during the year:

(i) transferred the unclaimed dividend of Rs.30,000/- and Rs.28,750/- to Investor Education and Protection Fund which were declared in FY 2009-10 and 2010-11 respectively.

(ii) transferred 12,000 equity shares to the demat account of Investor Education and Protection Fund Authority ("IEPFA") on 23.10.2018 in respect of which dividend have been remained unclaimed for seven consecutive years or more from the date of transfer to unpaid dividend account.

The members who have a claim on above dividends and shares may claim the same from IEPF Authority by submitting an online application in the prescribed Form No. IEPF-5 available on the website www.iepf.gov.in and sending a physical copy of the same, duly signed to the Company, along with requisite documents enumerated in the Form No. IEPF-5.

The following table gives the information relating to various outstanding dividends and the dates by which they can be claimed by the shareholders from the Company's Registrar and Transfer Agents, M/s. S.K.D.C. Consultants Limited, Registrars and Share Transfer Agents, Post Box No. 2016, "Kanapathy Towers", 3rd Floor, 1391/A1, Sathy Road, Ganapathy Post, Coimbatore – 641 006, Tamil Nadu:

Details of Unclaimed Dividend as on March 31, 2019 and due dates for transfer				
S.No.	Financial Year	Date of Declaration of Dividend	Unclaimed Amount (Rs.)	Due Date for transfer to IEPF Account
1	2011-2012	20.09.2012	43,500	27.10.2019
2	2012-2013	04.09.2013	47,500	11.10.2020
3	2013-2014	24.09.2014	46,500	31.10.2021
4	2014-2015	28.09.2015	53,000	04.11.2022
5	2015-2016	29.06.2016	52,750	05.11.2023
6	2016-2017	27.09.2017	56,750	03.11.2024
7	2017-2018	27.09.2018	61,250	03.11.2025

Nomination and Remuneration Committee

Nomination and Remuneration Committee comprising of Dr.M.P.Vijayakumar, IAS (Retd.) (DIN 05103089), Sri P.T.Kuppuswamy (DIN 00032309) and Sri A.Kasilingam (DIN 00912883) as members of the Committee had met on 27.06.2018 and 19.12.2018. All recommendations made by the Nomination and Remuneration Committee during the year were accepted by the Board of Directors.

The Company's policy on Director's, Key Managerial Personnel, other employees appointment and remuneration including criteria for determining Qualification, Attributes, Independence etc., is as below:

This policy has been formulated by the Nomination and Remuneration Committee and approved by the Board of Directors.

Objective and purpose of the policy

1. To formulate the criteria for determining qualifications, competencies, positive attributes and independence for appointment of a Director (Executive / Non-Executive) and recommend to the Board policies relating to the remuneration of the Directors.
2. The policy also addresses the following items:
 Committee member qualifications;
 Committee member appointment and removal;
 Committee structure and operations; and
 Committee reporting to the Board.
3. To formulate the criteria for evaluation of performance of all the Directors on the Board;
4. To devise a policy on Board diversity; and
5. To lay out remuneration principles for employees linked to their effort, performance and achievement relating to the Company's goals.

Applicability:-

The Policy is applicable to

- Directors (Executive and Non Executive)
- Key Managerial Personnel

Definitions

'Board' means Board of Directors of the Company.

'Directors' means Directors of the Company.

'Committee' means Nomination and Remuneration Committee of the Company as constituted or reconstituted by the Board.

'Company' means Roots Multiclean Ltd.

'Independent Director' means a Director referred to in Section 149(6) of the Companies Act, 2013 and its rules.

Part – A covers the matters to be dealt with and recommended by the Committee to the Board;

Part – B covers the appointment and nomination; and

Part – C covers remuneration and perquisites etc.

Part – A covers the matters to be dealt with and recommended by the Committee to the Board;

(a) Size and composition of the Board:

Reviewing the size and composition of the Board to ensure that it is structured to make appropriate decisions, with a variety of perspectives and skills, in the best interests of the Company as a whole;

(b) Directors:

Formulate the criteria determining qualifications, positive attributes and independence of a Director and recommending candidates to the Board, when circumstances warrant the appointment of a new Director, having regard to the range of skills, experience and expertise, on the Board and who will best complement the Board;

(c) Succession plans:

Establishing and reviewing Board and senior executive succession plans in order to ensure and maintain an appropriate balance of skills, experience and expertise on the Board.

(d) Evaluation of performance:

Make recommendations to the Board on appropriate performance criteria for the Directors.

Formulate the criteria and framework for evaluation of performance of every Director on the Board of the Company. Identify ongoing training and education programs for the Board to ensure that Non-Executive Directors are provided with adequate information regarding the options of the business, the industry and their legal responsibilities and duties.

(e) Board diversity:

The Committee is to assist the Board in ensuring Board nomination process with the diversity of thought, experience, knowledge and perspective in the Board, in accordance with the Board Diversity policy.

Part – B covers the appointment and nomination:

General Appointment Criteria:

- i. The Committee shall consider the ethical standards of integrity and probity, qualification, expertise and experience of the person for appointment as Director and accordingly recommend to the Board his / her appointment.
- ii. The Company should ensure that the person so appointed as Director / Independent Director shall not be disqualified under the Companies Act, 2013.

The Director / Independent Director shall be appointed as per the procedure laid down under the provisions of the Companies Act, 2013.

Term / Tenure:

The Term / Tenure of the Directors shall be governed as per the provisions of the Companies Act, 2013 and rules made thereunder as amended from time to time.

Retirement:

The Whole-time Directors, shall retire as per the applicable provisions of the Companies Act, 2013 and the prevailing policy of the Company. The Board will have the discretion to retain the Whole-time Directors, in the same position / remuneration or otherwise, even after attaining the retirement age, for the benefit of the Company.

Removal:

Due to reasons for any disqualification mentioned in the Companies Act, 2013, rules made thereunder or under any other applicable Act, rules and regulations or any other reasonable ground, the Committee may recommend to the Board for removal of a Director.

Part – C covers remuneration and perquisites etc.

General:

The remuneration / compensation / commission etc. to Directors will be determined by the Committee and recommended to the Board for approval.

The remuneration to be paid to the Whole time Directors shall be in accordance with the provisions of the Companies Act, 2013, and the rules made thereunder.

Increments to the existing remuneration / compensation structure may be recommended by the Committee to the Board which should be within the limits approved by the Shareholders in the case of Whole time Directors.

Disclosures under the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013

Your Directors state that during the year under review, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. An internal compliant committee has been constituted as per the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 to prevent, prohibit and provide redressal measures to women.

Statutory Auditors

The Statutory Auditors M/s. Subramaniam Vasudev & Co., Chartered Accountants (Firm No : 004110S) appointed in the 22nd Annual General Meeting retires at the conclusion of 27th Annual General Meeting of the Company. In accordance with the provisions of Section 139 of the Companies Act, 2013, read along with Companies (Audit and Auditors) Rules, 2014, M/s. Subramaniam Vasudev & Co., are eligible for re-appointment as Statutory Auditors of the Company for another term of 5 years. The re-appointment of Statutory Auditors is placed for approval of the Shareholders.

The notes on financial statements 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.

Report on performance and financial position of the subsidiaries, associates and joint ventures

The Company has a Wholly Owned Subsidiary (WOS), Roots Multi Clean Inc., USA. During the year under review, the Board of Directors reviewed the affairs of the WOS and have in accordance with Section 129(3) of the Companies Act, 2013 prepared the consolidated financial statements of the Company and its WOS, which form part of this Report. Further, the report on the performance and financial position of WOS and salient features of their Financial Statements in the prescribed Form AOC-1 is annexed to this report.

Internal Auditor

In order to comply with the provisions of Section 138 of Companies Act 2013 read with Rule 13 of Companies (Accounts) Rules, 2014, the Board of Directors in their 117th meeting held on 29th September 2018, appointed M/s. Astral Consulting Limited, as the Internal Auditor of the Company for the Financial Year 2018-19.

Cost Records

Cost records as specified by the Central Government under sub-section (i) of Section 148 of the Companies Act, 2013 is applicable to our Company and accordingly such accounts and records are made and maintained.

Cost Auditors

The Board of Directors in their 119th Meeting held on 25th March 2019 accepted the recommendation of the Audit Committee and has approved the appointment and remuneration of the Cost Auditors to conduct audit of Cost Accounting Records maintained in accordance with Companies (Cost Records and Audit) Rules 2014 for the financial year ending March 31, 2020. The remuneration payable to the Cost Auditor of the Company is subject to ratification by the Shareholders at the Annual General Meeting.

Pursuant to the provisions of Section 148 of the Companies Act, 2013 and other applicable provisions M/s. Ramakrishnan & Co., Cost Accountants, (Firm no. 100285) Coimbatore has been appointed as Cost Auditors of the Company for the year ending 31st March 2020 to conduct audit of Cost Accounting Records maintained in accordance with Companies (Cost Records and Audit) Rules 2014.

A proposal for ratification of remuneration of Cost Auditors for the financial year 2019-20 is placed before the Shareholders for ratification / approval.

Dematerialisation of Securities of the Company

In accordance with the Companies (Prospectus and Allotment of Securities) Third Amendment Rules, 2018 and its amendment thereof your Company has passed the necessary resolution in the 114th Meeting of Board of Directors held on 7th November 2017 for dematerialisation of the securities of the Company. In view of that, the Company has made arrangements with Central Depository Services (India) Limited (CDSL) and National Securities Depository Limited (NSDL) for dematerialisation of Company's Equity Shares.

The International Security Identification Number (ISIN) allotted to the Equity Shares of the Company is INE01LF01013.

Change in Nature of Business

There was no change in the nature of the business.

Material Changes

No material changes and commitment affecting the financial position of the Company occurred between the end of the financial year as on 31st March 2019 and the date of this Report.

Significant and material orders passed by the Regulators or Courts or Tribunals

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

Directors' Responsibility Statement

In accordance with the provisions of Section 134(5) of the Companies Act 2013, your Directors confirm that:

- a) in the preparation of the annual accounts for the year ended March 31, 2019, the applicable accounting standards have been followed and there are no material departures from the same;
- b) 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 31st March, 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 Companies Act 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d) the Directors have prepared the accounts on a going concern basis;
- e) the Directors have laid down internal financial controls, which are adequate and are operating effectively.
- f) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Acknowledgement

Your Board wishes to thank its customers, vendors, bankers, associates, shareholders, employees and Government authorities for their continued support for the growth of the Company.

Coimbatore
Date: 08.07.2019

For and on behalf of the Board
(Sd.) K.Ramasamy
Executive Chairman
(DIN 00034360)

Annexure 1
Form No. MGT-9
**EXTRACT OF ANNUAL RETURN
as on the financial year ended on 31st March 2019**

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

- i) CIN : U36999TZ1992PLC003662
- ii) Registration Date : 24th February 1992
- iii) Name of the Company : ROOTS MULTICLEAN LTD
- iv) Category / Sub-Category : Public Limited Company having Share Capital of the Company
- v) Address of the Registered office and contact details : R.K.G.Industrial Estate, Ganapathy Coimbatore – 641 006.
- vi) Whether listed company : No
- vii) Name, Address and Contact details of Registrar and Transfer Agent, if any: : M/s. S.K.D.C. Consultants Limited
Post Box No. 2016, “Kanapathy Towers”
3rd Floor, 1391/A1, Sathy Road, Ganapathy Post Coimbatore – 641 006, Tamil Nadu.
Telephone: +91 0422-4958995, 2539835
Email: info@skdc-consultants.com
Web: www.skdc-consultants.com

II. 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	Floor Cleaning Equipments and Industrial vacuum cleaners	29299	96.28

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

S. No.	Name and Address of the Company	CIN	Holding / Subsidiary / Associate	% of shares held	Applicable Section
1	Roots Multi Clean Inc., Corporation Trust Center, 160 Greentree Drive, Suite 101 Dover, County of Kent Delaware 19904, USA.	NIL	Wholly Owned Subsidiary	100	2(87)

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity) as on 31.03.2019:
(i) Category - wise Share Holding:

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% of Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a. Individual / HUF	–	608260	608260	30.41	–	619360	619360	30.97	0.56
b. Central Govt.	–	–	–	–	–	–	–	–	–
c. State Govt.(s)	–	–	–	–	–	–	–	–	–
d. Bodies Corp.	–	360000	360000	18.00	–	360000	360000	18.00	–
e. Banks / FI	–	–	–	–	–	–	–	–	–
f. Any Other....	–	–	–	–	–	–	–	–	–
Sub - total (A) (1)	–	968260	968260	48.41	–	979360	979360	48.97	0.56
(2) Foreign	–	–	–	–	–	–	–	–	–
a. NRIs - Individuals	–	–	–	–	–	–	–	–	–
b. Other – Individuals	–	–	–	–	–	–	–	–	–
c. Bodies Corp.	–	520000	520000	26.00	–	520000	520000	26.00	NIL
d. Banks / FI	–	–	–	–	–	–	–	–	–
e. Any Other....	–	–	–	–	–	–	–	–	–
Sub - total (A) (2)	–	520000	520000	26.00	–	520000	520000	26.00	NIL
Total share holding of Promoter (A) = (A)(1)+ (A)(2)	–	1488260	1488260	74.41	–	1499360	1499360	74.97	0.56

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% of Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
B. Public Share holding									
1. Institutions									
a. Mutual Funds	-	-	-	-	-	-	-	-	-
b. Banks / FI	-	-	-	-	-	-	-	-	-
c. Central Govt	-	-	-	-	-	-	-	-	-
d. State Govt(s)	-	-	-	-	-	-	-	-	-
e. Venture Capital Funds	-	-	-	-	-	-	-	-	-
f. Insurance Companies	-	-	-	-	-	-	-	-	-
g. FII	-	-	-	-	-	-	-	-	-
h. Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i. Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1):	-	-	-	-	-	-	-	-	-
2. Non-Institutions									
a. Bodies Corp.									
i) Indian	-	203600	203600	10.18	59900	151000	210900	10.54	0.36
ii) Overseas	-	-	-	-	-	-	-	-	-
b. Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	-	117640	117640	5.88	3100	85440	88540	4.42	(1.46)
ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	-	190500	190500	9.52	80000	109200	189200	9.46	(0.06)
c. FII	-	-	-	-	-	-	-	-	-
d. Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
e. Others (specify)									
Investor Education & Protection Fund Authority, Ministry of Corporate Affairs	-	-	-	-	12000	-	12000	0.60	0.60
Sub-total (B)(2):	-	511740	511740	25.58	155000	345640	500640	25.03	(0.55)
Total Public Share holding (B) = (B)(1) + (B)(2)	-	511740	511740	25.58	155000	345640	500640	25.03	(0.55)
C. Shares held by Custodian for GDRs & ADRs	-								
Grand Total (A+B+C)	-	2000000	2000000	100.00	155000	1845000	2000000	100.00	-

(ii) Shareholding of Promoters:

S. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of 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	Sri K.Ramasamy	235400	11.77	NIL	234900	11.75	NIL
2	Smt R.K.Umaadhevi	30500	1.53	NIL	30500	1.53	NIL
3	Sri R.Varun Karthikeyan	342360	17.12	NIL	353960	17.70	NIL
4	M/s. Hako GmbH	520000	26.00	NIL	520000	26.00	NIL
5	M/s. Roots Industries India Limited	360000	18.00	NIL	360000	18.00	NIL
	Total	1488260	74.42	NIL	1499360	74.98	NIL

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

S. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year		Reason for change	Cumulative Shareholding during the year	
		No. of Shares	% of Total Shares of the Company		No. of Shares	% of Total Shares of the Company
1	Sri K.Ramasamy At the beginning of the year	235400	11.77			
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase	(500)	(0.02)	Transfer		
	At the end of the year	234900	11.75		234900	11.75
2	Sri R.Varun Karthikeyan At the beginning of the year	342360	17.12			
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase	11600	0.58	Transfer		
	At the end of the year	353960	17.70		353960	17.70

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

S.No.	For Each of the Top 10 Shareholder	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	M/s.Roots Auto Products (P) Limited	150000	7.50	150000	7.50
2	Smt R.Yokanayaki	100400	5.02	100400	5.02
3	3A Financial Services Ltd	52000	2.60	59900	2.99
4	Sri Mahesh Madhavan	30000	1.50	30000	1.50
5	Investor Education & Protection Fund Authority, Ministry of Corporate Affairs	–	–	12000	0.60
6	Sri N.Venugopal	10100	0.51	10100	0.51
7	Smt Bagyam Ramamoorthy	10000	0.50	10000	0.50
8	Sri G.Ramamoorthy	10000	0.50	10000	0.50
9	Sri G.K.S.Selvakumar	7500	0.38	7500	0.38
10	Sri V. Manoharan	5000	0.25	5000	0.25
11	Smt J. Rajeshwari	2000	0.10	2000	0.10
12	Smt N.Sathikumari	2000	0.10	2000	0.10

(v) Shareholding of Directors and Key Managerial Personnel:

S.No.	For Each of the Directors and KMP	Shareholding at the beginning of the year		Reason for change	Cumulative Shareholding during the year	
		No. of Shares	% of Total Shares of the Company		No. of Shares	% of Total Shares of the Company
1	Sri K.Ramasamy	235400	11.77	Transfer	234900	11.75
2	Sri R.Varun Karthikeyan	342360	17.12	Transfer	353960	17.70
3	Smt R.K.Umaadhevi	30500	1.53	–	30500	1.53
4	Sri S.T.Velu	50000	2.50	–	50000	2.50
5	Dr S.Chandrasekar	500	0.03	–	500	0.03

V. INDEBTEDNESS:

Indebtedness of the Company including interest outstanding / accrued but not due for payment:

(Amount in Rs.)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	25,62,79,263	–	80,000	25,63,59,263
ii) Interest due but not paid	–	–	–	–
iii) Interest accrued but not due	–	–	–	–
Total (i + ii + iii)	25,62,79,263	–	80,000	25,63,59,263
Change in Indebtedness during the financial year				
Addition	11,93,84,055	–	–	11,93,84,055
Reduction	–	–	80,000	80,000
Net Change	11,93,84,055	–	80,000	11,93,04,055
Indebtedness at the end of the financial year				
i) Principal Amount	37,56,63,318	–	–	37,56,63,318
ii) Interest due but not paid	–	–	–	–
iii) Interest accrued but not due	–	–	–	–
Total (i + ii + iii)	37,56,63,318	–	–	37,56,63,318

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

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

(Amount in Rs.)

S.No.	Particulars of Remuneration	Name of MD / WTD / Manager		
		Sri K.Ramasamy	Sri R.Varun Karthikeyan	Total
1	Gross salary			
	(a) Salary as per provisions contained in Section 17(1) of the Income tax Act,1961	–	15,71,637	15,71,637
	(b) Value of perquisites u/s 17(2) Income tax Act,1961	–	14,62,642	14,62,642
	(c) Profits in lieu of salary under Section 17(3) Income tax Act, 1961	–	–	–

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:
A. Remuneration to Managing Director, Whole-time Directors and / or Manager: (Amount in Rs.)

S.No.	Particulars of Remuneration	Name of MD / WTD / Manager		
		Sri K.Ramasamy	Sri R.Varun Karthikeyan	Total
2	Stock Option	–	–	–
3	Sweat Equity	–	–	–
4	Commission			
	- as % of profit	1,29,83,326	22,05,551	1,51,88,877
	- others, specify...	–	–	–
5	Others, please specify	–	–	–
	Total (A)	1,29,83,326	52,39,830	1,82,23,156
	Ceiling as per the Act	10% of the Net Profit of the Company		

B. Remuneration to other Directors: (Amount in Rs.)

S.No.	Particulars of Remuneration	Name of Directors			Total Amount
1	Independent Directors	Sri P.T.Kuppuswamy	Dr.M.P.Vijayakumar	Sri S.T.Velu	
	· Fee for attending Board / committee meetings	80,000	60,000	40,000	1,80,000
	· Commission	5,00,000	5,00,000	5,00,000	15,00,000
	· Others, please specify	–	–	–	–
	Total (1)	5,80,000	5,60,000	5,40,000	16,80,000
2	Other Non-Executive Directors	Smt R.K.Umaadhevi			
	· Fee for attending board / committee meetings	20,000	–	–	20,000
	· Commission	–	–	–	–
	· Others, please specify	–	–	–	–
	Total (2)	20,000	–	–	20,000
	Total (B) = (1 + 2)				17,00,000
	Total Managerial Remuneration				1,99,23,156
	Overall Ceiling as per the Act	11% of the Net Profit of the Company			

C. Remuneration to Key Managerial Personnel other than MD / Manager / WTD: (Amount in Rs.)

S.No.	Particulars of Remuneration	Name of Key Managerial Personnel			Total Amount
		CEO	Sri G Balasubramaniam Company Secretary	CFO	
1	Gross salary (a) Salary as per provisions contained in Section 17(1) of the Income tax Act, 1961 (b) Value of perquisites u/s 17(2) Income tax Act, 1961 (c) Profits in lieu of salary under Section 17(3) Income tax Act, 1961	-	18,61,717	-	18,61,717
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission - as % of profit - others, specify...	-	-	-	-
5	Others, please specify	-	-	-	-
	Total (A)	-	18,61,717	-	18,61,717

VII. 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 2

RELATED PARTY TRANSACTIONS

All transactions entered by the Company with Related Parties were in the ordinary course of business and at arm's length pricing basis. The Audit Committee granted omnibus approval for the transactions (which are repetitive in nature) and the same was reviewed by the Audit Committee and the Board of Directors.

POLICY ON RELATED PARTY TRANSACTIONS

The broad Policy covering various aspects of review, approval mechanism and implementation is described below:

I) APPROVING AUTHORITY:

A. BY THE AUDIT COMMITTEE:

Under the Companies Act, 2013:

Any transaction or any subsequent modification of transactions of the Company with related parties shall require the approval of the Audit Committee at a Meeting of the Audit Committee or by circulation.

B. BY THE BOARD OF DIRECTORS:

Under the Companies Act, 2013:

All "Related Party Transactions which are not in ordinary course of business or not at an arm's length" shall require the prior approval of the Board of Directors at a Meeting of the Board and cannot be passed by circulation.

C. BY THE SHAREHOLDERS:

Under the Companies Act, 2013:

All "Related Party Transactions which are not in ordinary course of business or not at an arm's length" and exceeding the prescribed criteria under Section 188 of the Companies Act, 2013 shall require prior approval of the Shareholders' by means of a special resolution passed at a General Meeting or through postal ballot.

In case of wholly owned subsidiary, the special resolution passed by the Company shall be sufficient (for the wholly owned subsidiary Company) for the purpose of entering into the transactions between the wholly owned subsidiary and the Company.

Annexure 3

Particulars of Employees as per [Rule 5(2) and Rule 5(3) of Companies (Appointment and Remuneration of Managerial Personnel Rules), 2014]

Particulars of Employees whose salary is not less than Rupees One Crore and Two Lakhs:

S.No.	Name	Age (Years)	Designation	Gross (Rs.)	Qualification	Total	Date of Commencement of employment
1.	K. Ramasamy	71	Executive Chairman	1,29,83,326	M.(Auto) Mech.(USA)	27 years in the field of Cleaning Equipments	01.05.1992

The Employment is contractual. The said remuneration does not carry any contribution to provident fund, gratuity and other perquisites. Sri K.Ramasamy holds 11.75% of the total share capital of the Company. Sri K.Ramasamy, Executive Chairman is related to Sri R.Varun Karthikeyan, Managing Director, as per Section 2(77) of the Companies Act, 2013.

The remuneration details are for the financial year 2018-19 and all other particulars are as on 31st March, 2019. Besides the above, there are no other employees in receipt of Remuneration / Salary for any part of the year, at a rate which, in the aggregate, was not less than Rs.8,50,000/- per month.

Annexure 4
Annual Report on Corporate Social Responsibility (CSR) activities for the financial year 2018-19
(Pursuant to Section 135 of Companies Act, 2013)

CSR Policy:

We at Roots are committed to undertake Corporate Social Responsibility activities in integration with our Culture, Values, Ethics, Tradition and Spirituality with augmented Commitment to contribute for the social well being.

Our focus shall be on the Environment combined with Cleanliness, Health & Hygiene and Education covering financial assistance to education at all levels, particularly in the rural areas including the provisions of infrastructures & amenities for promoting education among the youth of the nation. In addition to the above, we intend to cater to the welfare benefit of senior citizens.

The Corporate Social Responsibility Committee comprising of Sri P.T.Kuppuswamy, Sri R.Varun Karthikeyan and Sri K.Ravi as members of the Committee had three meetings during the year under review viz., 27th June 2018, 19th December 2018 and 25th March 2019.

Average net profit of the Company for last three financial years is Rs.23.61 Crore.

The Prescribed CSR Expenditure is Rs.0.47 Crore.

Details of CSR spent during the financial year.

a) Total amount to be spent for the financial year: Rs.0.47 Crore.

b) Amount unspent, if any: NIL

c) Manner in which the amount spent during the financial year is detailed below. (Rs.in Crore)

S. No.	CSR project or activity identified	Sector in which the Project is covered	Projects or programs (1) Local area or other (2) Specify the state and district where projects or programs was undertaken	Amount outlay (budget) project or programs wise	Amount spent on the projects or programs Sub-heads: 1) Direct expenditure on projects or programs 2) Overheads	Cumulative expenditure upto the reporting period	Amount spent: Direct or through implementing agency
1	Avinashi Road-Cleaning	Protection of Environment	Coimbatore, Tamilnadu	0.33	0.33	0.33	Direct
2	Infrastructure to Rural Hospital	Promoting preventive Health Care	Coimbatore, Tamilnadu	0.10	0.10	0.10	Through Registered Trust - Perur Atheenam Seervalaseer Santhalinga Adilagalar Arakattalai, Perur, Coimbatore.
3	Disaster Relief	Preventive Healthcare	Southern Districts of Tamil Nadu	0.10	0.10	0.10	Direct
4	Prime Minister's National Relief Fund	Prime Minister's National Relief Fund	-	0.07	0.07	0.07	Direct
Total				0.60	0.60	0.60	

Responsibility statement of the CSR Committee:

The CSR Committee confirms that the implementation and governance of CSR programs have been elaborated in the Company's CSR policy. The CSR Committee further confirms that the implementation and monitoring of CSR policy is in compliance with CSR objectives and policy of the Company.

Coimbatore
Date: 08.07.2019

(Sd.) R.Varun Karthikeyan
Managing Director
(DIN 00585158)

(Sd.) P.T.Kuppuswamy
Chairman - CSR Committee
(DIN 00032309)

Form No. MGT-11**PROXY FORM**

Pursuant to Section 105(6) of the Companies Act, 2013 and rule (3) of the Companies (Management and Administration) Rules, 2014

CIN : U36999TZ1992PLC003662
Name of the Company : ROOTS MULTICLEAN LTD
Registered Office : R.K.G. Industrial Estate, Ganapathy,
Coimbatore – 641 006

Name of the member(s)	
Registered Address	
E-mail id	
Folio No.	

I/We, being the member(s) of shares of the above named Company, hereby appoint

1	Name	
	Address	
	E-mail id	
	Signature	

or failing him

1	Name	
	Address	
	E-mail id	
	Signature	

as my/our Proxy to attend and vote for me/us and on my/our behalf at the 27th Annual General Meeting of the Company, to be held on Thursday, the 26th September, 2019 at 10.30 a.m. at the registered office of the Company at R.K.G. Industrial Estate, Ganapathy, Coimbatore – 641 006 and at any adjournment thereof in respect of such resolutions as are indicated in the reverse side of this page.

Resolution

S. No.	Subject	For	Against
	Ordinary Business		
1	Adoption of; (a) Audited Standalone financial statements. (b) Audited Consolidated financial statements.		
2	Declaration of Dividend.		
3	Re-appointment of Sri Preben Laustsen, Director, who retires by rotation.		
4	Re-appointment of Dr. S. Chandrasekar, Director, who retires by rotation.		
5	Re-appointment of Sri S.T. Velu, Director, who retires by rotation.		
6	Re-appointment of M/s. Subramaniam Vasudev & Co., Chartered Accountants as Statutory Auditors of the Company.		
	Special Business		
7	Appointment of Sri V. M. Rajashekar as a Director of the Company.		
8	Appointment of Sri Frank Ulbricht as a Director of the Company.		
9	Approval for increase in the remuneration payable to Sri R.Varun Karthikeyan, Managing Director of the Company.		
10	Approval for remuneration payable to the Cost Auditors.		

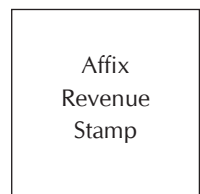
Signed this day of 2019.

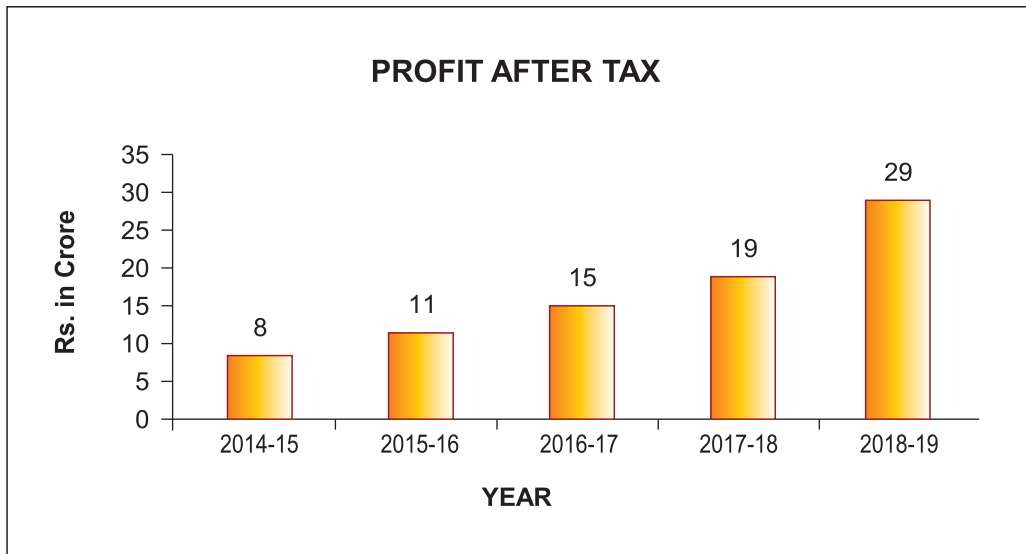
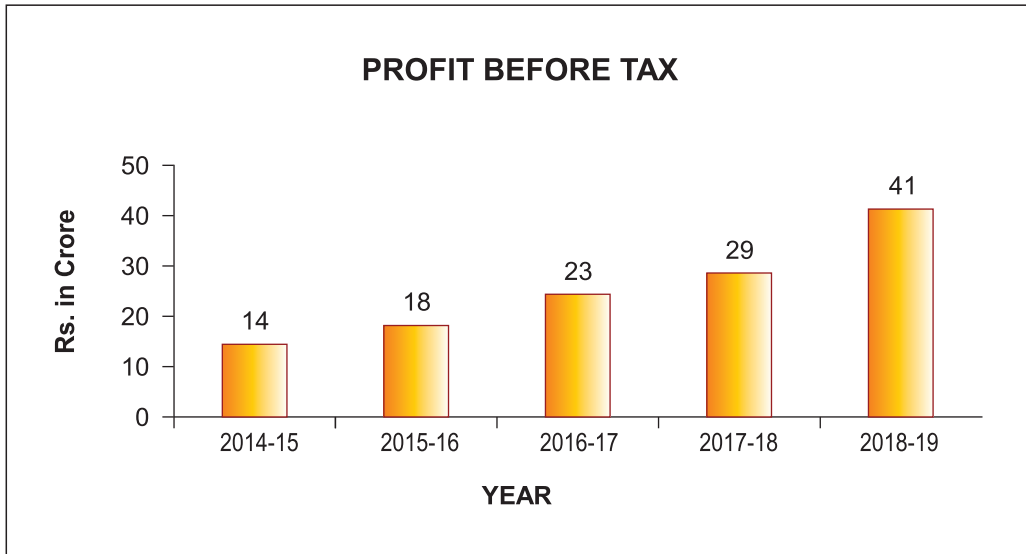
Signature of Shareholder :

Signature of Proxyholder(s) :

Note:

This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.





Note: The above data is based on standalone financial statements.



ADDING VALUE

ROOTS MULTICLEAN LTD

Regd. Office: R K G Industrial Estate, Ganapathy, Coimbatore - 641 006. India

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