

# ASSOCIATED CERAMICS LIMITED

17, GANESH CHANDRA AVENUE  
4<sup>TH</sup> FLOOR  
KOLKOATA - 700013  
PH.NO-033 22367358  
Email: [assockd@rediffmail.com](mailto:assockd@rediffmail.com)  
CIN NO. L26919WB1970PLC027835

## DIRECTORS' REPORT

To,  
The Member(s),  
The Board of Directors presents the Annual Report of the Company together with the Audited Statements of Account for the financial year ended March 31, 2014.

### FINANCIAL RESULTS

FINANCIAL RESULTS	For the Year ended 31.03.2014 RS	For the Year ended 31.03.2013 RS
Profit before Depreciation and Tax (PBDT)	79,36,013	88,93,676
Less: Depreciation	65,28,282	74,95,588
Add: Exceptional items		4,012
Profit / (Loss) before Tax (PBT)	14,07,731	13,98,088
Less: Provision for Taxation		
Current	5,32,373	5,53,163
Deferred	(53100)	(127523)
Short Provisions for earlier years	80,231	2,93,868
Profit / (Loss) after Tax (PAT)	8,48,227	6,78,580
B/F Last Year	43,220,084	42,541,504
Balance Carried to B/S	44,068,311	43,226,084

### DIVIDEND

Your Directors have decided to retain the profits of the Company and therefore, do not recommend any dividend for the Financial Year ended on 31<sup>st</sup> March, 2014.

### OPERATION OF THE COMPANY

During the year the company achieved the turnover of Rs. 18 Crore as against 16 Crore in the previous year. Though the turnover increased there was no substantial increase in net profit as the cost of raw materials and other operating cost and overheads went up. The company expects better turnover in the coming years with the new government coming up positive approach which will set roll the present stagnant economy. Several steel plants shut down and closed because they were unable operate because of lack of demand and increase in operating cost. The company achieved the turnover in spite of slow down in the Indian and Global economy.

### GLOBAL ECONOMIC CONDITIONS

The world Gross Domestic Product (GDP), as reported by the International Monetary Fund (IMF), witnessed a growth of 3% in 2013 as compared to a growth of 3.2% in 2012. Both advanced economies and emerging and developing economies witnessed the slowdown in growth at 1.3% and 4.7% respectively.

However, in the second half of the financial year 2013-14, macroeconomic conditions showed a sign of stabilization in certain developed regions including Europe but the growth remains anemic. Similarly, the GDP growth in India at 4.7% in Financial Year 2013-14, marks a second straight year of sub-

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5% growth - the worst slowdown in more than a quarter of a century. This is largely attributed to sluggish growth in investments and tight monetary policy by the Reserve Bank of India leading to demand contraction.

## **NEW COMPANIES ACT, 2013**

The historic companies Act, 2013 which replace more than five decades old Companies Act, 1956 was passed by the Parliament. The new Act provides major thrust on Compliance and accountability from the Corporate Sector and will provide further transparency in the disclosures. Your Company is already taking steps to comply with the provisions of the New Companies Act.

## **ANNUAL LISTING FEES**

The Company's shares continue to be listed at The Calcutta Stock Exchange Limited Bombay stock exchange. The Annual Listing fee for the year 2014-15 has been paid to the Stock Exchange.

## **MANAGEMENT DISCUSSION AND ANALYSIS**

Management Discussion and Analysis report for the year under review as stipulated under clause 49 of listing Agreement with the Stock Exchanges in India is presented in a separate section forming part of the Annual Report.

As per clause 49 of the Listing Agreement, entered into with Stock Exchanges, Corporate governance Report and Auditors' Certificate thereon are attached and form part of this report.

## **DIRECTORS**

- a. There are no director who retires by rotation. The directors of the company have given declaration pursuant to Section 274 (1) (g) of the Companies Act, 1956 that they are eligible to continue as a director in the Company.
- b. Pursuant to Section 149 and other applicable provisions of the Companies Act, 2013, your Directors are seeking appointment of Mr. SUBHAS GOYAL (DIN: 00652666), BINOD KUMAR SUHASARIA (DIN: 00652607), as an Independent Director, for the terms given in the Notice of the Annual General Meeting. Details of the proposal for the appointment of above Independent Director are mentioned in the Explanatory Statement under Section 102 of the Companies Act, 2013 of the Notice of the Annual General Meeting.
- c. Pursuant to Section 149 and other applicable provisions of the Companies Act, 2013, which has come into force with effect from 1<sup>st</sup> April' 2014, and revised Clause 49 of the Listing Agreement there shall be at least one Women Director on the Board of Directors of listed Companies or such class of companies as prescribed in the rules made there under. Since your Company is listed on the Calcutta Stock Exchange Limited, it is mandatory to appoint a Women Director. Your Directors are seeking appointment of Ms. MANJU AGARWAL (DIN: 06955769) as a Director for the terms given in Notice of the Annual General Meeting. Details of the proposal for the appointment of above Director are mentioned in the Explanatory Statement under section 102 of the Companies Act, 2013.

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- d. The Company has received declarations from all the Independent Directors of the Company that they meet with the criteria of independence as prescribed both under the sub-section(6) of section 149 of the Companies Act, 2013 and under clause 49 of the Listing Agreement with the Stock Exchanges.

## AUDITORS

M/s. A.PANDEY & ASSOCIATES., Chartered Accountants, (Firm Registration No.-316161E) having their registered office at KAML HOUSE ,50 WESTON STREET , ROOM NO 402 & 403 KOLKATA - 700012, who are the Statutory Auditors of the Company, hold office until the conclusion of the ensuing Annual General Meeting and are eligible for re-appointment. Pursuant to provisions of Section 139 of the Companies Act, 2013 and rules framed there under, it is proposed to appoint M/s. A.PANDEY & ASSOCIATES., Chartered Accountants as statutory auditors of the Company from the conclusion of the ensuing AGM till the conclusion of this AGM to be held in the year 2019, subject to annual ratification by members at Annual General Meeting.

## CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION & FOREIGN EXCHANGE EARNINGS & OUTGO

1. PARTICULARS OF CONSERVATION OF ENERGY - AS PER SCHEDULE A ANNEXED :
2. TECHNOLOGY ABSORPTION : Totally indigenous technology and also there was no expenditure on research and development during the year as well as previous year .
3. FOREIGN EXCHANGE EARNINGS & OUTGO :

Particulars	2013-2014	2012-2013
Foreign Exchange Outgo	Rs. 5274548/-	Rs. 15602988 /-
Foreign Exchange Earnings	Rs. 32635813/-	Rs. 6118335/-

## CORPORATE GOVERNANCE

SEBI, vide its circular dated February 21, 2000, specified principles of corporate governance and introduced a new clause 49 in the Listing agreement of the Stock Exchanges. These principles of corporate governance were made applicable in all the listed companies with the paid up capital of Rs 3 crores and above or net worth of Rs 25 crores or more at any time in the history of the company, were covered as of March 31, 2003.

## PARTICULARS OF EMPLOYEES

Your Directors place on record the sense of appreciation for the valuable contribution made by the staff members of the Company and hope that their continued support will help in achieving the goals of the Company. In accordance with the requirement of Section 217(2A) of the Companies Act, 1956, and read together with Companies ( particulars of Employees ) Amendment Rules 2011 it is stated that no employee of the Company is in receipt of remuneration aggregating to Rs.60,00,000/- or more for the year and Rs.5,00,000/- or more per month for the part of the year.

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## DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to Section 217(2AA) of the Companies Act, 1956, the Directors confirm that:

- i) that in the preparation of the Annual Accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- ii) that the directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit or loss of the company for that period;
- iii) that the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- iv) that the directors have prepared the annual accounts on going concern basis .

## SECRETARIAL AUDITORS

In terms of section 204 of the Company Act, 2013 the Board at its meeting held on 30th May, 2014 has appointed a company secretary in whole time practice , as Secretarial Auditor for conducting Secretarial Audit of the Company for Financial year 2014-15.

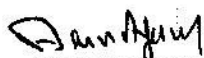
Further a copy of Compliance certificate pursuant to Sec 383A of the Companies Act ,1956 has been obtained for the year ended 31<sup>st</sup> March , 2014 and is annexed to this report .

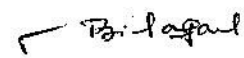
## ACKNOWLEDGEMENT

Your Directors take this opportunity to place on record their gratitude and thank the Financial Institutions, Bankers, Government Authorities, Customers, Vendors, Shareholders and Employees for their valuable guidance, support and continued assistance, cooperation to the Company. The Directors also commend the continuing commitment and dedication of the employees at all levels. The Board of Directors also look forward to their continued support in future

By Order of the Board of Directors  
For Associated Ceramics Limited

Place : Kolkata  
Date: 30.05.2014

  
ARUN AGARWAL  
Managing Director

  
BIMAL AGARWAL  
Director

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ANNEXURE TO DIRECTORS REPORT  
PARTICULARS REQUIRED UNDER THE  
COMPANIES (DISCLOSURE OF PARTICULARS  
IN THE REPORT OF BOARD OF DIRECTORS) RULES 1988  
CONSERVATION OF ENERGY- PART - A

POWER & FUEL CONSUMPTION	CURRENT YEAR 2014	PREVIOUS YEAR 2013
<b>ELECTRICITY</b>		
<b>PURCHASED</b>		
UNIT ( KWH )	541186	591133
TOTAL AMOUNT ( RS IN LACS )	42.48	44.46
RATE / UNIT ( RS )	7.85	7.52
<b>OWN GENERATION ( THROUGH DIESEL )</b>		
UNIT ( KWH )	4504	12146
UNIT PER LITRE OF DIESEL	44.50	31.69
COST / UNIT ( RS )	4.45	3.19
<b>COAL</b>		
QUANTITY IN M.T	3001	3364
TOTAL COST ( RS IN LACS )	187.26	238.85
COST / UNIT ( RS )	6240	7100
<b>FURNANCE OIL</b>		
QUANTITY IN (K. LTRS)	NIL	87
TOTAL COST ( RS IN LACS )	NIL	32.78
COST / UNIT ( RS )	NIL	37678

## PART - B

CONSUMPTION PER UNIT OF PRODUCTION OF		
ELECTRICITY	72.44	64.51
COAL	0.402	0.357
FURNACE OIL	NIL	0.009

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## **REPORT OF THE DIRECTORS ON CORPORATE GOVERNANCE**

In accordance with clause 49 of the listing agreement with the Calcutta Stock Exchange Limited, BSE Limited and some of the best practices followed internationally on Corporate Governance, the report contains the details of corporate governance systems and processes at Associated Ceramics Limited. At Associated Ceramics Limited (ACL) Corporate Governance is all about maintaining a valuable relationship with stakeholders. At ACL, we consider stakeholders as partners in our success, and we remain committed to maximizing stakeholder value, be it shareholders, employees, suppliers, customers, investors, communities or policy makers.

### **COMPANY'S PHILOSOPHY**

The Company firmly believes in and has consistently practiced good Corporate Governance. The Company's essential character is shaped by the values of transparency, professionalism and accountability. The Company is committed to attain the highest standard of Corporate Governance. The philosophy of the Company in relation to Corporate Governance is to ensure transparency in all its operations, make disclosures and enhance all stakeholders' value within the framework of laws and regulations.

We believe in the adoption of most relevant and practical practices for good Corporate Governance in its totality to boost up the image of the Company by adhering to be fair to all the Shareholders. Transparency in day-to-day affairs, full disclosure, independence, long term approach, growth in absolute terms and Social welfare had been the essence of the management of the Company.

Corporate governance encompasses a set of systems and practices to ensure that the Company's affairs are being managed in a manner which ensures accountability, transparency and fairness in all transactions in the widest sense. The objective is to meet stakeholders' aspirations and societal expectations. Good governance practices stem from the dynamic culture and positive mindset of the organization. At ACL, we are committed to meet the aspirations of all our stakeholders. This is demonstrated in shareholder returns, high credit ratings, governance processes and an entrepreneurial performance focused work environment. Over the years, we have strengthened governance practices. These practices define the way business is conducted and value is generated. Stakeholders' interests are taken into account, before making any business decision. ACL has the distinction of consistently rewarding its shareholders over eventful years. ACL has moved from one big idea to another and these milestones continue to fuel our relentless pursuit of ever-higher goals.

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## **ETHICS POLICIES**

At ACL, we strive to conduct our business and strengthen our relationships in a manner that is dignified, distinctive and responsible. We adhere to ethical standards to ensure integrity, transparency, independence and accountability in dealing with all stakeholders. Therefore, we have adopted various codes and policies to carry out our duties in an ethical manner. Some of these codes and policies are:

- 1 Code for Board of Directors and Board Committees
- 2 Code of Business Conduct and Ethics for Directors / Management Personnel
- 3 Code of Conduct for Prohibition of Insider Trading
- 4 Code of Ethics and Business Policies
- 5 Policy document on Values and Commitments
- 6 Manual on Corporate Governance
- 7 Health, Safety and Environment (HSE) Policy
- 8 Code of Financial Reporting, Disclosure & Transparency
- 9 Business Responsibility Policy Manual

## **OBSERVANCE OF THE SECRETARIAL STANDARDS ISSUED BY THE INSTITUTE OF COMPANY SECRETARIES OF INDIA**

The Institute of Company Secretaries of India (ICSI), one of India's premier professional bodies, has issued Secretarial Standards on important aspects like Board meetings, General meetings, Payment of Dividend, Maintenance of Registers and Records, Minutes of Meetings, Transmission of Shares and Debentures, Passing of Resolutions by Circulation, Affixing of Common Seal and Board's Report. Although these standards, as of now, are recommendatory in nature, the Company substantially adheres to these standards voluntarily.

## **BOARD OF DIRECTORS**

An active, informed and independent Board is necessary to ensure highest standards of Corporate Governance. The main role of Board is to take right decision to safeguard and enhance shareholders value.

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## Composition of the Board:

The Board of Director presently consists of four ( 4 ) Directors, of which three ( 3 ) are executive Directors. Management of the Company is headed by Sri Arun Agarwal, Managing Director, subject to general supervision, control and direction of the Board. The Non-Executive Directors do not have any material pecuniary relationship or transaction with the Company. During the Year under review Eight Board Meetings were held and the gap between two meetings did not exceed four months. Dates of the Board Meeting are 30.04.2013, 15.05.2013, 28.06.2013, 14.08.2013, 15.10.2013, 15.11.2013, 10/02/2014 and 15/03/2014.

			Financial Year 2013-2014				Committee Positions held in other Companies	
			Board Meetin g held	Board Meeting attende d			Chairman	Member
Sri Bimal Agarwal	006525 55	Non Indepen dent Executiv e	8	8	Yes	04	Nil	Nil
Sri Sharad Agarwal	006525 80	Non Indepen dent Executiv e	8	8	Yes	04	Nil	Nil
Sri Binod Kumar Suhasaria	006526 07	Indepen dent and Non- Executiv e	8	8	Yes	01	Nil	Nil
Sri Arun Agarwal	016601 48	Managin g Director	8	8	Yes	04	Nil	Nil

## Board Meetings, Board Committee Meetings and Procedures

### 1 Institutionalised Decision Making Process

The Board of Directors is the apex body constituted by the Shareholders for looking after overall functions of the Company. It provides and evaluates the strategic direction of the Company, Management policies and their effectiveness and ensures that the Long Term interests of the Shareholders are being served. Management Committee has been entrusted with the powers to oversee the functional matters of the Company.

All the relevant information during the Financial Year 2013-2014 as enumerated in Clause 49 of the Listing Agreement has been placed before the Board for its consideration. The draft minutes of each meeting are circulated to all Directors for their comments before being recorded in the minutes book. The important decisions taken at board meetings are communicated to the concerned departments promptly.



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## **2 Scheduling and selection of Agenda Items for Board Meetings**

- i. Minimum four Board Meetings are held every year and in addition, as and when it is required, the same is called and convened by giving due Notice to all the Board Members.
- ii. The meetings are usually held at the Registered Office of the Company.
- iii. The Managing Director in consultation with other Directors finalize the Agenda and other related matters for the Board Meeting.
- iv. The Board is provided with the sufficient Financial Information as and when required by them by way of Quarterly, half yearly and so on.
- v. All the relevant information are placed before the Board in compliance of the Listing agreement with the Stock Exchanges as well as other Statutory Requirements.
- vi. Significant accounting policies and internal controls.
- vii. Statement of significant transactions, related party transactions and arrangement entered by the company, if any.
- viii. Making of loans and investment of surplus fund.

## **3 Board material distributed in advance**

The agenda and notes on agendas are distributed to directors in advance, and in the defined agenda format. All material information is incorporated in the agenda for facilitating meaningful and focused discussions at the meeting. Where it is not practicable to attach any document to the agenda, it is tabled before the meeting with specific reference to this effect in the agenda.

## **4 Minutes of Proceeding at Board and Committee Meetings**

The Minutes are prepared for each Board and Committee Meeting. Each member of the Board/Committee receives a draft copy of the Minutes for their comments before its final recording into Minutes Book.

## **5 Post meeting follow-up mechanism**

The guidelines for Board and Board Committee meetings facilitate an effective post meeting follow up, review and reporting process for decisions taken by the Board and Board Committees thereof. Important decisions taken at the board and Board Committee meetings are communicated promptly to the concerned departments.

### **COMMITTEES OF THE BOARD:**

The Board of Directors of the Company has constituted three Committees viz, Audit Committee, Remuneration and Nomination Committee and Stakeholders Relationship Committee. The minutes of the Committee Meetings are noted by the Board. The role and Composition of the aforesaid Committees, including the number of meetings held and the related attendance of the members are given below:

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## AUDIT COMMITTEE

The Board of Directors has in accordance with the requirements of Clause 49 of the Listing Agreement and Section 292A of the Companies Act, 1956, constituted an Audit Committee for overseeing the accounting, auditing and overall financial reporting process of the Company. The Committee's purpose is to oversee quality and integrity of accounting, auditing and financial reporting process. The Committee also oversees the appointment, performance and remuneration of the statutory auditors.

### 1. Power of Audit Committee

As enumerated in clause 49 of the Listing Agreement, the Audit Committee has following powers:

- 1 To investigate any activity within its terms of reference;
- 2 To seek information from any employee;
- 3 To obtain outside legal or other Independent professional advice
- 4 To secure the attendance of outsiders with relevant experience and expertise, when considered necessary.

### 2. Role of Audit Committee

The role as stipulated by the Board to the Audit Committee includes:

1. Oversight of the Company's financial reporting process and disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
2. Recommending to the Board, the appointment, re-appointment and if required, the replacement or removal of the Statutory Auditor and the fixation of audit fees.
3. Reviewing with the Management, the annual financial statement before submission to the Board for approval, with particular reference to:
  - Matters required to be included in the Directors Responsibility Statement in the Directors Report in terms of clause (2AA) of section 217 of the Companies Act, 1956
  - Changes, if any, in accounting policies and practices and reasons for the same.
  - Major accounting entries involving estimates based on the exercise of judgment by management.
  - Significant adjustments made in the financial statements arising out of audit findings.
  - Compliance with listing and other legal requirements relating to financial statements.
  - Disclosure of any related party transactions.
  - Qualification in the draft audit report, if any.
4. Reviewing with the management, the quarterly financial statements before submission to the Board for approval.
5. Reviewing with the management, performance of auditors, and adequacy of internal control systems.
6. Discussion with statutory auditors before the audit commences, about the nature and scope of the audit as well as post - audit discussion to ascertain any area of concern.
7. To review the functioning of Whistle Blower Mechanism, in case the same is existing.
8. Carrying out any other function as is mentioned in the terms of reference of the audit Committee.

Mr. ARUN AGARWAL, the Chairman of the Audit Committee was present at the previous Annual General Meeting of the Company which held on 30<sup>th</sup> September, 2013.

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During the year under review, four meetings of the committee were held during the year ended 15.05.2013, 28.06.2013, 14.08.2013, 15.11.2013 and 10.02.2014. The composition of the committee and attendance at its meeting is given below:

Names of the members	Category	No. of Meetings held	No. of Meetings Attended
SHRI ARUN KUMAR AGARWAL	Non-Independent - Executive	5	5
SHRI SHARAD AGARWAL	Non-Independent - Executive	5	5
SHRI BINOD SUHASARIA	Independent and Non-Executive	5	5

The Statutory Auditor is regular invitee.

## REMUNERATION AND NOMINATION COMMITTEE

The Company has re-constituted Remuneration Committee as and Nomination and Remuneration Committee on 30<sup>TH</sup> May, 2014. All the members were present in the meeting. No payments are made by the Company to Non-executive directors for which approval of the remuneration committee is required. The composition of the committee and attendance at its meeting is given below:

Names of the members	Category	No. of Meetings held	No. of Meetings Attended
SHRI BIMAL AGARWAL	Non-Independent - Executive	4	4
SHRI SHARAD AGARWAL	Non-Independent - Executive	4	4
SHRI BINOD SUHASARIA	Independent and Non-Executive	4	4

The Committee's constitution and terms of reference are in compliance with provisions of the Companies Act, 2013, clause 49 of the Listing agreement, as amended from time to time.

The broad terms of reference of the Remuneration and Nomination Committee are as under:

- 1 Make recommendations regarding the composition of the Board, identify independent Directors to be inducted to the Board from time to time and take steps to refresh the composition of the Board from time to time.
- 2 Provide guidance and direction in developing and implementing the reward philosophy of the Company.
- 3 Evaluate and approve the appointment and remuneration of senior executives, the Company's remuneration plan, annual salary increase, principles and budgets, annual and long term incentive plan of the company, policies and programmes such as succession planning, employment agreements, severance agreements and any other benefits.
- 4 Review progress on the Company leadership development programmes, including from promotion to the Boards, employee engagement initiatives and employee surveys.
- 5 Consider and approve matters relating to normal retirement plans, Voluntary Retirement and Early Separation Schemes for Employee of the Company.
- 6 Establish Key Performance metrics to measure the performance of the Managing Director and the Executive team including the use of financial, non financial and qualitative measures.
- 7 Evaluate executive team performance regularly to strengthen the cumulative annual assessment and to

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- provide timely feed back to the assessed individuals.
- 8 Developing a view on the human resources capability in the business by periodically engaging with levels below the executive team.
  - 9 Review and recommend to the Board the remuneration and commission to the managing and executive directors and define the principles, guidelines and process for determining the payment of commission to non executive directors of the company.
  - 10 To identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down and to recommend to the Board their appointment and/or removal..

#### REMUNERATION TO THE MANAGING AND EXECUTIVE DIRECTOR:

Name	Salary	TOTAL AMOUNT PAID AS ON 31/03/2014
SHRI ARUN KUMAR AGARWAL	RS 1,00,000/	RS 12,00,000/
SHRI BIMAL AGARWAL	RS 1,00,000/	RS 12,00,000/
SHRI SHARAD AGARWAL	RS 1,00,000/	RS 12,00,000/

The Managing and Executive Director, are paid a fixed quantum of Salary as recommended by the Board of Directors within the overall limits permissible under the Companies Act and as approved by the Shareholders.

#### SHARES HELD BY THE DIRECTORS AS ON 31<sup>ST</sup> MARCH, 2014.

Name of the Director	Category	No. of Equity Shares held
SRI BIMAL AGARWAL	Non-Independent	119510
SRI SHARAD AGARWAL	Non-Independent	342000
SRI BINOD KUMAR SUHASARIA	Independent	950
SRI SUBHASH GOYAL	Independent	
SRI ARUN AGARWAL	Non-Independent	138320
SMT. MANJU AGARWAL	Non-Independent	48450

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## STAKEHOLDERS RELATIONSHIP COMMITTEE

The shareholders'/Investors' Grievance committee of the Board has been re-constituted as Stakeholders Relationship Committee (SR Committee) w.e.f 30<sup>TH</sup> MAY .2014, to look into complaints like transfer of shares, non-receipt of dividend etc. The SR Committee is primarily responsible to review all matters connected with the company's transfer of securities and Redressal of shareholders/investors. The committee also monitors the implementation and compliance with the Company's code of conduct for prohibition of Insider trading. The SR Committee and the terms of reference meet with requirements of the clause 49 of the listing agreement and provisions of the Companies Act, 2013. The composition of the committee and attendance at its meeting is given below:

NAMES OF THE MEMBERS	CATEGORY	NO. OF MEETINGS HELD	NO. OF MEETINGS ATTENDED
SHRI BIMAL AGARWAL	Non-Independent - Executive	4	4
SHRI SHARAD AGARWAL	Non-Independent - Executive	4	4
SHRI BINOD SUHASARIA	Independent and Non-Executive	4	4

The Committee generally meets once in three months to deal with any complaints or grievances as may be received from the Shareholders. The Company has not received any Complaints from its investors during the financial year 2013-2014. The Company is registered with SEBI under SCORES.

### COMPLIANCE OFFICER :

SHRI SHARAD AGARWAL, Director is the Compliance Officer for complying with the requirements of the listing agreements with stock exchanges in India.

### THE BROAD TERMS OF REFERENCE OF THE STAKEHOLDERS AND RELATIONSHIP COMMITTEE, INTER ALIA , INCLUDES THE FOLLOWING:

1. Oversee and review all the matters connected with the transfer of the Company's securities.
2. Approve issue of the Company's duplicate share/debenture certificates.
3. Monitor Redressal of investors'/shareholder'/security holders' grievances like transfer of shares , non receipt of balance sheet , non receipt of declared dividends etc .
4. Allotment and listing of Company's share
5. The movement in shareholdings and ownership structure
6. Oversee the performance of the Company's Registrars and transfers agents
7. Recommend method to upgrade the standard of services to investors.
8. Monitor implementation of the Company's Code of Conduct for prohibition of insider trading.

# ASSOCIATED CERAMICS LIMITED

17, GANESH CHANDRA AVENUE  
4<sup>TH</sup> FLOOR  
KOLKOATA – 700013  
PH.NO-033 22367358  
Email: [assockd@rediffmail.com](mailto:assockd@rediffmail.com)  
CIN NO. L26919WB1970PLC027835

## CODE OF CONDUCT

The Code of Conduct in line with the provisions of Clause 49 of the Listing Agreement has been framed /adopted by the Board and is applicable to all the members of the Board and Senior Management Executives. This Code forms an integral part of the Company's Governance policy. The Company adheres to the highest Standards of business ethics, compliance with the Statutory and legal requirements and commitment to transparency in business dealings.

## GENERAL BODY MEETINGS

The date and time of Company's Annual General Meetings during the last three years are as follows:

AGM for the Financial Year	Date	Time	Venue for all the three AGMs
2010-2011	30.09.2011	4.00 P. M.	17, Ganesh Chandra Avenue, 4 <sup>th</sup> Floor, Kolkata – 700 013.
2011-2012	29.09.2012	3.00 P. M.	17, Ganesh Chandra Avenue, 4 <sup>th</sup> Floor, Kolkata – 700 013.
2012-2013	30.09.2013	4.00P.M	17, Ganesh Chandra Avenue, 4 <sup>th</sup> Floor, Kolkata – 700 013.

No extra-ordinary general meeting of the shareholders was held during the year.

None of the Resolution proposed at the Annual General Meeting held was required to be passed by postal ballot.

## DISCLOSURES

- There were no materially significant related party transactions i.e. transactions of the Company of material nature, which its promoters, the Directors of the Management, their subsidiaries or relatives etc., that may have potential conflict with the interest of the Company at large. The related party transactions have been duly disclosed in the "Notes on Accounts" to the Balance Sheet.
- There were no cases of non-compliance by the Company and no penalties / strictures imposed on the Company by any Statutory Authority on any matter.
- The statutory financial statements of the Company are unqualified.
- Reconciliation of Share Capital Audit:

A Qualified Company Secretary carried out a Share Capital Audit to reconcile the total admitted equity share capital with the National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL) and the total issued and listed equity share capital. The audit report confirms that the total issued/paid-up capital is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL.

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## e. CODE FOR PREVENTION OF INSIDER TRADING:

In compliance with the SEBI Regulations on prevention of Insider Trading, the company has framed a comprehensive Code of Conduct for prevention of Insider Trading for its designated employees. The Code lays down guidelines, which advises them on procedures to be followed and disclosures to be made, while dealing with shares of the Company, and cautioning them of the consequences of violations.

## COMPLIANCE CERTIFICATE

Compliance Certificate on Corporate Governance from the Auditors of the Company is annexed with this Report

## MEANS OF COMMUNICATION

- 1 The Quarterly and Half Yearly results are published normally in Business Standard and Dainik Jagaran. The results are not sent individually to the shareholders. The Company has its own website <http://www.associatedceramicsltd.com> and all vital information relating to the Company and its performance including financial results and corporate presentations, etc. are regularly posted on the website.
- 2 There were no presentations made to the institutional investors or analysis during the year.
- 3 Management Discussion and Analysis Report (MD & A Report) forms part of Directors' Report. All matters pertaining to industry structure and developments, opportunities and threats, segment/product wise performance, outlook, risks and concerns, internal control and systems etc., are discussed in the said report.

## GENERAL SHAREHOLDERS INFORMATION

Annual General Meeting	
Date and Time	: 30 <sup>th</sup> September, 2014 at 11.30 A.M
Venue	: Registered Office of the Company at: 17, Ganesh Chandra Avenue, 4 <sup>th</sup> Floor, Kolkata - 700 013
Financial Calendar (Tentative) for the Financial Year 2014-2015	: 1 <sup>st</sup> April, 2014 to 31 <sup>st</sup> March, 2015 First Quarter Results 2nd week of August, 2014 Second Quarter Results 2nd week of November, 2014 Third Quarter Results 2nd week of February, 2015 Fourth Quarter Results Last week of May, 2015
Date of Book Closure	: 25 <sup>th</sup> September, 2014 to 30 <sup>th</sup> September, 2014 (both days inclusive)
Dividend payment date	: No dividend is being recommended
Listing on stock exchange	: THE CALCUTTA STOCK EXCHANGE LTD . THE BOMBAY STOCK EXCHANGE, THE HYDERABAD STOCK EXCHANGE LTD
The Company has paid listing fees as applicable to the stock exchange.	
Annual listing fee for the year 2014-15 will be paid to NSDL and CDSL on receipt of the invoices.	

The ISIN Number of the Company on both NSDL and CDSL is INE 771E01010 Total No. of Shares dematerialized up to 31.03.2014 is 19900

# **ASSOCIATED CERAMICS LIMITED**

**17, GANESH CHANDRA AVENUE**

**4<sup>TH</sup> FLOOR**

**KOLKOATA - 700013**

**PH.NO-033 22367358**

**Email: [assockd@rediffmail.com](mailto:assockd@rediffmail.com)**

**CIN NO. L26919WB1970PLC027835**

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## **MARKET PRICE DATA**

**THERE HAS BEEN NO TRADING DURING THE FINANCIAL YEAR 2013-2014.**

## **REGISTRAR & SHARE TRANSFER AGENT :**

**M/S NICHE TECHNOLOGIES PVT. LTD.  
D-571, BAGREE MARKET, 71, B.R.B.BASU ROAD,  
KOLKATA - 700 001**

## **SHARE TRANSFER SYSTEM:**

The Authority to approve Share transfers has been delegated by the Board of Directors to the Share Transfer Committee. Requests received for transfer of Shares are processed within thirty days of receipt. After transfer, letters are sent to those shareholders as specified by the Depositories giving an option to dematerialize their shares. In case a Shareholder who opt for dematerialization, Electronic Credit is made. Physical Certificates are sent by Registered Post in case of those shareholders who opt to hold the shares in physical form.

## **PERMANENT ACCOUNT NUMBER :**

The Securities and Exchange Board Of India has mandated the submission of Permanent Account Number ( PAN ) by every participant in securities market . Members holding shares in electronic form are therefore requested to submit there PAN to the Depository Participants with whom they are maintaining their Demat accounts . Member holding shares in physical form can submit their PAN details to the Company / Registrar and Share Transfer Agent .

## **NOMINATION FACILITY :**

Shareholders holding shares in physical form and desirous of submitting / changing nomination in respect of their shareholding in the Company may submit Form SH-13 ( In duplicate ) as per the provision of Sec 72 of the Companies Act , 2013 to the Company's Registrar and Transfer Agent .



# ASSOCIATED CERAMICS LIMITED

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CIN NO. L26919WB1970PLC027835

## BANK DETAILS :

Shareholders holding shares in physical form are requested to notify / send the following information to the Registrar and Share Transfer Agent of the Company .:

1. Any change in their address / mandate / bank details etc ; and
2. Particulars of the bank account in which they wish their dividend to be credited ( in cas the same has not been furnished earlier ) and shall include the following particulars namely , Bank Name , Branch Name , Account Type , Account Number and MICR code (9 digit )

## DISTRIBUTION OF SHAREHOLDING (AS ON 31<sup>ST</sup> MARCH 2014

SL.NO	CATEGORY	NUMBER OF SHARE HOLDERS	NUMBER OF SHARE HELD	% OF SHARES HELD
A	SHARE HOLDING OF PROMOTER & PROMOTER GROUP			
1	INDIAN			
A	INDIVIDUAL/HUF/ DIRECTORS	7	765130	25.462
B	BODIES CORPORATE	3	567200	18.875
2	FOREIGN	0	0	0.000
	SUB TOTAL A	10	1332330	44.337
B	NON PROMOTERS HOLDING			
1	BANKS / FINANCIAL INSTITUTIONS	0	0	0
2	INSURANCE COMPANIES	0	0	0
3	FOREIGN INSTITUTIONAL INVESTORS	0	0	0
4	BODIES CORPORATE	26	381600	12.699
5	INDIAN PUBLIC AND OTHERS	604	1291100	42.965
	SUB TOTAL A	630	1672700	55.663
	GRAND TOTAL	640	3005030	100.000

## DISTRIBUTION OF SHAREHOLDINGS:

SRL	No. of Shares		No. of Shareholders	% to Total	Total Shares	% to Total
1.	UPTO	500	469	73.2813	107100	3.5640
2.	501	1000	45	7.0313	42300	1.4076
3.	1001	5000	61	9.5313	148500	4.9417
4.	5001	10000	19	2.9688	177650	5.9118
5.	10001	50000	36	5.6250	886050	29.4856
6.	50001	100000	4	0.6250	342900	11.4109
7.	100001	AND ABOVE	6	0.9375	1300530	43.2784
		TOTAL	640	100.000	3005030	100.000

# **ASSOCIATED CERAMICS LIMITED**

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CIN NO. L26919WB1970PLC027835**

## **DEMATERIALIZATION OF SHARES:**

As on 31<sup>st</sup> March 2014, 0.66 % of the total equity capital of the company was held in dematerialized form.

## **OUTSTANDING GDR/ADR/WARRANTS OR ANY CONVERTIBLE INSTRUMENTS, CONVERSION DATE AND IMPACT ON EQUITY:**

The Company has not issued any GDR/ADR/Warrants.

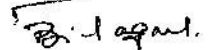
## **ADDRESS FOR CORRESPONDENCE:**

For any assistance in respect of status of dematerialization of shares, transfer, transmission, issue of duplicate certificates, change of address, non-receipt of Annual Reports, Investors are requested to write to:

**ASSOCIATED CERAMICS LTD  
7 GANESH CHANDRA AVENUE, 4<sup>TH</sup> Floor,  
Kolkata - 700 001.  
Email: [assockd@rediffmail.com](mailto:assockd@rediffmail.com)**

PLACE : KOLKATA  
DATE : 30/05/2014

  
ARUN AGARWAL

  
BIMAL AGARWAL

# ASSOCIATED CERAMICS LIMITED

17, GANESH CHANDRA AVENUE  
4<sup>TH</sup> FLOOR  
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Email: [assoekd@rediffmail.com](mailto:assoekd@rediffmail.com)  
CIN NO. L26919WB1970PLC027835

## MANAGING DIRECTOR CERTIFICATION

To,  
The Board of Directors  
Associated Ceramics Limited

### Re: Financial Statement for the Financial Year 2013-2014 - Certification by Managing Director

I, Arun Agarwal, Managing Director of M/s Associated Ceramics Limited on the review of Financial Statements and Cash Flow Statement for the year ended 31<sup>st</sup> March, 2014 and to the best of my knowledge and belief, hereby certify that:

1. These statement do not contain any materially untrue statements or omit any material fact or contain statements that might be misleading;
2. These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
3. There are, to the best of my knowledge and belief, no transactions entered into by the Company during the year ended 31<sup>st</sup> March, 2014 which are fraudulent, illegal or violative of Company's Code of Conduct.
4. I accept responsibility of establishing and maintaining internal control systems of the Company pertaining the financial reporting and I have disclosed to the auditors and the Audit Committee those deficiencies in the design and operation of such internal controls of which I am aware and the steps I have taken or propose to take to rectify these deficiencies.
5. I have indicated to the Auditors and the Audit Committee:
  - i. There have been no significant changes in Internal control over financial reporting during the period.
  - ii. There have been no significant changes in accounting policies during the period.
  - iii. There have been no instances of significant fraud of which I have become aware and the involvement therein, of management or an employee having significant role in the Company's internal control systems over financial reporting.

#### **Declaration affirming compliance of Code of Conduct**

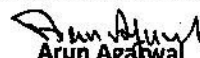
A declaration by the Managing Director affirming compliance of Board members and senior Management Personnel to the Code is mentioned herewith:

#### **Declaration signed by the Executive Director**

As provided under Clause 49 of the Listing Agreement with the Stock Exchanges, the Board Members and the Senior Personnel have confirmed compliance with the Code of Conduct for the year ended 31<sup>st</sup> March, 2014.

Place: Kolkata  
Date: 30.05.2014

For Associated Ceramics Limited

  
Arun Agarwal  
Managing Director

# **ASSOCIATED CERAMICS LIMITED**

STATEMENT OF ACCOUNTS AS ON  
31ST MARCH'2014

**AUDITORS**

**M/S A.PANDEY & ASSOCIATES**  
Chartered Accountants  
50, WESTON STREET  
KOLKATA-700 012



## ***Independent Auditor's Report***

### **TO THE MEMBERS OF AASSOCIATED CERAMICS LIMITED**

#### **Report on the Financial Statements**

We have audited the accompanying financial statements of **ASSOCIATED CERAMICS LIMITED**, which comprise the Balance Sheet as **at March 31, 2014**, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

#### ***Management's Responsibility for the Financial Statements***

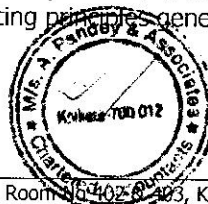
Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position and financial performance of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 "the Act") read with the General Circular 15/2013 dated 13<sup>th</sup> September, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013 and in accordance with the accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

#### ***Auditor's Responsibility***

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### ***Opinion***

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:



Contd....2



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- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2014;
- (b) in the case of the Profit and Loss Account, of the profit for the year ended on that date; and
- (c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

**Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2003 as amended by the Companies (Auditor's Report)(Amendment) order'2004,(together the order) issued by the Central Government of India in terms of sub-section (4A) of Section 227 of 'The Companies Act, 1956' of India (the 'Act'), we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.

2. As required by section 227(3) of the Act, we report that:

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

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

c. the Balance Sheet ,Statement of Profit and Loss and cash flow statement dealt with by this Report are in agreement with the books of account;

d. in our opinion, the Balance Sheet, Statement of Profit and Loss and cash flow statement comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956 read with the General Circular 15/2013 dated 13<sup>th</sup> September'2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act'2013;

e. on the basis of written representations received from the directors as on March 31, 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

**For A. PANDEY & ASSOCIATES**  
Chartered Accountants  
Firm Regn.No.316161E



*[Signature]*  
**CA. A.PANDEY**  
( Proprietor )  
ICAI M.No.052873

Place : Kolkata

Date : 30.05.2014

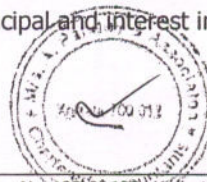


**A. Pandey & Associates**  
*Chartered Accountants*

**The Annexure referred to in paragraph 1 of the Our Report of even date to the members of ASSOCIATED CERAMICS LIMITED on the accounts of the company for the year ended 31<sup>st</sup> March, 2014.**

On the basis of such checks as we considered appropriate and according to the information and explanation given to us during the course of our audit, we report that:

- (i) (a) The company is maintaining proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) The fixed assets of the company have been physically verified by the management during the year and no material discrepancies between the book records and the physical inventory have been noticed. In our opinion, the frequency of verification is reasonable.
- (c) In our opinion and according to the information and explanations given to us, a substantial part of fixed assets has not been disposed of by the company during the year.
- (ii) (a) The inventory has been physically verified by the management during the year. In our opinion, the frequency of verification is reasonable.
- (b) In our opinion, the procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
- (c) On the basis of our examination of the inventory records, in our opinion, the company is maintaining proper records of inventory. The discrepancies noticed on physical verification of inventory as compared to book records were not material and the same has been properly dealt with in the books of account.
- (iii) (a) The company has taken unsecured loan from three companies covered in the register maintained under Section 301 of the Companies Act, 1956. As per arrangement with those companies the amount has been drawn as per requirement. The maximum amount outstanding during the year was Rs.15.83 Lacs and the year end balance was Rs.1.36 Lacs
- (iv) (a) The company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under Section 301 of the Act.
- (b) In our opinion and according to information and explanation given to us the rate of interest and other terms and conditions on which said loans have been taken are prima facie not prejudicial to the interest of the company.
- (c) The Company has repaid the principal amount as stipulated and has been regular in the payment of interest for the loan taken by it. In case of loan granted by the company neither principal amount nor interest is due as per terms of the loan.
- (d) There are no overdue amounts of principal and interest in respect of the said loans.



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**A. Pandey & Associates**  
*Chartered Accountants*

- 2 -

- (v) In our opinion, there are adequate internal control procedures commensurate with the size of the company and the nature of its business for the purchase of inventory, fixed assets and for the sale of goods. Further, on the basis of our examination of the books and records of the company, and according to the information and explanations given to us, we have neither come across nor have been informed of any major weaknesses in the aforesaid internal control procedures.
- (v) (a) In our opinion and according to the information and explanations given to us, the transactions that need to be entered into the register in pursuance to Section 301 of the Act, have been so entered.
- (b) In our opinion and according to the information and explanation given to us, these transactions are made at prices which are reasonable having regard to the prevailing market prices at the relevant time.
- (vi) The company has not accepted any deposits from the public within the meaning of Sections 58A and 54AA of the Act and the rules framed thereunder.
- (vii) In our opinion, the company has an internal audit system commensurate with its size and nature of its business.
- (viii) The Central Government of India has not prescribed the maintenance of cost records under clause (d) of sub-section (1) of Section 209 of the Act for any of the products of the company.
- (ix) (a) According to the information and explanations given to us and the records of the company examined by us, in our opinion, the company is generally regular in depositing the undisputed statutory dues including provident fund, investor education and protection fund, employees' state insurance, income-tax, sales tax, service tax, wealth tax, customs duty, cess and other material statutory dues, as applicable, with the appropriate authorities and no undisputed amount payable in respect of the aforesaid dues were outstanding as at 31<sup>st</sup> March, 2014 for a period of more than six months.
- (b) According to the information and explanations given to us and the records of the company examined by us, there are no dues of Sales Tax, Income Tax, Customs Duty, Wealth Tax, Service Tax, Excise Duty and Cess which have not been deposited on account of any dispute (without considering cases wherein the disputed dues have been paid under protest and net of demands raised which have been adjusted by the appropriate authorities against the refund of some other year(s) due to the company).
- (x) The company has no accumulated losses as at March 31, 2014. Further the company has not incurred any cash losses in the financial year ended on that date or in the immediately preceding financial year.
- (xi) According to the records of the company examined by us and the information and explanations given to us, the company has not defaulted in the repayment of dues to any financial institutions as at the balance sheet date.



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**A. Pandey & Associates**  
*Chartered Accountants*

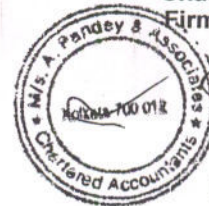
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- (xii) The company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) The provisions of any special statutes applicable to chit fund/nidhi/mutual benefit fund/societies are not applicable to the company.
- (xiv) In our opinion the Company is not a dealer in shares, securities, debentures and other instruments.
- (xv) In our opinion, and according to the information and explanations given to us, the company has not given any guarantee for loans taken by others from banks or financial institutions during the year.
- (xvi) The company has not taken any term loans during the year. Accordingly clause 4(xvi) of the order is not applicable.
- (xvii) On the basis of an overall examination of the Balance Sheet of the company, in our opinion and according to the information and explanation given to us, there are no funds raised on a short term basis which have been used for long term and vice-versa. Accordingly clause 4(xvii) of the order is not applicable.
- (xviii) The company has not any made preferential allotment to any company covered in the register maintained under Section 301 of the Act during the year.
- (xix) The Company has not issued any debentures during the year. Accordingly clause 4(xix) of the order is not applicable
- (xx) The company has not raised any money by public issue during the year. Accordingly clause 4(xx) of the order is not applicable.
- (xxi) Based on our checks and information and explanation given by the management, we report that no fraud on or by the Company has been noticed or reported by the management during the year under audit.

Place : Kolkata

Date : 30.05.2014

For A. PANDEY & ASSOCIATES  
Chartered Accountants  
Firm Regn.No.316161E



*[Signature]*  
CA. A.PANDEY  
(Proprietor)  
ICAI M.No.052873

# ASSOCIATED CERAMICS LIMITED

## BALANCE SHEET AS AT 31ST MARCH'2014

Particulars	Note	As at 31st March'2014	As at 31st March'2013
		₹	₹
<b>I. EQUITY AND LIABILITIES</b>			
<b>(1) Shareholder's Funds</b>			
(a) Share Capital	2.1	42,598,050	42,598,050
(b) Reserves and Surplus	2.2	142,457,423	141,738,150
<b>(2) Non-Current Liabilities</b>			
(a) Deferred Tax Liabilities( Net)	2.3	32,524	85,624
<b>(3) Current Liabilities</b>			
(a) Short Term Borrowings	2.4	10,022,026	24,637,683
(b) Trade Payables	2.5	22,563,780	58,713,635
(c) Other Current Liabilities	2.6	26,695,968	22,537,151
(d) Short-Term Provisions	2.7	4,542,869	4,011,862
<b>Total Equity &amp; Liabilities</b>		<b>248,912,640</b>	<b>294,322,155</b>
<b>II.ASSETS</b>			
<b>(1) Non-Current Assets</b>			
(a) Fixed Assets	2.8	54,435,108	59,191,385
(b) Non-current investments	2.9	1,133,512	1,333,012
<b>(2) Current Assets</b>			
(a) Inventories	2.10	101,322,014	152,023,502
(b) Trade receivables	2.11	54,045,080	50,339,086
(c) Cash and cash equivalents	2.12	14,923,052	10,263,944
(d) Short-term loans and advances	2.13	10,299,428	9,605,658
(e) Other current assets	2.14	12,754,446	11,565,568
<b>Total Assets</b>		<b>248,912,640</b>	<b>294,322,155</b>

**SIGNIFICANT ACCOUNTING POLICIES & NOTES ON FINANCIAL STATEMENTS**

1 & 2

Notes referred to above and attached there to form an integral part of Balance Sheet

In terms of our report of even date  
for **A.PANDEY & ASSOCIATES**  
Chartered Accountants  
Firm Regn.No.316161E



**CA. A.PANDEY**  
(Proprietor)  
ICAI M.No.052873

Place : Kolkata  
Date:30.05.2014

*Sham Aggarwal*  
*Sham Aggarwal*  
*Proprietor*

## ASSOCIATED CERAMICS LIMITED

### PROFIT & LOSS STATEMENT FOR THE PERIOD ENDED ON 31ST MARCH'2014

Sr. No	Particulars	Note	As at 31st March'2014	As at 31st March'2013
I	Revenue from operations	2.15	₹ 180,651,734	₹ 161,891,197
II	Other Income	2.16	3,271,960	3,056,641
III	<b>III. Total Revenue (I +II)</b>		<b>183,923,694</b>	<b>164,947,838</b>
IV	<b>Expenses:</b>			
	Cost of Materials consumed	2.17.d	123,004,081	151,311,145
	Purchases of Stock in Trade	2.17.c.	-	2,648,622
	Changes in inventories of work-in-progress and Stock-in-Trade	2.17.f.	19,612,826	(32,989,461)
	Employee Benefit Expenses	2.18	13,183,148	13,531,801
	Financial Costs	2.19	1,094,772	3,473,617
	Depreciation and Amortization Expenses	2.20	6,528,282	7,495,588
	Other Administrative Expenses	2.21	19,092,854	18,082,450
	<b>Total Expenses (IV)</b>		<b>182,515,963</b>	<b>163,553,762</b>
V	Profit before exceptional and extraordinary items and tax	(III - IV)	<b>1,407,731</b>	<b>1,394,076</b>
VI	Exceptional Items	2.22	-	4,012
VII	Profit before extraordinary items and tax (V - VI)		<b>1,407,731</b>	<b>1,398,088</b>
VIII	Extraordinary Items		-	-
IX	Profit before tax (VII - VIII)		<b>1,407,731</b>	<b>1,398,088</b>
X	<b>Tax expense:</b>			
	(1) Current tax		532,373	553,163
	(2) Deferred tax		(53100)	(127523)
	(3) Short provisions for earlier years		80,231	293,868
XI	Profit(Loss) from the period from continuing operations	(IX-X)	<b>848,227</b>	<b>678,580</b>
XII	Profit/(Loss) from discontinuing operations		-	-
XIII	Tax expense of discounting operations		-	-
XIV	Profit/(Loss) from Discontinuing operations (XII - XIII)		-	-
XV	Profit/(Loss) for the period (XI + XIV)		<b>848,227</b>	<b>678,580</b>
XVI	Earning per equity share:			
	(1) Basic	2.27	<b>0.41</b>	<b>0.33</b>
	(2) Diluted		<b>0.41</b>	<b>0.33</b>

**SIGNIFICANT ACCOUNTING POLICIES & NOTES ON FINANCIAL STATEMENTS**

1 & 2

*Notes referred to above and attached there to form an integral part of Profit & Loss Statement*

In terms of our report of even date  
for **A.PANDEY & ASSOCIATES**  
Chartered Accountants  
Firm Regn.No.316161E



**CA.A.PANDEY**  
(Proprietor)  
ICAI M.No.052873

Place : Kolkata  
Date:30.05.2014

*Handwritten signatures and notes:*  
Arun Kumar  
Shree Anand  
B...

# ASSOCIATED CERAMICS LIMITED

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2014

### A) CASH FLOW FROM OPERATING ACTIVITIES:

	31.03.2014 ₹	31.03.2013 ₹
Net Profit before Tax & Extra-ordinary items	1,407,731	1,398,088
<b>Adjustments for :</b>		
Depreciation	6,528,282	7,495,588
Interest on borrowings	658,571	2,195,457
Interest Income	(326016)	(650787)
Loss on Investment	169064	
Dividend received	(25750)	(20618)
<b>Operating Profit before working capital changes.</b>	<b>7004151</b>	<b>9019640</b>
	<b>8411882</b>	<b>10417728</b>
<b>Adjustments for:</b>		
Trade & Other receivables	(3994275)	21737484
Inventories	50701488	(10770704)
Trade Payables & Other liabilities.	(31992404)	2716175
<b>Cash Utilised / from Operation</b>	<b>14714809</b>	<b>13682955</b>
Direct Tax Paid	(1674598)	(3114476)
<b>Net Cash from/ utilised in Operating Activities</b>	<b>21452093</b>	<b>20986207</b>

### B) CASH FLOW FROM INVESTING ACTIVITIES :

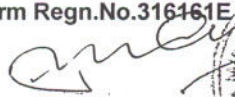
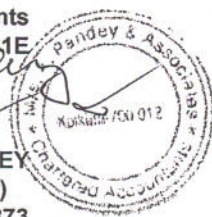
Purchase/Sale of Fixed assets	(1900959)	(1571898)
Purchases/ sales of investment	30,436	-
Dividend Received	25,750	20,618
Interest Paid	(523067)	(2195457)
Interest Received	326,016	650,787
<b>Net Cash from/used in investing Activities</b>	<b>(2041824)</b>	<b>(3095950)</b>

### C) CASH FLOW FROM FINANCIAL ACTIVITIES :

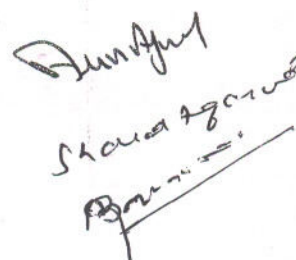
Secured Loans	(13168637)	(1857162)
Unsecured Loans	(1582524)	(14582301)
<b>Net Cash from/ utilised in Financial Activities</b>	<b>(14751161)</b>	<b>(16439463)</b>
Net Increase / decrease in Cash & Cash Equivalents (A+B+C )	<b>4,659,108</b>	<b>1,450,794</b>
Cash & Cash Equivalents As on 01.04.2013 (Opening Balance)	10,263,944	8,813,150
<b>Cash &amp; Cash Equivalents As on 31.03.2014 (Closing Balance)</b>	<b>14,923,052</b>	<b>10,263,944</b>

Note: figures in brackets represents outflows.

In terms of our report of even date  
For **A. PANDEY & ASSOCIATES**  
Chartered Accountants  
Firm Regn.No.316161E

  
  
**CA. A.PANDEY**  
(Proprietor)  
ICAI M.No.052873

Place:Kolkata  
Date :30.05.2014

  
 Shri. Anand Agarwal  
 Proprietor

## ASSOCIATED CERAMICS LIMITED

### 1.00 SIGNIFICANT ACCOUNTING POLICIES :

**a. Basis of Accounting:**

The financial statements are prepared on an accrual basis Under the historical cost convention in accordance with Generally accepted Accounting Principle ("GAAP") and in compliance with the applicable Accounting standards issued by The Institute of Chartered accountants of India and relevant provisions of the Companies act, 1956

All assets and liabilities have been classified as current or non-current, wherever applicable as per the operating cycle of the company as per the guidelines as set out in the Revised schedule VI of the Companies Act, 1956

**b. Use of Estimates:**

The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income

**c. Revenue recognition**

Sales are recognized ,net of returns and trade discounts, on transfer of significant risks and rewards of ownership to the buyers, which generally coincides with the delivery of goods to customers.

**d. Fixed Assets:**

Fixed Assets are stated at cost less depreciation. Cost comprises cost of acquisition, construction and improvement made which is inclusive of freight and taxes.

**e. Depreciation:**

Depreciation on Fixed Assets has been provided on written down value at the rates prescribed in Schedule-XIV of the Companies Act, 1956. Depreciation charged to Profit & Loss account is exclusive of depreciation on revaluation of assets, which is adjusted against capital reserve.

**f. Investments:**

Investments that are readily realizable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long term investments. Current investments are carried at lower of cost and fair value determined on an individual investment basis. Long term investments are carried at cost. However ,provision for diminution in value is made to recognize a decline other than temporary in the value of the investments.

**g. Borrowing cost:**

Borrowing cost that are attributable to the acquisition of qualifying assets are capitalized as part of the cost of such assets and all other borrowing cost are charged to Revenue account.

**h. Inventories :**

Inventories are stated "At cost or net realizable value,whichever is lower". Cost formula used is "Average Cost"

**i. Excise Duty:**

Excise Duty payable on goods kept in the factory are neither included in the expenditure nor it is taken into account for valuation of closing stock. It is accounted at the time of clearance of goods from the Factory. This practice is consistently followed by the Company and has no impact on Profit & Loss. Modvat Credits in respect of Raw Materials are taken into account at the time of Purchase of Raw Material (to the credit of the respective purchase and utilized for payment of excise duty on goods manufactured).

**j. Impairment of Assets:**

The carrying amount of assets are reviewed at each balance sheet date to determine whether there is any indication of impairment based on internal/external factors. An impairment loss is recognized wherever the carrying amount of an assets exceeds its recoverable amount which represents the greater of the net selling price and "value in use" of the assets. The estimated future cash flows considered for determining the value in use, are discounted to their present value at the weighted average cost of capital.

After impairment , depreciation is provided on the revised carrying amount of the assets over its remaining useful life.



A handwritten signature in black ink, appearing to be "A. Pandey" with a flourish at the end.

## ASSOCIATED CERAMICS LIMITED

**k Taxation.**

Income Tax Expenses is accounted for in accordance with AS-22' Accounting for Taxes on Income' which include Current Tax and Deferred Taxes. Deferred Tax reflect the impact of current Year timing difference between Taxable Income and Accounting Income for the Year and reversal of timing difference of earlier Years. Deferred Tax Assets are recognized only to the extent that there is virtual certainty supported by convincing evidence that sufficient future Taxable Income will be available against which such Deferred Tax Assets can be realised.

**l. Retirement benefits to employees:**

The Company contributes to Employee Provident fund scheme, a defined benefit plan for the employees.

**m. Earning per share:**

Basic earning per share is computed by dividing the net profit after tax by the weighted average number of equity shares outstanding during the period. Diluted earnings per share is computed by dividing the profit after tax by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

n. Accounting Policies not referred to otherwise are consistent with generally accepted accounting principles.

o. Previous year's figures have been re-grouped/ re-arranged wherever necessary..



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## ASSOCIATED CERAMICS LIMITED

### 2.00 NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH'2014

2.1

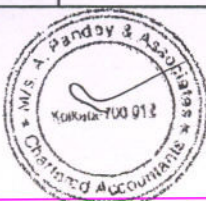
a.	Share Capital	As at 31 March 2014		As at 31 March 2013	
		Number	₹	Number	₹
<b>Authorised</b>					
	Equity Shares of Rs.10/-each	5,025,000	50,250,000	5,025,000	50,250,000
	10% preference shares of Rs.1000/- each	9,750	9,750,000	9,750	9,750,000
	6% Non-Cumulative Redemable Preference Shares of Rs.100/- Each	100,000	10,000,000	100,000	10,000,000
<b>Issued</b>					
	Equity Shares of Rs.10/-each	3,005,030	30,050,300	3,005,030	30,050,300
	10% preference shares of Rs.1000/- each	9,750	9,750,000	9,750	9,750,000
	6% Non-Cumulative Redemable Preference shares of Rs.100/- Each	100,000	10,000,000	100,000	10,000,000
<b>Subscribed &amp; fully Paid up</b>					
	Equity Shares of Rs.10/-each	2,044,730	20,447,300	2,044,730	20,447,300
	10% preference shares of Rs.1000/- each	9,750	9,750,000	9,750	9,750,000
	6% Non-Cumulative Redemable Preference shares of Rs.100/- Each	100,000	10,000,000	100,000	10,000,000
<b>Subscribed but not fully Paid up</b>					
	Equity Shares of Rs.10/-each	960300	2,400,750	960300	2,400,750
<b>Total</b>		<b>2,154,480</b>	<b>42,598,050</b>	<b>2,154,480</b>	<b>42,598,050</b>

b.	Particulars	Equity Shares			
		As at 31 March 2014		As at 31 March 2013	
		Number	₹	Number	₹
	Shares outstanding at the beginning of the year	3005030	22,848,050	3005030	22,848,050
	Shares Issued during the year	-	-	-	-
	Shares outstanding at the end of the year	3005030	22,848,050	3005030	22,848,050

Particulars	10%Preference Shares			
	As at 31 March 2014		As at 31 March 2013	
	Number	₹	Number	₹
Shares outstanding at the beginning of the year	9,750	9,750,000	9,750	9,750,000
Shares Issued during the year	-	-	-	-
Shares outstanding at the end of the year	9,750	9,750,000	9,750	9,750,000

Particulars	6% Non Cumulative Reddemable Preference Shares			
	As at 31 March 2014		As at 31 March 2013	
	Number	₹	Number	₹
Shares outstanding at the beginning of the year	100000	10,000,000	100000	10,000,000
Shares Issued during the year	-	-	-	-
Shares outstanding at the end of the year	100000	10,000,000	100000	10,000,000

c.	Name of Shareholder	Preference Shares			
		As at 31 March 2014		As at 31 March 2013	
		No. of Shares held	% of Holding	No. of Shares held	% of Holding
	Aarkay Sales Agencies Pvt.Ltd	500	5.13	500	5.13
	Associated Global Finance Limited	7483	76.75	7483	76.75
	Associoated Global Finance Limited	100000	100	100000	100



**ASSOCIATED CERAMICS LIMITED**

d	Name of Shareholder	Equity Shares			
		As at 31 March 2014		As at 31 March 2013	
		No. of Shares held	% of Holding	No. of Shares held	% of Holding
	Sharad Agarwal	342950	11.42	342950	11.42
	Amar Jyoti Udyog Limited	325700	10.84	325700	10.84

2.2	<u>Reserves &amp; Surplus</u>	As at 31 March 2014	As at 31 March 2013
		₹	₹
	<b>a. Capital subsidy</b>		
	Opening Balance	1,500,000	1,500,000
	Closing Balance	1,500,000	1,500,000
	<b>b. Securities Premium Account</b>		
	Opening Balance	94,545,000	94,545,000
	Add : Securities premium credited on Share issue	-	-
	Closing Balance	94,545,000	94,545,000
	<b>c. General Reserve</b>		
	Opening Balance	118,970	118,970
	Closing Balance	118,970	118,970
	<b>d. Revaluation Reserve</b>		
	Opening Balance	2,354,096	2,492,961
	(-) Written Back in Current Year	128,954	138,865
	Closing Balance	2,225,142	2,354,096
	<b>e. Surplus</b>		
	Opening balance	43,220,084	42,541,504
	(+) Net Profit/(Net Loss) For the current year	848,227	678,580
	Closing Balance	44,068,311	43,220,084
	<b>Total</b>	<b>142,457,423</b>	<b>141,738,150</b>

2.3	<u>Deferred tax Liabilities</u>	As at 31 March 2014	As at 31 March 2013
		₹	₹
	Opening Balance	85,624	213,147
	(-) for timing difference of deprectaion	53,100	127,523
	<b>Closing balance</b>	<b>32,524</b>	<b>85,624</b>

2.4	<u>Short Term Borrowings</u>	As at 31 March 2014	As at 31 March 2013
		₹	₹
	<b>Secured</b>		
	<b>(a) Loans repayable on demand</b>		
	from State Bank of India	9,886,522	23,055,159
	(Secured By Hypothecation of Stock,Book debts)		
	(Also guaranteed by Directors personally)		
		9,886,522	23,055,159
	<b>Unsecured</b>		
	<b>(a) Loans and advances from related parties</b>		
		135,504	1,582,524
		135,504	1,582,524
	<b>Total</b>	<b>10,022,026</b>	<b>24,637,683</b>

2.5	<u>Trade payables</u>	As at 31 March 2014	As at 31 March 2013
		₹	₹
	Trade payable( Other Than Micro,Small & Medium enterprises)	22,563,780	58,713,635
	<b>Total</b>	<b>22,563,780</b>	<b>58,713,635</b>



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**ASSOCIATED CERAMICS LIMITED**

2.6	<u>Other Current Liabilities</u>	As at 31	As at 31 March
		March 2014	2013
		₹	₹
	(a) Advance from parties	25,926,467	21,773,168
	(b) Audit Fees payable	78,760	78,760
	(c) Income tax Payable	11,008	11,008
	(d) VAT payable	1,671	1,671
	(e) Professional Tax Payable	1,440	1,440
	(f) TDS Payable	328,840	279,383
	(g) Electricity Charges payable	347,782	350,360
	(h) Professional Fees payable	-	33,301
	(i) Transport Charges payable	-	3,410
	(j) Convenyance payable	-	4,650
	<b>Total</b>	<b>26,695,968</b>	<b>22,537,151</b>

2.7	<u>Short Term provisions</u>	As at 31	As at 31 March
		March 2014	2013
		₹	₹
	(a) Provision for employee benefits		
	Salary & Reimbursements	446,698	438,616
	Contribution to Employee Provident Fund & ESI	249,264	258,712
	(b) Provision for Income Tax	3,846,907	3,314,534
	<b>Total</b>	<b>4,542,869</b>	<b>4,011,862</b>

2.9	<u>Non-Current Investments</u>	As at 31	As at 31 March
		March 2014	2013
		₹	₹
	<b>Other Investments ,Non-Trade</b>		
	(a) Investment in Equity Shares(Quoted)	1,098,512	1,298,012
	(b) Investment in Equity Shares(Unquoted)	35,000	35,000
	<b>Total</b>	<b>1,133,512</b>	<b>1,333,012</b>

Particulars	2014	2013
	₹	₹
Aggregate amount of quoted investments (Market value)	3,473,871	1,566,424
Aggregate amount of unquoted investments	35,000	35,000

In case of Investments where the market value as on 31.03.2014 is not available,the purchase price has been taken for arising the market value.

**Details of Other Investments**

Particulars	Equity Shares			
	As at 31 March 2014		As at 31 March 2013	
	Number	₹	Number	₹
<b>Quoted,Non-Trade</b>				
Jindal Photo Film Ltd.	336	63,000	336	63,000
Consolidated Finvest Ltd	-	-	1064	199,500
Triveni Sheet Glass Ltd	3500	250,000	3500	250,000
Amarjyoti Udyog Ltd	50000	500,000	50000	500,000
HDFC Bank Ltd	2500	5,000	2500	5,000
JSW Steel Ltd	997	280,512	997	280,512
<b>Unquoted, Non-Trade</b>				
Sharad Refractories Pvt.Ltd (0.22%)	50	5,000	50	5,000
Associated Global Finance Ltd (0.05%)	3000	30,000	3000	30,000



*(Handwritten signatures and initials)*

ASSOCIATED CERAMICS LIMITED

2.8

Fixed assets

₹

Sr. No	Particulars	Rate	Gross Block				Depreciation				Net Block	
			As at 01.04.2013	Addition during the year	Deduction during the year	As at 31.03.2014	As at 01.04.2013	Addition during the year	Deduction during the year	As at 31.03.2014	WDV as on 31.03.2014	WDV as on 31.03.2013
I	<b>Tangible Assets</b>											
	Land	0.00%	14,955,461	-	-	14,955,461	-	-	-	-	14,955,461	14,955,461
	Plant & Machinery	20.87%	65,805,167	518,205	-	66,323,372	52,993,615	2,754,883	-	55,748,498	10,574,874	12,811,552
	Buildings	5.00%	30,570,151	-	-	30,570,151	13,160,786	870,468	-	14,031,254	16,538,897	17,409,365
	Furniture & Fixture	18.10%	529,321	364,100	-	893,421	338,510	56,504	-	395,014	498,407	190,811
	Laboratory	20.87%	4,842,069	-	-	4,842,069	3,995,195	176,742	-	4,171,937	670,132	846,874
	Generator Set	20.87%	2,551,071	-	-	2,551,071	2,110,470	91,953	-	2,202,423	348,648	440,601
	Office Equipments	13.91%	4,321,320	92,732	-	4,414,052	2,898,872	209,687	-	3,108,559	1,305,493	1,422,448
	Elec. Installation	18.10%	389,719	-	-	389,719	157,049	42,114	-	199,163	190,556	232,670
	Typewriter	13.91%	13,992	-	-	13,992	13,871	17	-	13,888	104	121
	Motor Vehicle	25.89%	7,243,824	753,118	-	7,996,942	5,832,890	511,528	-	6,344,418	1,652,524	1,410,934
	Tunnel Kiln	20.87%	20,573,958	-	-	20,573,958	14,857,039	1,193,121	-	16,050,160	4,523,798	5,716,919
	Motor Cycle	25.89%	53,891	-	-	53,891	47,066	1,733	-	48,799	5,092	6,825
	Cycle	13.91%	7,096	-	-	7,096	6,304	110	-	6,414	682	792
	Pay Loader / Fork Lift	25.89%	7,360,648	172,804	-	7,533,452	5,349,094	561,802	-	5,910,896	1,622,556	2,011,554
	Project	20.87%	8,862,847	-	-	8,862,847	8,660,012	42,332	-	8,702,344	160,503	202,835
	Tools & Equipment	20.87%	678,306	-	-	678,306	281,435	82,827	-	364,262	314,044	396,871
	Dust Catcher	20.87%	1,168,554	-	-	1,168,554	1,139,082	6,150	-	1,145,232	23,322	29,472
	Weigh Bridge	5.00%	1,817,376	-	-	1,817,376	712,096	55,265	-	767,361	1,050,015	1,105,280
	<b>TOTAL (Current year)</b>		<b>171,744,771</b>	<b>1,900,959</b>	<b>-</b>	<b>173,645,730</b>	<b>112,553,386</b>	<b>6,657,236</b>	<b>-</b>	<b>119,210,622</b>	<b>54,435,108</b>	<b>59,191,385</b>
	<b>(Previous Year)</b>		<b>170,573,764</b>	<b>1,696,898</b>	<b>525,891</b>	<b>171,744,771</b>	<b>105,323,836</b>	<b>7,634,453</b>	<b>404,903</b>	<b>112,553,386</b>	<b>59,191,385</b>	<b>65,249,928</b>

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**ASSOCIATED CERAMICS LIMITED**

2.10	<u>Inventories</u>	As at 31 March 2014		As at 31 March 2013	
			₹		₹
	a. Raw Materials and components	4963 MT	57,855,333	6345 MT	87,783,068
	b. Work-in-progress	1250 MT	17,500,000	1210 MT	18,150,000
	c. Finished goods	1399 MT	25,236,434	2426 MT	44,199,260
	d. Stock-in-trade	44 MT	523,527	44 MT	523,527
	e. Stores and spares	32.829 MT	206,720	198.655 MT	1,367,647
	<b>Total</b>		<b>101,322,014</b>		<b>152,023,502</b>

2.11	Trade Receivables	As at 31 March 2014	As at 31 March 2013
		₹	₹
	Trade receivables outstanding for a period less than six months from the date they are due for payment Unsecured, considered good	41,887,496	26,560,978
	Trade receivables outstanding for a period exceeding six months from the date they are due for payment Unsecured, considered good	12,157,584	23,778,108
	<b>Total</b>	<b>54,045,080</b>	<b>50,339,086</b>

2.12	Cash and cash equivalents	As at 31 March 2014	As at 31 March 2013
		₹	₹
	a. Balances with banks in Current Account in deposit Account	11,736,216 2,560,344	3,551,616 6,040,177
	b. Cash in hand	626,492	672,151
	<b>Total</b>	<b>14,923,052</b>	<b>10,263,944</b>

The details of balances as on Balance sheet dates with banks are as follows:

Particulars	As at 31 March 2014	As at 31 March 2013
	₹	₹
<b>In current account</b>		
Bank of India, Chirkunda Branch	72,933	72,933
Bank of India, Kolkata Branch	28,561	28,561
Bank of India, LIC A/c, Chirkunda	18,316	4,849
CITI Bank, Kolkata	67619	2274695
HDFC Bank, Kolkata	22,303	1,382
ING Vysya Bank Ltd, Kolkata	39,955	395,096
ING Vysya Bank Ltd (Allotment), Kolkata	14,170	416,201
Syndicate Bank, New Delhi	4,220	162,549
State Bank of India, Bokarao	18,482	18,482
State Bank of India, Chirkunda	10,030,047	25,094
State Bank of India, Dhanabad	1,267,836	-
Union Bank of India, Asansol	30,972	30,972
Union Bank of India, Kolkata	105,802	105,802
United Bank of India, Kolkata	15,000	15,000
<b>In Deposit account</b>		
State Bank of India, Alipore Branch	-	1,640,110
State Bank of India, Dhanabad Branch	935,000	1,585,400
HDFC Bank, Kolkata	1,625,344	2,814,667



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**ASSOCIATED CERAMICS LIMITED**

2.13	Short-term loans and advances	As at 31	As at 31
		March 2014	March 2013
		₹	₹
	(Unsecured, considered good)		
	MODVAT Adjustable	21,632	97,350
	CST Adjustable	560,013	526,115
	Advance to staff	71,110	7,595
	Advance to Parties	9,646,673	8,974,598
	<b>Total</b>	<b>10,299,428</b>	<b>9,605,658</b>

	As at 31	As at 31
	March 2014	March 2013
	₹	₹
To Private Company in which director is a member	-	-
	-	-

2.14	Other Current assets	As at 31	As at 31
		March 2014	March 2013
		₹	₹
	Advance income Tax	8,300,000	6,800,000
	Tax Deducted at Source	365,300	270,933
	Tax collected at Source	594	594
	Income Tax Refundable	584,522	584,522
	Balance with Central Excise Authorities	759,869	725,745
	Security Deposits	2,133,560	2,133,560
	Earnest Money	173,325	173,325
	Anti dumping duty	298,200	298,200
	JVAT	67,742	58,705
	Interest accrued on Fixed deposits	71,334	519,984
	<b>Total</b>	<b>12,754,446</b>	<b>11,565,568</b>

2.15	Revenue From operation	For the year	For the year
		ended 31	ended 31
		March 2014	March 2013
		₹	₹
	Sale of products	197,047,806	179,320,326
	Other operating Income	1,657,344	1,247,183
	Less:		
	Excise duty.	18,053,416	18,676,312
	<b>Total</b>	<b>180,651,734</b>	<b>161,891,197</b>

2.16	Other Income	For the year	For the year
		ended 31	ended 31
		March 2014	March 2013
		₹	₹
	Interest Income	326,016	650,787
	Dividend Income	25,750	20,618
	Net gain/loss on sale of investments	-	-
	Other non-operating income	3,089,258	2,385,236
	<b>Total</b>	<b>3,271,960</b>	<b>3,056,641</b>



*Handwritten signatures and initials.*

**ASSOCIATED CERAMICS LIMITED**

2.13	Short-term loans and advances	As at 31	As at 31
		March 2014	March 2013
		₹	₹
	(Unsecured, considered good)		
	MODVAT Adjustable	21,632	97,350
	CST Adjustable	560,013	526,115
	Advance to staff	71,110	7,595
	Advance to Parties	9,646,673	8,974,598
	<b>Total</b>	<b>10,299,428</b>	<b>9,605,658</b>

	As at 31	As at 31
	March 2014	March 2013
	₹	₹
To Private Company in which director is a member	-	-
	-	-

2.14	Other Current assets	As at 31	As at 31
		March 2014	March 2013
		₹	₹
	Advance income Tax	8,300,000	6,800,000
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		March 2014	March 2013
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	Interest Income	326,016	650,787
	Dividend Income	25,750	20,618
	Net gain/loss on sale of investments	- 169,064	-
	Other non-operating income	3,089,258	2,385,236
	<b>Total</b>	<b>3,271,960</b>	<b>3,056,641</b>



*Handwritten signatures and initials.*

## ASSOCIATED CERAMICS LIMITED

2.17

**a** Details of Raw Material consumed

Particulars	For the year ended 31 March 2014	For the year ended 31 March 2013
	₹	₹
Diaspore, Sillimanite & Corundum Kyanite	16,523,702	31,999,375
Fireclay & Others	50,771,627	53,295,817
Buxite	710,034	-
Mullite & Alumina	11,899,571	6,002,137
Magnesite & Chromite	11,847,288	18,904,724
<b>Total</b>	<b>91,752,222</b>	<b>110,202,053</b>

**b** Details of goods purchased for trading

Particulars	For the year ended 31 March 2014	For the year ended 31 March 2013
	₹	₹
Stock in trade		
Raw Materials( Grog)	-	2,648,622
<b>Total</b>	<b>-</b>	<b>2,648,622</b>

**d** Details of Material Consumed

Particulars	For the year ended 31 March 2014	For the year ended 31 March 2013
	₹	₹
Inventory at the beginning of the year	87,783,068	104,404,608
Add: Purchases	61,824,487	97,903,751
	149,607,555	202,308,359
Less: Inventory at the end of the year	57,855,333	87,783,068
Less: Sold during the year	-	513,970
Less: Transfer to trading account	-	3,809,268
Cost of raw material consumed	91,752,222	110,202,053
Other materials :		
Power & Fuel	24,465,984	33,750,406
Stores & Spares	6,785,875	7,358,686
<b>Total</b>	<b>123,004,081</b>	<b>151,311,145</b>

**e** Details of Goods sold

Particulars	For the year ended 31 March 2014	For the year ended 31 March 2013
	₹	₹
<b>Manufactured Goods</b>		
Firebricks	170,855,848	153,432,881
Fireclay Powder & Liquid Binder	8,138,541	5,332,995
<b>Total</b>	<b>178,994,389</b>	<b>158,765,876</b>



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**ASSOCIATED CERAMICS LIMITED**

**f Details of changes in Inventory  
Inventory at the end of the year**

Particulars	For the year ended 31 March 2014	For the year ended 31 March 2013	Increase / Decrease
	₹	₹	
<b>Stock in trade</b>			
Fire Bricks <sup>1</sup>	523,527	523,527	-
<b>Work in Progress</b>			
Fire Bricks	17,500,000	18,150,000	(650000)
<b>Finished Goods</b>			
Fire Bricks	25,236,434	44,199,260	(18962826)
<b>Total</b>	<b>43,259,961</b>	<b>62,872,787</b>	<b>(19612826)</b>

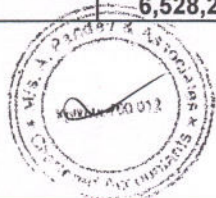
**Inventory at the beginning of the year**

Particulars	For the year ended 31 March 2013	For the year ended 31 March 2012	Increase / Decrease
	₹	₹	
<b>Stock in trade</b>			
Fire Bricks	523,527	523,527	-
<b>Work in Progress</b>			
Fire Bricks	18,150,000	5,450,000	12,700,000
<b>Finished Goods</b>			
Fire Bricks	44,199,260	23,909,799	20,289,461
<b>Total</b>	<b>62,872,787</b>	<b>29,883,326</b>	<b>32,989,461</b>

2.18 <u>Employee's Benefit expenses</u>	For the year ended 31 March 2014	For the year ended 31 March 2013
	₹	₹
Salary & Wages	10,051,394	10,309,815
Bonus	556,119	627,847
Leave encashment	92,690	143,487
Gratuity	442,709	215,011
Staff Welfare Expenses	626,419	879,432
Contribution to P.F.Fund & Other Funds	1,413,817	1,356,209
<b>Total</b>	<b>13,183,148</b>	<b>13,531,801</b>

2.19 <u>Financial Costs</u>	For the year ended 31 March 2014	For the year ended 31 March 2013
	₹	₹
Interest expenses	658,571	2,195,457
Bank Charges	538,480	859,016
Applicable net gain/loss on foreign currency transactions and translation	(102279)	419,144
<b>Total</b>	<b>1,094,772</b>	<b>3,473,617</b>

2.20 <u>Depreciation &amp; Amortization expenses</u>	For the year ended 31 March 2014	For the year ended 31 March 2013
	₹	₹
Depreciation on Fixed assets	6,657,236	7,634,453
Less: Transferred from Capital Reserve	(128954)	(138865)
<b>Total</b>	<b>6,528,282</b>	<b>7,495,588</b>



*Handwritten signatures and initials.*

**ASSOCIATED CERAMICS LIMITED**

2.21

<u>Other Administrative expenses</u>	For the year ended 31 March 2014	For the year ended 31 March 2013
	₹	₹
Travelling	2,095,690	1,496,025
Conveyance	98,027	135,976
Vehicle Maintenance	924,809	736,121
Director's Remuneration	3,600,000	3,600,000
Printing & Stationery	114,956	111,002
Telephone Charges	383,151	310,011
Rent	-	714,629
Postage, Telegram & Courier	141,151	211,389
Electricity Charges	235,544	172,017
Rates & Taxes	252,512	352,934
Auditor's Remuneration	40,000	40,000
Security Charges	-	177,940
Advertisement	20,124	25,408
Insurance	355,791	548,024
Legal Expenses	102,284	38,875
Sales Promotion	122,315	120,387
General Charges	223,533	152,588
Subscription & Donation	165,974	213,867
Office Expenses	27,329	58,767
Books & Periodicals	17,875	21,642
Liaison Charges	37,122	31,012
Consultancy Charges	2,889,951	2,815,855
Repar to Plant & Machinery	978,990	1,329,809
Transportation charges	3,595,568	2,213,020
Pollution Charges	13,000	172,500
Delegation Fees	20,000	800
Selling Expenses	2,637,158	2,281,852
<b>Total</b>	<b>19,092,854</b>	<b>18,082,450</b>



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## ASSOCIATED CERAMICS LIMITED

### 2.22 Exceptional items:

During the year under review the company has no income/ expenditure of exceptional nature ( P.Y.earned profit of ₹ 4012/- on sales of fixed assets

### 2.23

#### Contingent Liabilities & Commitment:

Contingent Liabilities have not been provided in respect of guarantees given by Bank to the extent of ₹ 1,96,33,444/- (Previous Year ₹.97,81,360/-).

### 2.24

The Company contributed ₹14,13,817/- towards provident fund and ₹.3,64,802/- towards ESI contribution during the year ended March 31'2014.

### 2.25

Payments to the auditor as	For the year ended 31 March 2014	For the year ended 31 March 2013
	₹	₹
a. Statutory Audit Fees	30000	30000
b. Tax Audit Fees	10000	10000
<b>Total</b>	<b>40000</b>	<b>40000</b>

### 2.26

In the opinion of the Board, all assets other than fixed assets and non current investments, have a realisable value in the ordinary course of business which is not less than the amount at which it is stated.

### 2.27

Information on Earning per Shares	For the year ended 31 March 2014	For the year ended 31 March 2013
	₹	₹
<b>Numerator used</b>		
Profit after Taxation	848227	678580
<b>Denominator used</b>		
Weighted average No.of Shares	2044730	2044730
<b>Earning Per Share</b>	<b>0.41</b>	<b>0.33</b>

### 2.28

#### Related Party Transactions :

Information given in accordance with the requirements of Accounting Standard (AS-18) Related party disclosures issued by the Institute of Chartered Accountants of India :

#### A. List of Related parties:

##### 1.Associates:

- a) IPITATA Commotrade Pvt.Ltd.
- b) Associated Global Finance Limited
- c) Sharad Refractories (P) Ltd
- d) Amar Jyoti Udyog Ltd.
- e) Sharad International Ltd.
- f) Mugma Coke Oven (P) Ltd.
- g) Susri Finance Pvt.Ltd.



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# ASSOCIATED CERAMICS LIMITED

## 2.Names of the management personal of the Company

- a) Managing Director - Arun Agarwal
- b) Director - Sharad Agarwal
- c) Director - Binod Suhasaria
- d) Director - Bimal Agarwal

### B. Transactions with Associates:

Name of the parties	Amount(₹.)	Nature of Transaction
IPITATA Commotrade Pvt.Ltd.	21,145/-	Interest paid.
Susri Finance Pvt.Ltd	67,168/-	Interest paid.
Amar Jyoti Udyog Ltd.	47,191/-	Interest paid.
Sharad Refractories Pvt.Ltd	79,35,997/-	Purchase of Goods & Services.
Sharad Refractories Pvt.Ltd.	57,56,944/-	Sale of Goods.
Mugma Coke Oven Pvt. Ltd.	58,596/-	Sale of Goods.
Sharad Interntional Ltd.	1,72,804/-	Purchase of Fixed asset.
Susri Finance Pvt.Ltd.	7,46,313/-	Loan Refund.
Amar Jyoti Udyog Ltd	6,01,275/-	Loan Refund.
IPITATA Commotrade Pvt.Ltd.	2,34,936/-	Loan Refund.

### Remuneration to key management personnel.

Arun Agarwal	₹.12,00,000/-
Bimal Agarwal	₹.12,00,000/-
Sharad Agarwal	₹.12,00,000/-

### 2.29

As the company's business activity falls within a single business segment viz Fire Brick and Fire clay powder the disclosure requirements of Accounting Standard (AS-17) "Segment Reporting" are not applicable.

### 2.30

In the opinion of the Board, all assets other than fixed assets and non current investments, have a realisable value in the ordinary course of business which is not less than the amount at which it is stated, except as stated below:

### 2.31

#### CIF Value of Imports:

USD 89125 (P.Y. 162800) equivalent to ₹.5274548/- (P.Y. ₹.8977280/-)  
Euro NIL (P.Y. 87875) equivalent to ₹.NIL (P.Y. 6096112/-)

### 2.32

#### Earnings in foreign currency:

GBP 34215.40 (P.Y. 52581.58) equivalent to ₹.3248590/- (P.Y. ₹.4365535/-)  
Euro NIL (P.Y. 27544) equivalent to ₹.NIL (P.Y. ₹.1752800/-)  
USD 478997.05 (P.Y. NIL) equivalent to 29387223/- (P.Y. NIL)

### 2.33

#### Expenses in foreign currency:

USD NIL (P.Y. 53711) equivalent to ₹.NIL/- (P.Y. 281467/-)  
Euro NIL (P.Y. 3545) equivalent to ₹.NIL/- (P.Y. Rs248129/-)

### 2.34 Dues to Micro ,Small and Medium Enterprises

The company has no dues to micro and small enterprises during the year ended March 31'2014

In terms of our report of even date.  
for **A.PANDEY & ASSOCIATES**  
Chartered Accountants  
Firm Regn.No.316161E



*[Handwritten Signature]*

**CA. A.PANDEY**  
(Proprietor)  
ICAI M.No.052873

Place:Kolkata  
Date:30.05.2014

*[Handwritten Signature]*  
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