

# ASSOCIATED CERAMICS LIMITED

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

## NOTICE

**NOTICE** is hereby given that the annual general meeting of the members of the company will be held at the registered office of the company at **17, GANESH CHANDRA AVENUE, 4<sup>TH</sup> FLOOR, KOLKATA- 700013 ON SATURDAY, 29<sup>TH</sup> SEPTEMBER, 2018 AT 2:30 P.M.** to transact the following business:

### **AS ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended March 31<sup>st</sup>, 2018, together with the Reports of the Board of Directors and the Auditors thereon;
2. To appoint a Director in place of **Mr. BIMAL AGARWAL (DIN: 00652555)** who retires by rotation and, being eligible, offers herself for re-appointment.
3. Appointment of Auditors:  
To consider and if thought fit to pass with or without modification(s) the following resolution as an Ordinary Resolution:

"RESOLVED that pursuant to the provisions of Section 139 and all other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed there under, as amended from time to time, the members hereby confirm the appointment of **M/s. Maroti & Associates, Chartered Accountants (F.R.N-322770E)** as Statutory Auditor of the company to hold office from the conclusion of this Annual General Meeting (AGM) till the conclusion of AGM of the Company to be held in the year 2022 at such remuneration plus GST, out-of-pocket, travelling and living expenses, etc., as may be mutually agreed between the Board of Directors of the Company and the Auditors."

**FOR ASSOCIATED CERAMICS LIMITED**

Sd/-

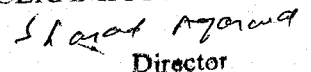
**ARUN AGARWAL  
MANAGING DIRECTOR**

Date: 30/05/2018  
Place: Kolkata

FOR ASSOCIATED CERAMICS LTD.

  
Director

FOR ASSOCIATED CERAMICS LTD.

  
Director

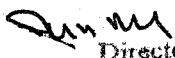
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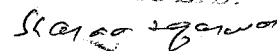
## NOTES :-

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE AGM (THE MEETING) IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON THE POLL INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING THE PROXY SHOULD, HOWEVER, BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY- EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
2. A PERSON CAN ACT AS PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFTY AND HOLDING IN THE AGGREGATE NOT MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS. A MEMBER HOLDING MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS MAY APPOINT A SINGLE PERSON AS PROXY AND SUCH PERSON SHALL NOT ACT AS A PROXY FOR ANY OTHER PERSON OR SHAREHOLDER.
3. Corporate members intending to send their authorised representatives to attend the meeting are requested to send to the company a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the meeting.
4. Brief resume of Directors including those proposed to be appointed/reappointed, nature of their expertise in specific functional areas, names of companies in which they hold directorships and memberships/ chairmanships of Board Committees, shareholding and relationships between directors inter-se as stipulated under clause 49 of the Listing Agreement are annexed hereto.
5. Members are requested to bring their attendance slip along with their copy of Annual Report to the Meeting.
6. In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
7. Relevant documents referred to in the accompanying Notice and statement is open for inspection by the members at the Registered office of the company on all working days, except Saturdays, during business hours upto to the date of the Meeting.
8. The Register of Members and Share Transfer Books shall be closed from

FOR ASSOCIATED CERAMICS LTD.

  
Director

FOR ASSOCIATED CERAMICS LTD.

  
Director

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Monday 24/09/2018 to Saturday 29/09/2018 (both day inclusive).

9. Members holding shares in electronic form may note that bank particulars registered against their respective depository accounts will be used by the company for payment of dividend. The Company or its Registrars and Transfer Agents, Niche Technologies Private Limited cannot act on any request received directly from the members holding shares in electronic form for any change of bank particulars or bank mandates. Such changes are to be advised only to be Depository Participant by the members.
10. Members holding shares in electronic form are requested to intimate immediately any change in their address or bank mandates to their Depository Participants with whom they are maintaining their de-mat accounts. Members holding shares in physical form are requested to advise any change in their address or bank mandates immediately to the Company/ Niche.
11. The Securities and Exchange Board of India (SEBI) 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 their PAN to their Depository Participants with whom they are maintaining their de-mat accounts. Members holding shares in physical form can submit their PAN to the Company/ Niche.
12. Members who have not registered their e-mail addresses so far are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars etc. from the Company electronically.
13. Shareholders are requested to give us their valuable suggestions for improvement of our investor services.
14. The Ministry of Corporate Affairs (MCA) has come out with a Circular Nos 17/2011 dated 21/04/2011 & 18/2011 dated 29/04/2011 propagating "Green Initiative" encouraging Corporate to serve documents through electronic mode. In order to above, those shareholders, who want the Annual Report in electronic mode, are requested to send their e- mail address.
15. Pursuant to Section 101 and Section 136 of the Companies Act, 2013 read with

FOR ASSOCIATED CERAMICS LTD.

  
Director

FOR ASSOCIATED CERAMICS LTD.

  
Director

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relevant Rules made thereunder, Companies can serve Annual Reports and other communications through electronic mode to those Members who have registered their e-mail address either with the company or with the Depository. Members holding shares in demat form are requested to register their e-mail address with their Depository Participant (s) only. Members of the Company, who have registered their email address, are entitled to receive such communication in physical form upon request. The Notice of AGM, Annual Report and Attendance Slip are being sent in electronic mode to Members whose email ids are registered with the Company or the Depository Participant(s). Members who have received the Notice of AGM, Annual Report and Attendance Slip in electronic mode are requested to print the attendance Slip and submit a duly filled in Attendance Slip at the registration counter to attend the AGM Payment of dividend, if any approved by the members of ensuing Annual General Meeting will be made through ECS/ NECS mandatory, and the dividend amount would be directly credited to the Member's respective bank accounts.

## **16. VOTING THROUGH ELECTRONIC MEANS**

1. A member entitled to attend and vote is entitled to appoint a proxy to attend and vote, instead of him/her. A proxy need not be a member of the Company. In order to be effective, the instrument appointing proxy must reach the Registered Officer of the Company not less than forty-eight hours before the commencement of the meeting. A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the Paid up Capital of the Company carrying voting rights. A member holding more than ten percent of the Paid up Capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or shareholder.

Members are requested to notify to the Registrar of the Company, M/s. Niche Technologies Pvt. Ltd., D-11, Bagree Market, 5<sup>th</sup> Floor, 71, B.R. B. Basu Road, Kolkata - 700 001, any change in their address.

2. The Register of Members and Equity Share Transfer Registers will remain closed from **24<sup>th</sup> September, 2018 to 29<sup>th</sup> September, 2018 (both days inclusive)**.

## **3. Voting through electronic means**

FOR ASSOCIATED CERAMICS LTD.

*Sanjay*  
Director

FOR ASSOCIATED CERAMICS LTD.

*Sanjay*  
Director

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I. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, Members are provided with the facilities to cast their votes on all resolutions set forth in the Notice of the AGM using electronic voting system provided by Central Depository Services (India) Limited (CDSL).

The notice of the Annual General Meeting (AGM) of the Company inter alia indicating the process and manner of e-Voting process along with printed Attendance Slip and Proxy Form is being dispatched to all the Members. The e-Voting particulars are provided at the bottom of the Attendance Slip for the Annual General Meeting (AGM):

The e-voting period begins on **26.08.2018 from 9.00 A.M. and ends on 28.09.2018 till 5.00 P.M.** During this period, shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off/entitlement date of **22.09.2018** may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

**The Instructions for E-Voting are as under:**

- a. Log on to the e-voting website: [www.evotingindia.com](http://www.evotingindia.com) during the voting period.
- b. Click on "Shareholders" tab
- c. Now, select Electronic Voting Sequence No. as mentioned in the Attendance Slip alongwith "**ASSOCIATED CERAMICS LIMITED**" from the drop down menu and click on "SUBMIT".
- d. Now Enter your User ID (as mentioned in the Attendance Slip) :
  - i. For CDSL: 16 digits beneficiary ID,
  - ii. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - iii. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- e. Next enter the Image Verification as displayed and Click on Login.

FOR ASSOCIATED CERAMICS LTD.

*Ranajit*  
Director

FOR ASSOCIATED CERAMICS LTD.

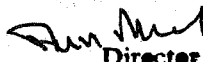
*Shankar*  
Director

## ASSOCIATED CERAMICS LIMITED

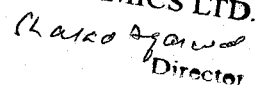
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- f. If you are holding shares in Demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- g. However, if you are a first time user, please use the e-Voting particular provided in the Attendance Slip and fill up the same in the appropriate boxes:
- h. After entering these details appropriately, click on "SUBMIT" tab.
- i. Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field.
- j. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- k. For Members holding shares in physical form, the **details in Attendance Slip** can be used only for e-voting on the resolutions contained in this Notice.
- l. Click on the relevant EVSN "**ASSOCIATED CERAMICS LIMITED**" for which you choose to vote.
- m. On the voting page, you will see "**Resolution Description**" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- n. Click on the "Resolutions File Link" if you wish to view the entire Resolutions.
- o. After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- p. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

FOR ASSOCIATED CERAMICS LTD.

  
Director

FOR ASSOCIATED CERAMICS LTD.

  
Director

# ASSOCIATED CERAMICS LIMITED

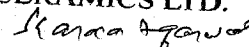
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- q. You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- r. If Demat account holder has forgotten the **changed password** then enter the User ID and image verification code click on Forgot Password & enter the details as prompted by the system.
- s. For Non - Individual Shareholders and Custodians:**
- t. ● Non Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to <https://www.evotingindia.com> and register themselves as Corporate.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be e-mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- After receiving the login details a Compliance user should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- II.** In case you have any queries or issues regarding-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- III.** Once the vote on a resolution is cast by the shareholder by electronic means, the shareholder shall not be allowed to change it subsequently or cast his vote by any other means.
- IV.** If a person became the member of the company after the dispatch of notice, then such member may contact the company for Login ID and other e-voting related details.

FOR ASSOCIATED CERAMICS LTD.

  
Director

FOR ASSOCIATED CERAMICS LTD.

  
Director

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**V.** The voting rights of shareholders shall be in proportion of their shares of the paid up equity share capital of the Company as on the **cut-off/entitlement date of 22.09.2018.**

**VI.** Mr. Rahul Jain, Practicing Chartered Accountant, (Membership No. 304099) has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.

**VII.** The Scrutinizer shall within a period not exceeding three (3) working days from the conclusion of AGM unblock the votes in the presence of at least two (2) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.

The Results shall be declared after Annual General Meeting (AGM) of the Company. This Notice as well as the Results declared alongwith the Scrutinizer's Report shall be communicated to **CDSL** and **The Calcutta Stock Exchange Limited** on or after 1<sup>st</sup> October, 2018.

FOR ASSOCIATED CERAMICS LIMITED

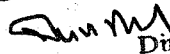
Sd/-

ARUN AGARWAL  
MANAGING DIRECTOR

Date: 30/05/2018

Place: Kolkata

FOR ASSOCIATED CERAMICS LTD. FOR ASSOCIATED CERAMICS LTD.

  
Director

  
Director

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## ATTENDANCE SLIP

Annual General Meeting, Saturday, the 29<sup>th</sup> day of September , 2018 at 2:30 P.M. at 17, Ganesh Chandra Avenue,  
4<sup>th</sup> Floor,Kolkata-700013

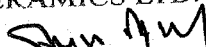
Name of the Shareholder	
Address	
Registered Folio/ DP ID & Client ID	
No of Shares held	
Name of the Proxy/ Authorised Representatives if any	

I / We hereby record my / our presence at the ANNUAL GENERAL MEETING of the Company to be held on  
Saturday, the 29<sup>th</sup> day of September , 2018 at 2:30 P.M. at 17, Ganesh Chandra Avenue, 4<sup>th</sup> Floor,Kolkata-700013

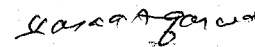
\_\_\_\_\_  
Signature of Shareholder/ Proxy/ Authorised Representative

Note: The Member/Proxy must bring this Attendance Slip to the Meeting, duly completed and signed, and hand over  
the same at the venue entrance.

FOR ASSOCIATED CERAMICS LTD.

  
Director

FOR ASSOCIATED CERAMICS LTD.

  
Director

# ASSOCIATED CERAMICS LIMITED

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**FORM NO. MGT - 11**  
**Proxy Form**

[Pursuant to Section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

<b>Name of the Member(s)</b>	
<b>Registered Address</b>	
<b>E-mail ID</b>	
<b>Folio No. / *DP-ID &amp; Client</b>	

\*Applicable for Investors holding shares in electronic form.

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

1.	<b>Name:</b>	<b>Address:</b>
	<b>E-mail Id:</b>	<b>Signature:</b>

Or falling him

2.	<b>Name:</b>	<b>Address:</b>
	<b>E-mail Id:</b>	<b>Signature:</b>

Or falling him

3.	<b>Name:</b>	<b>Address:</b>
	<b>E-mail Id:</b>	<b>Signature:</b>

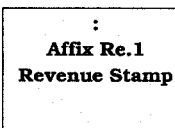
as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Annual General Meeting of the Company, to be held on Saturday, the 29<sup>th</sup> day of September, 2018 at 2:30 P.M. at 17, Ganesh Chandra Avenue, 4<sup>th</sup> Floor, Kolkata-700013, and at any adjournment thereof in respect of such resolutions as is/are indicated below:-

\*\* I/We wish my/our above Proxy to vote in the manner as indicated in the box below:-

Ordinary Business:

Item No.	Resolution(s)	For	Against
1.	Ordinary Resolution for Adoption of Financial Statement of Accounts for the year ended on 31st March, 2018.		
2.	Ordinary Resolution to appoint Mr. Bimal Agarwal (DIN: 00652555) Director who retires by rotation.		
3.	Ordinary Resolution for appointment of auditors and to fix their remuneration.		

Signed this ..... day of ..... 2018.



Signature of Shareholder

Signature of Proxy holder(s)

**Notes:**

- This form should be signed across the stamp as per specimen signature registered with the Company.
- 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.**
- A proxy need not be a member of the Company.
- A person can act as proxy on behalf of members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
- \*\*This is only optional. Please put a 'x' in the appropriate column against the resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all the resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.
- Appointing a proxy does not prevent a member from attending the meeting in person if he so wishes.
- In the case of joint holders, the signature of any one holder will be sufficient, but names of all the joint holders should be stated.

FOR ASSOCIATED CERAMICS LTD.

*[Signature]*  
Director

FOR ASSOCIATED CERAMICS LTD.

*[Signature]*  
Director

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(ANNEXURE TO THE NOTICE FOR THE ANNUAL GENERAL MEETING OF THE COMPANY TO BE HELD  
ON 29-09-2018)

Name & Registered Address  
of Sole/First named Member:

Joint Holders Name (If any) :

Folio No. / DP ID & Client ID:

No. of Equity Shares Held :

Dear Shareholder,

**Subject: Process and manner for availing E-voting facility:**

Pursuant to Provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, the Company is pleased to provide E-voting facility to the members to cast their votes electronically on all resolutions proposed to be considered at the Annual General Meeting (AGM) to be held on Saturday, the 29<sup>th</sup> day of September, 2018 at 2:30 P.M. at 17, Ganesh Chandra Avenue, 4th Floor, Kolkata-700013 and at any adjournment thereof.

The Company has engaged the services of Central Depository Services (India) Limited (CDSL) to provide the e-voting facility. The e-voting facility is available at the link <https://www.evotingindia.com>.

The Electronic Voting Particulars are set out below:

EVSN (Electronic Voting Sequence Number)	User ID	PAN / Sequence No.

The E-voting facility will be available during the following voting period:

Remote e-Voting Start On	Remote e-Voting End On
22 <sup>nd</sup> September, 2018 at 9.00 A.M.(IST)	28 <sup>th</sup> September, 2018 at 5.00 P.M.(IST)

Please read the instructions mentioned in the Notes of the AGM Notice before exercising your vote.

By Order of the Board  
FOR ASSOCIATED CERAMICS LIMITED  
Sd/-  
ARUN AGARWAL  
MANAGING DIRECTOR

Date: 30/05/2018  
Place: Kolkata

Encl: AGM Notice / Attendance Slip / Proxy Form / Annual Report

FOR ASSOCIATED CERAMICS LTD.

  
Director

FOR ASSOCIATED CERAMICS LTD.

  
Director

# 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

Website : [www.associatedceramics.com](http://www.associatedceramics.com)

## DIRECTORS' REPORT

TO  
THE MEMBERS

Your Directors have pleasure in presenting their Annual Report together with the Audited Accounts of the Company for the Year ended March 31<sup>st</sup>, 2018.

### 1. FINANCIAL RESULTS:

The company's financial performance for the year under review along with previous year's figures is given hereunder:

(Rs. In lakhs)

Particulars	31 <sup>st</sup> March, 2018 (Rs.)	31 <sup>st</sup> March, 2017 (Rs.)
Revenue From operations	1,715.81	2,141.29
Other Income	76.45	37.77
Total Revenue	1,792.26	2,179.06
Total Expense	2,003.33	2,549.09
<b>Loss Before Taxation</b>	<b>(211.07)</b>	<b>(370.03)</b>
Less: Exceptional Item	18.31	0.82
<b>Loss Before Taxation</b>	<b>(192.76)</b>	<b>(369.21)</b>
<b>Tax Expenses</b>	<b>7.66</b>	<b>(52.79)</b>
Current Tax	-	0.53
Deferred Tax	7.66	(53.32)
MAT Tax Credit	0	0
<b>Profit After Tax</b>	<b>(200.42)</b>	<b>(316.42)</b>
Brought Forward from Earlier Years	18.11	334.53
<b>Balance Carried to Balance Sheet</b>	<b>(182.31)</b>	<b>18.11</b>

### 2. OPERATIONAL REVIEW:

During the year under review there was no major improvement in the economy. The business across the globe was also slowing down. There was nothing to give momentum that will boost the growth. The demands was almost stagnant with several industries closing down due to lack of demands and increasing operational cost and interest burden. The turnover of the Company decreased from Rs 2,141.29 Lakhs to Rs 1,715.81 Lakhs an decrease by nearly 19.87% to that of the last year. The solar power project of the Company has also started generating revenue. The profit before Tax for the year was Rs. 192.76 Lakhs as against Rs. 369.21 Lakhs. The tax for the year was Rs 7.66 Lakhs as against Rs. 52.9 Lakhs in the previous year. Thus Profit after Tax was Loss of Rs.200.42 Lakhs as against loss of Rs. 316.42 Lakhs in the previous year.

The Management of the company is hopeful in the next coming years and the performance of the company will grow if similar growth is maintained.

ASSOCIATED CERAMICS LTD

ASSOCIATED CERAMIC

*[Signature]*  
Director

*[Signature]*

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### 3. TRANSFER TO RESERVES:

No amount has been transferred to reserves.

### 4. MATERIAL CHANGES AND COMMITMENTS

No material changes and commitments affecting the financial position of the company occurred between end of the financial year to which this financial statements relate and the date of the report.

### 5. DIVIDEND:

Your Directors want to strengthen the company more and accordingly do not recommend any dividend for the year.

### 6. SHARE CAPITAL:

The paid up capital as on March 31, 2018 is Rs. 425.98 Lakhs. Out of total issued capital equity capital comprises of Rs 204.47 Lakhs and preference share capital Rs 197.5 Lakhs. During the year under review, the Company has neither issued any right shares or bonus shares nor buyback the equity share to/from the shareholders. The company has not issued shares with differential voting rights nor granted stock options nor sweat equity.

### 7. FINANCE:

Cash and cash equivalents as at March 31, 2018 was Rs. 47.36 Lakhs. The company continues to focus on judicious management of its working capital, Receivables, inventories and other working capital parameters were kept under strict check through continuous monitoring.

### 8. DEPOSITS:

Your Company has neither accepted nor renew any deposits from the public within the meaning of Sections 73 to 76 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014 during the year.

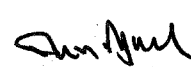
### 9. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:

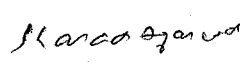
The company has not given any loans or guarantees covered under the provisions of section 186 of the Companies Act, 2013.

The details of the investments made by company is given in the notes to the financial statements. ( Note No 3 )

For ASSOCIATED CERAMICS LTD

For ASSOCIATED CERAMICS LTD

  
Director

  
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## 10. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:

The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations. The scope and authority of the Internal Audit function is defined by the Audit Committee in consultation with the Statutory Auditor of the Company. To maintain its objectivity and independence, the Internal Audit function reports to the Chairman of the Audit Committee of the Board & to the Chairman & Managing Director.

The Internal Auditor monitors and evaluates the efficacy and adequacy of internal control system in the Company, its compliance with operating systems, accounting procedures and policies at all locations of the Company.

Based on the report of internal audit function, process owners undertake corrective action in their respective areas and thereby strengthen the controls. Significant audit observations and recommendations along with corrective actions thereon are presented to the Audit Committee of the Board.

## 11. EXTRACT OF ANNUAL RETURN:


The details forming part of the extract of the Annual Return in form MGT-9 as provided under sub-section (3) of section 92 of The Companies Act, 2013 read with Rule 12 of the Companies (Management and Administration) Rules, 2014 is annexed herewith as **ANNEXURE-I** and attached to this report.

## 12. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUT-GO :

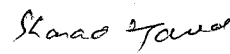
### CONSERVATION OF ENERGY:

- a) Company ensures that the manufacturing operations are conducted in the manner whereby optimum utilization and maximum possible savings of energy is achieved.
- b) No specific investment has been made in reduction in energy consumption.
- c) As the impact of measures taken for conservation and optimum utilization of energy are not quantitative, its impact on cost cannot be stated accurately.
- d) The information under Sec. 134(3) (m) of the Companies Act 2013 read with Rule 8(3) of the Companies (Accounts) Rules 2014 is given in **ANNEXURE - II** which forms part of this report.

For ASSOCIATED CERAMICS

  
Director

For ASSOCIATED CERAMICS LTD

  
Director

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## TECHNOLOGY ABSORPTION:

Company's products are manufactured by using in-house know how and no outside technology is being used for manufacturing activities. Therefore no technology absorption is required. The Company constantly strives for maintenance and improvement in quality of its products.

## FOREIGN EXCHANGE EARNINGS AND OUT-GO:

During the period under review the foreign exchange

Earnings was **RS 1,72,200/** (PY **RS 2,71,09,472/**)

Outgo was **RS 1,03,64,329/** (PY **RS 2,75,84,454/**)

## 13. DIRECTORS AND KEY MANAGEMENT PERSONNEL

**Mr. BIMAL AGARWAL , Director (DIN:00652555)** has retired in the Annual General Meeting and has been re-appointed.

As per Section 203 of the Companies Act, 2013, Mrs. Suchika Marda was appointed as the Company Secretary of the Company at its Board meeting held on 24<sup>th</sup> May, 2018.

Further reconstitution of Key Managerial Personnel of the Company pursuant to section 203 of the Companies Act, 2013 was required to be made. Hence following persons constitutes as Key Managerial Personnel:-


1. Mr. Arun Agarwal - Managing Director
2. Mrs. Suchika Marda - Company Secretary

Apart from above there were no changes in the composition of Board of Directors and Key Managerial Personnel.

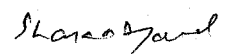
## 14. INDEPENDENT DIRECTORS

All independent directors have given declaration that they meet the criteria of independence as laid down under section 149(6) of the Companies Act, 2013 and SEBI ( Listing Obligation and Disclosure Requirements ) Regulations, 2015.

**For ASSOCIATED CERAMICS LTD**

  
**Director**

**For ASSOCIATED CERAMICS LTD**

  
**Director**

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## 15. MEETINGS:

A calendar of Meetings is prepared and circulated in advance to the Directors.

During the year Five (5) Board Meetings were convened and held. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

## 16. DIRECTOR'S RESPONSIBILITY STATEMENT:

In terms of Section 134(5) of the Companies Act, 2013, the directors would like to state that:

- a) In the preparation of the annual accounts, the applicable accounting standards have been followed.
- b) The directors have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the loss of the Company for the year under review.
- c) 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.
- d) The directors have prepared the annual accounts on a going concern basis.
- e) The directors had devised proper system to ensure compliance with the provisions of all applicable laws and that such system were adequate and operating effectively; and
- f) The directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.

## 17. RELATED PARTY TRANSACTIONS:

All Related party transactions that were entered into during the financial year were on an arms length basis and in the ordinary course of business. There are no material significant related party transactions made by the Company during the year that would have required shareholder approval. All related party transactions are reported to the Audit Committee. Prior approval of the Audit Committee is obtained on a yearly basis for the transactions which are planned and/ or repetitive in nature and omnibus approvals are taken within limits laid down for unforeseen transactions. The disclosure under Section 134(3)(h) of the Companies Act, 2013 read with Rule 8(2) of the Companies (Accounts) Rules, 2014 is not applicable.

ASSOCIATED CERAMICS LTD

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*[Signature]*  
Director

*[Signature]*  
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The details of transactions entered into during the year are given in Note No 34(a) to notes on accounts.

Consequently disclosure in form AOC-2 pursuant to Rule 18(2) of the Companies (Accounts) Rules, 2014 is annexed to this report as **Annexure-III**.

## 18. DETAILS OF SUBSIDIARIES, ASSOCIATES COMPANIES OR JOINT VENTURES:

During the period under review, there were no companies who become or ceased to be its associate, subsidiary or Joint ventures. Further the company has no subsidiary / joint venture company.

## 19. AUDITOR'S REPORT:

The observation made in the Auditors' Report read together with relevant notes thereon are self explanatory and hence there is no qualification, reservation or adverse remark or disclaimer made by the auditor in their report. Accordingly, no explanations or comments required by the Board under Section 134 of the Companies Act, 2013.

## 20. AUDITORS:

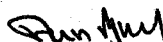
The Board informed that **M/s. A. PANDEY & ASSOCIATES, Chartered Accountants** (Firm Registration No. 316161E) has resigned from the post of Statutory Auditor of the Company on 12/05/2018.

In order to fill the casual vacancy arose by the resignation as mentioned above, **M/s. MAROTI AND ASSOCIATES, Chartered Accountants** was appointed as Statutory Auditors upto the ensuing Annual General Meeting.

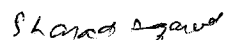
Pursuant to the provisions of Section 139(2) of the Act and the rules framed thereunder, **M/s. MAROTI AND ASSOCIATES, Chartered Accountants (Firm Registration No. 322770E)**, appointed as statutory auditors of the Company from the conclusion of the ensuing Annual General Meeting till the conclusion of the Annual General Meeting to be held in the year 2022, subject to ratification of their appointment at every AGM. The auditors have confirmed their eligibility to the effect that their re-appointment, if made, would be within the prescribed limits under the Act and that they are not disqualified for re-appointment.

The company has received a certificate from the above Auditors to the effect that if they are appointed, it would be in accordance with the provisions of section 141 of the Companies Act, 2013.

**ASSOCIATED CERAMICS LTD**

  
**Director**

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**Director**

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## 21. ADOPTION OF INDIAN ACCOUNTING STANDARDS

The Company adopted the Indian Accounting Standards ("IndAS") notified under the Companies (Indian Accounting Standards) Rules, 2015 during the year for preparation and presentation of these Financial Statements. Consequently, the Financial Statements of the previous year have had to be restated to conform to the provisions of IndAS. The corresponding reconciliation and description of the effects of this transition from the provisions of the Companies (Accounting Standards) Rules, 2005 has been provided under Note 29 to the Financial Statements.

## 22. AUDIT COMMITTEE:

Since it was mandatory to constitute the Audit Committee as per Section 177 of the Companies Act, 2013, your Board comprises of the following directors in the said committee:

Sl. No.	Name	Designation
1.	SUBHASH GOYAL	Chairman
2.	BINOD KUMAR SUHASARIA	Member
3.	ARUN AGARWAL	Member

During the year Five (5) Audit Committee Meetings were convened and held. All the recommendation made by the Audit Committee were accepted by the Board of Directors. The Powers and role of the Audit Committee are included in Corporate Governance Report forming part of this Annual Report.

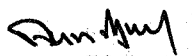
## 23. NOMINATION AND REMUNERATION COMMITTEE

The Board has, on the recommendation of the Nomination & Remuneration Committee framed a policy for selection and appointment of Directors, Senior Management personnel and to confirm their terms of appointment including their remuneration.

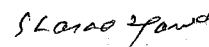
Since it was mandatory to constitute the Nomination and Remuneration Committee as per Section 178 of the Companies Act, 2013, your Board comprises of the following directors in the said committee:

Sl. No.	Name	Designation
1.	SUBHASH GOYAL	Chairman
2.	BINOD KUMAR SUHASARIA	Member
3.	ARUN AGARWAL	Member

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Director

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Director

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## 24. SECRETARIAL AUDIT:

Pursuant to the provision of Section 204 of the Companies Act, 2013 and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 the company has appointed Mr. **Arvind Bajpai**, Practicing Company Secretary to undertake secretarial audit of the Company. The report of the secretarial audit is annexed as **ANNEXURE-IV**. The secretarial audit report doesn't contain any qualification, reservation or adverse remark. However, the observation of the secretarial auditor were noted by Board to ensure due compliance.

## 25. INDUSTRIAL RELATIONS:

During the year under review, your Company enjoyed cordial relationship with workers and employees at all levels.

## 26. BUSINESS RISK MANAGEMENT:

Pursuant to section 134(3)(n) of the Companies Act, 2013, the company has constituted a business risk management committee and the said committee review and access that there no such element of risk exists which may threaten the existence of the company.

## 27. CORPORATE SOCIAL RESPONSIBILITY:

The company does not have the requisite net worth, turnover and profit during the period under review as specified in Section 135 of the Companies Act, 2013 hence the company has not developed and implemented any Corporate Social Responsibility initiatives

## 28. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS:

There were no significant and material orders passed by the regulators or courts or tribunals which impacts the going concern status of the company and affects the company's operations in the future.

## 29. CORPORATE GOVERNANCE AND MANAGEMENT DISCUSSION & ANALYSIS REPORTS

The Paid up capital of the Company is below Rs 10 Crore and its Net worth is below Rs 25 Crore as on the last date of the previous financial year accordingly Regulation 27 and clause (b) to (i) of sub - regulation (2) of regulation 46 and Para C, D and E of Schedule V of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 are not applicable to the Company.

FOR ASSOCIATED CERAMICS LTD.

 Director

### 30.CODE OF CONDUCT:

The Board of Directors has approved a Code of Conduct which is applicable to the Members of the Board and all employees in the course of day to day business operations of the company. The Company believes in "Zero Tolerance" against bribery, corruption and unethical dealings / behaviors of any form and the Board has laid down the directives to counter such acts. The code laid down by the Board is known as "code of business conduct" which forms an Appendix to the Code. The Code has been posted on the Company's website.

The Code lays down the standard procedure of business conduct which is expected to be followed by the Directors and the designated employees in their business dealings and in particular on matters relating to integrity in the work place, in business practices and in dealing with stakeholders. The Code gives guidance through examples on the expected behavior from an employee in a given situation and the reporting structure.

All the Board Members and the Senior Management personnel have confirmed compliance with the Code. All Management Staff were given appropriate training in this regard.

### 31.VIGIL MECHANISM / WHISTLE BLOWER POLICY:

The Company has a vigil mechanism named Fraud and Risk Management Policy to deal with instance of fraud and mismanagement, if any.

In staying true to our values of Strength, Performance and Passion and in line with our vision of being one of the most respected companies in India, the Company is committed to the high standards of Corporate Governance and stakeholder responsibility.

The Company has a Fraud Risk and Management Policy to deal with instances of fraud and mismanagement, if any. The FRM Policy ensures that strict confidentiality is maintained whilst dealing with concerns and also that no discrimination will be meted out to any person for a genuinely raised concern.

A high level Committee has been constituted which looks into the complaints raised. The Committee reports to the Audit Committee and the Board.

### 32.PREVENTION OF INSIDER TRADING:

The Company has adopted a Code of Conduct for Prevention of Insider Trading with a view to regulate trading in securities by the Directors and designated employees of the Company. The Code requires pre-clearance for dealing in the Company's shares and prohibits the purchase or sale of Company shares by the Directors and the designated

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the Company and during the period when the Trading Window is closed. The Board is responsible for implementation of the Code.

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

### 33. PARTICULARS OF EMPLOYEES: ( Rule 5(2) & Rule 5(1) )

The information required pursuant to Section 197 read with rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company, will be provided upon request. In terms of Section 136 of the Act, the reports and accounts are being sent to the members and others entitled thereto, excluding the information on employees' particulars which is available for inspection by the members at the Registered office of the company during business hours on working days of the company up to the date of ensuing Annual General Meeting. If any member is interested in inspecting the same, such member may write to the company secretary in advance.

Details of remuneration to the Directors including the employees of the Company is mentioned below:-

#### a. The ratio of remuneration of each director to the median remuneration of the employees of the company for the financial year

	RATIO TO MEDIAN REMUNERATION
<b>NON EXECUTIVE DIRECTOR</b>	
BINOD KUMAR SUHASARIA	NIL
SUBHAS GOYAL	NIL
MANJU AGARWAL	NIL
<b>EXECUTIVE DIRECTOR</b>	
ARUN AGARWAL	5:4
SHARAD AGARWAL	1:1
BIMAL AGARWAL	3:4

#### b. The Percentage increase in remuneration of each Director, Chief Executive Officer, Chief Financial Officer, Company Secretary in the company.

Director , Chief executive officer , Chief financial officer and Company secretary	% increase in remuneration in the financial year
NIL	

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c. **The Percentage increase in the median remuneration of employees in the financial year 2018-** There was no increment in salary during the financial year 2017- 2018.

d. **The Number of permanent employees in the rolls of the Company** - 43 in 2018

e. **The explanation on the relationship between average increase in remuneration and company performances :**

On an average the employees received no annual increment in remuneration. The increase in remuneration is in line with the market trend. In order to ensure that remuneration reflects company performance, the performance pay is also linked to organization performance, apart from an individual's performance. The Company's product is basically related to the steel industry. At present the steel industry is going through a downward trend with several leading houses shutting down their units for cost reduction.

f. **Comparison of remuneration of the key managerial personnel against the performance of the company**

(Rs. In Lakhs)

Aggregate remuneration of the Key Managerial Personnel in FY 16-17 ( Rs in lacs )	72.00
Revenue ( Rs in lacs )	1792.26
Remuneration of KMP ( as % of revenue )	4.017
PROFIT BEFORE TAX ( PBT )	(192.76)
Remuneration of KMP ( as % of PBT )	NIL

g. **Variation in the market capitalization of the Company , price earnings ratio as at the closing date of the current financial year and previous financial year**

The shares of the Company are not traded in the exchange for more than 5 years.

h. **Percentage increase over decrease in the market quotations of the shares of the Company in comparison to the rate at which the Company came out with the last public offer**

The shares of the Company are not trade in the exchange for more than 5 years.

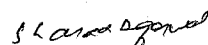
i. **Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration :**

The average annual increase - Nil.  
ASSOCIATED CERAMICS LTD.

There was nil increase in the managerial remuneration for the year.

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- j. **Comparison of each remuneration of the key managerial personnel against the performance of the company:**

	ARUN AGARWAL (Managing Director )	SHARAD AGARWAL (Whole time Director )	BIMAL AGARWAL (Whole time Director )
REMUNERATION IN FY 17-18 ( RS IN LACS )	30.00	24.00	18.00
REVENUE	1792.26		
REMUNERATION AS A % OF REVENUE	1.6738	1.3391	1.0043
PROFIT BEFORE TAX ( PBT ) ( RS IN LACS )	(192.76)		
REMUNERATION AS % OF PBT	(15.56)	(12.45)	(9.34)

- k. **The key parameters for any variable component of remuneration availed by the Directors**

Apart from remuneration paid to the executive directors no remuneration is paid to the non executive directors of the company.

- l. **The ratio of remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year**

NONE

- m. **Affirmation that the remuneration is as per the remuneration policy of the company**

The Company affirms remuneration is as per the remuneration policy of the company.

## 34. **DISCLOSURES AS PER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013**

The Company has zero tolerance for sexual harassment at workplace and has adopted a policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules there under for prevention and redressal of complaints of sexual harassment at workplace.

Your Board informed that the Company has constituted a committee for prohibition and redressal of sexual harassment of women at workplace.

ASSOCIATED CERAMICS LIMITED

ASSOCIATED CERAMICS LIMITED

*[Signature]*  
Director

*[Signature]*  
Director

# 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

Website : [www.associatedceramics.com](http://www.associatedceramics.com)

## 35. ACKNOWLEDGEMENT:

Your Company and its Directors wish to extend their sincerest thanks to the Members of the Company, Bankers, Local Bodies, Customers, Executives, Staff and workers at all levels for their continuous cooperation and assistance.

For and on behalf of the Board of Directors  
Of Associated Ceramics Ltd.

ARUN AGARWAL  
DIN: 01660148  
MANAGING DIRECTOR


SHARAD AGARWAL  
DIN: 00652580  
DIRECTOR

Place: Kolkata

Date: 30<sup>th</sup> Day of May, 2018

 ASSOCIATED CERAMICS LTD

*Arun Agarwal*  
Director

 ASSOCIATED CERAMIC LTD.

*Sharad Agarwal*  
Director

# ASSOCIATED CERAMICS LIMITED

17, GANESH CHANDRA AVENUE, 4<sup>TH</sup> FLOOR  
KOLKOATA - 700013  
PH.NO-033 22367358  
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## "ANNEXURE I" TO BOARDS REPORT

FORM NO. MGT-9

### EXTRACT OF ANNUAL RETURN

as on the financial year ended on 31st March, 2018

[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 : L26919WB1970PLC027835  
ii) Registration Date : 28/09/1970  
iii) Name of the Company : ASSOCIATED CERAMICS LIMITED  
iv) Category/Sub-Category of the Company : Company Limited by Shares  
v) Address of the Registered office and contact details : 17 GANESH CHANDRA AVENUE 4TH FLOOR KOLKATA-700013  
PHONE NO. 06540-273061  
EMAIL: [assockd@rediffmail.com](mailto:assockd@rediffmail.com)  
vi) Whether listed company : NO  
vii) Name, Address and Contact details of Registrar and Transfer Agent : NICHE TECHNOLOGIES PVT.LTD.  
UNIT- ASSOCIATED CERAMICS LTD.  
D-571, BAGREE MARKET,71,  
B.R.B. BASU ROAD,KOLKATA- 700001  
PHONE: 2235 7270.7271.FAX: 2215 6823

#### 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:-

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	FIRE BRICKS	081- QUARING OF STONE , SAND & CLAY	97.81%
2	SOLAR PROJECT	***	***

\*\*\*Being the first year in conducting the business of the Company, therefore there is no turnover during the year.

For ASSOCIATED CERAMICS LTD

  
Director

For ASSOCIATED CERAMIC LTD

*Sh. Anand Agard*

Director

# ASSOCIATED CERAMICS LIMITED

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### III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

SI. NO	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% of shares held	Applicable Section
Nil	Nil	Nil	Nil	Nil	Nil

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

#### i) CATEGORY-WISE SHARE HOLDING:

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				%Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
INDIAN									
INDIVIDUALS/ HINDU UNDIVIDED FAMILY	0	765130	765130	25.462	0	765130	765130	25.462	NIL
CENTRAL GOVERNMENT/ STATE GOVERNMENT(S)	0	0	0	0	0	0	0	0	0
BODIES CORPORATE	0	567200	567200	18.875	0	567200	567200	18.875	NIL
FINANCIAL INSTITUTIONS/ BANKS	0	0	0	0	0	0	0	0	0
ANY OTHER (SPECIFY)	0	0	0	0	0	0	0	0	0
SUB-TOTAL (A)(1)	0	1332330	1332330	44.337	0	1332330	1332330	44.337	NIL
FOREIGN									
NRIs - Individuals	0	0	0	0	0	0	0	0	0
Other - Individuals	0	0	0	0	0	0	0	0	0
BODIES CORPORATE	0	0	0	0	0	0	0	0	0
INSTITUTIONS	0	0	0	0	0	0	0	0	0
ANY OTHER (SPECIFY)	0	0	0	0	0	0	0	0	0
SUB-TOTAL (A)(2)	0	0	0	0	0	0	0	0	0
TOTAL SHAREHOLDING OF PROMOTER AND PROMOTER GROUP (A) = (A)(1)+(A)(2)	0	1332330	1332330	44.337	0	1332330	1332330	44.337	NIL
<b>PUBLIC SHAREHOLDING</b>									
<b>INSTITUTIONS</b>									
MUTUAL FUNDS	0	0	0	0	0	0	0	0	0
FINANCIAL INSTITUTIONS/	0	0	0	0	0	0	0	0	0

*Sanjay*  
Director

*S. K. A. S. S. S. S.*  
Director

# ASSOCIATED CERAMICS LIMITED

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BANKS									
CENTRAL GOVERNMENT/ STATE GOVERNMENT(S)	0	0	0	0	0	0	0	0	0
VENTURE CAPITAL FUNDS	0	0	0	0	0	0	0	0	0
INSURANCE COMPANIES	0	0	0	0	0	0	0	0	0
FOREIGN INSTITUTIONAL INVESTORS	0	0	0	0	0	0	0	0	0
FOREIGN VENTURE CAPITAL INVESTORS	0	0	0	0	0	0	0	0	0
ANY OTHER (SPECIFY)	0	0	0	0	0	0	0	0	0
SUB-TOTAL (B)(1)	0	0	0	0	0	0	0	0	0
<b>NON-INSTITUTIONS</b>									
BODIES CORPORATE	4700	376900	381600	12.699	4700	376900	381600	12.699	4700
I. INDIVIDUAL SHAREHOLDERS HOLDING NOMINAL SHARE CAPITAL UP TO RS. 2 LAKH.	16400	478400	493800	16.432	15400	478400	493800	16.432	16400
II. INDIVIDUAL SHAREHOLDERS HOLDING NOMINAL SHARE CAPITAL IN EXCESS OF RS. 2 LAKH.	0	797300	797300	26.532	0	797300	797300	26.532	0
ANY OTHER (SPECIFY)	0	0	0	0	0	0	0	0	0
NRI's	0	0	0	0	0	0	0	0	0
SUB-TOTAL (B)(2)	21100	1651600	1672700	55.663	21100	1651600	1672700	55.663	21100
TOTAL PUBLIC SHAREHOLDING (B)= (B)(1)+(B)(2)	21100	1651600	1672700	55.663	21100	1651600	1672700	55.663	21100
<b>TOTAL (A)+(B)</b>	21100	2983930	3005030	100.00	21100	2983930	3005030	100.00	21100
SHARES HELD BY CUSTODIANS AND AGAINST WHICH DEPOSITORY RECEIPTS HAVE BEEN ISSUED	0	0	0	0	0	0	0	0	0
<b>GRAND TOTAL (A)+(B)+(C)</b>	21100	2983930	3005030	100.00	21100	2983930	3005030	100.00	21100

## (ii) SHAREHOLDING OF PROMOTERS:

Name	Shareholding at the beginning of the year	Share holding at the end of the year	Shares of
			ASSOCIATED CERAMICS L

*Am Jm*  
Director

*Shard gawd*  
Dir

# ASSOCIATED CERAMICS LIMITED

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		No. of Shares	% of total Shares of company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of company	% of Shares Pledged / encumbered to total shares	% change in share holding during the year
1	ARUN KUMAR AGARWAL	138320	4.603	0	138320	4.603	0	0
2	BIMAL AGARWAL	119510	3.977	0	119510	3.977	0	0
3	BINOD KUMAR SUHASARIA	950	0.032	0	950	0.032	0	0
4	MANJU AGARWAL	48450	1.612	0	48450	1.612	0	0
5	RAJ LAKSHMI AGARWAL	77900	2.592	0	77900	2.592	0	0
6	SHARAD AGARWAL	342000	11.381	0	342000	11.381	0	0
7	TARA DEVI AGARWAL	38000	1.265	0	38000	1.265	0	0
8	ACCAUTO SALES PROMOTION PVT. LTD.	41,500	1.381	0	41,500	1.381	0	0
9	AMAR JYOTI UDYOG LTD.	3,25,700	10.838	0	3,25,700	10.838	0	0
10	CHITTARANJAN HOUSING PROP CO. PVT. LTD.	2,00,000	6.656	0	2,00,000	6.656	0	0

(iii) CHANGE IN PROMOTERS' SHAREHOLDING (please specify, if there is no change):

Sl. No.		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
	<b>At the beginning of the year</b>	NIL	NIL	NIL	NIL
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase /decrease (e.g. allotment /transfer / bonus/ sweat equity etc):	NIL	NIL	NIL	NIL
	<b>At the End of the year</b>	NIL	NIL	NIL	NIL

(iv) SHAREHOLDING PATTERN OF TOP TEN SHAREHOLDERS (OTHER THAN DIRECTORS, PROMOTERS AND HOLDERS OF GDRS AND ADRS):

Sl. No.		Shareholding at the beginning of the year		Shareholding at the end of the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	ANIL KUMAR BHANDARI				

For ASSOCIATED CERAMICS LTD.

For ASSOCIATED CERAMICS LTD.

*Anil Kumar Bhandari*  
Director

*Sh. Anil Kumar*

Director

# ASSOCIATED CERAMICS LIMITED

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	<b>At the beginning of the year</b>	150000	4.992	150000	4.992
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):	NIL		NIL	NIL
	<b>At the End of the year</b>			150000	4.992
2	BINDU SARAF				
	<b>At the beginning of the year</b>	37000	1.231	37000	1.231
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):	NIL		NIL	NIL
	<b>At the End of the year</b>			37000	1.231
3	DIN DAYAL DROLIA				
	<b>At the beginning of the year</b>	100000	3.328	100000	3.328
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):	NIL		NIL	NIL
	<b>At the End of the year</b>			100000	3.328
4	HARIPRASAD TODI				
	<b>At the beginning of the year</b>	40000	1.331	40000	1.331
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):	NIL		NIL	NIL
	<b>At the End of the year</b>	40000	1.331	40000	1.331
5	JAGMOHAN KHEMANI				
	<b>At the beginning of the year</b>	70000	2.329	70000	2.329
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):	NIL		NIL	NIL
	<b>At the End of the year</b>				

For ASSOCIATED CERAMICS LTD.

For ASSOCIATED CERAMICS LTD.

LTD.

*Ranjit*  
Director

*Shashi*  
Director

Director

# ASSOCIATED CERAMICS LIMITED

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CIN NO. L26919WB1970PLC027835

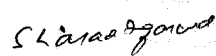
Website : [www.associatedceramics.com](http://www.associatedceramics.com)

6	JUGAL KISHORE RAM RACHPAL				
	<b>At the beginning of the year</b>	95000	3.161	95000	3.161
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):	NIL		NIL	NIL
	<b>At the End of the year</b>			95000	3.161
7	MADAN LAL VASDEV				
	<b>At the beginning of the year</b>	38000	1.265	38000	1.265
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):	NIL		NIL	NIL
	<b>At the End of the year</b>			38000	1.265
8	SANTOSH KUMAR SARAF				
	<b>At the beginning of the year</b>	49300	1.641	49300	1.641
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):	NIL		NIL	NIL
	<b>At the End of the year</b>			49300	1.641
9	SAPNA AGARWAL				
	<b>At the beginning of the year</b>	40000	1.331	40000	1.331
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):	NIL		NIL	NIL
	<b>At the End of the year</b>			40000	1.331
10	SUNIL KEDIA				
	<b>At the beginning of the year</b>	50000	1.664	50000	1.664
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):	NIL		NIL	NIL

For ASSOCIATED CERAMICS LIMITED

For ASSOCIATED CERAMICS LIMITED

  
Director



Dir

# ASSOCIATED CERAMICS LIMITED

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	decrease (e.g. allotment / transfer / bonus / sweat equity etc):				
	<b>At the End of the year</b>			50000	1.664

## (v) SHAREHOLDING OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

Sl. No.	For Each of the Directors and KMP	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
<b>1</b>	BIMAL AGARWAL	119510	3.977	119510	3.977
	<b>At the beginning of the year</b>	NIL	NIL	NIL	NIL
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus / sweat equity etc):	NIL		NIL	NIL
	<b>At the End of the year</b>			119510	3.977
<b>2</b>	SHARAD AGARWAL	342000	11.381	342000	11.381
	<b>At the beginning of the year</b>	NIL	NIL	NIL	NIL
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus / sweat equity etc):	NIL		NIL	NIL
	<b>At the End of the year</b>			342000	11.381
<b>3</b>	ARUN KUMAR AGARWAL	138320	4.603	138320	4.603
	<b>At the beginning of the year</b>	NIL	NIL	NIL	NIL
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus / sweat equity etc):	NIL		NIL	NIL
	<b>At the End of the year</b>			138320	4.603
<b>4</b>	SUBHASH GOYAL	NIL	NIL	NIL	NIL
	<b>At the beginning of the year</b>	NIL	NIL	NIL	NIL
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase /decrease	NIL		NIL	NIL

For ASSOCIATED CERAMICS LTD

For ASSOCIATED CERAMICS LTD

*[Signature]*  
Director

*[Signature]*  
Director

# ASSOCIATED CERAMICS LIMITED

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CIN NO. L26919WB1970PLC027835

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	(e.g. allotment / transfer / bonus / sweat equity etc):				
	<b>At the End of the year</b>	NIL	NIL	NIL	NIL
<b>5</b>	MANJU AGARWAL				
	<b>At the beginning of the year</b>	48450	1.612	48450	1.612
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus / sweat equity etc):	NIL		NIL	NIL
	<b>At the End of the year</b>			48450	1.612
<b>6</b>	BINOD KUMAR SUHASARIA	950	0.032	950	0.032
	<b>At the beginning of the year</b>	NIL	NIL	NIL	NIL
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus / sweat equity etc):	NIL		NIL	NIL
	<b>At the End of the year</b>			950	0.032

## V. INDEBTEDNESS

### INDEBTEDNESS OF THE COMPANY INCLUDING INTEREST OUTSTANDING/ACCRUED BUT NOT DUE FOR PAYMENT:

(Rs. In Lakhs)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	294.04	887.62	NIL	1181.66
ii) Interest due but not paid	NIL	NIL	NIL	NIL
iii) Interest accrued but not due	NIL	NIL	NIL	NIL
<b>Total (i+ii+iii)</b>	294.04	887.62	NIL	1181.66
<b>Change in Indebtedness during the financial year</b>				
• Addition	NIL	NIL	NIL	NIL
• Reduction	18.28	158.59	NIL	176.87
<b>Net Change</b>	18.28	158.59	NIL	176.87
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	275.76	729.03	NIL	1004.79
ii) Interest due but not paid	NIL	NIL	NIL	NIL
iii) Interest accrued but not due	NIL	NIL	NIL	NIL
<b>Total (i+ii+iii)</b>	275.76	729.03	NIL	1004.79

# ASSOCIATED CERAMICS LIMITED

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## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Sl. No.	Particulars of Remuneration	Name of MD/WTD/ Manager			Total Amount (In lacs)
		Arun Agarwal	Sharad Agarwal	Bimal Agarwal	
1.	<b>Gross salary</b>	Managing Director	Executive	Executive	
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	30.00	24.00	18.00	72.00
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	NIL	NIL	NIL	NIL
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	NIL	NIL	NIL	NIL
2.	<b>Stock Option</b>	NIL	NIL	NIL	NIL
3.	<b>Sweat Equity</b>	NIL	NIL	NIL	NIL
4.	<b>Commission</b> - as % of profit - others, specify	NIL	NIL	NIL	NIL
5.	<b>Others, please specify</b>	NIL	NIL	NIL	NIL
	<b>Total (A)</b>	30.00	24.00	18.00	72.00
	<b>Ceiling as per the Act</b>	30.00	24.00	18.00	72.00

### B. REMUNERATION TO OTHER DIRECTORS:

Sl. No.	Particulars of Remuneration	Name of Directors		Total Amount
1	<b>Independent Directors</b>	NIL	NIL	NIL
	• Fee for attending board / committee meetings	NIL	NIL	NIL
	• Commission	NIL	NIL	NIL
	• Others, please specify	NIL	NIL	NIL
	<b>Total (1)</b>	NIL	NIL	NIL
2	<b>Other Non-Executive Directors</b>			
	• Fee for attending board / committee meetings	NIL	NIL	NIL
	• Commission	NIL	NIL	NIL
	• Others, please specify	NIL	NIL	NIL
	<b>Total (2)</b>	NIL	NIL	NIL
	<b>Total (B)=(1+2)</b>	NIL	NIL	NIL
	<b>Total Managerial Remuneration</b>	NIL	NIL	NIL
	<b>Overall Ceiling as per the Act</b>	NIL	NIL	NIL

# ASSOCIATED CERAMICS LIMITED

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## C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD:

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			Total Amount
		CEO	Company Secretary	CFO	
1	<b>Gross salary</b>				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	NIL	NIL	NIL	NIL
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	NIL	NIL	NIL	NIL
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	NIL	NIL	NIL	NIL
2	<b>Stock Option</b>	NIL	NIL	NIL	NIL
3	<b>Sweat Equity</b>	NIL	NIL	NIL	NIL
4	<b>Commission</b> - as % of profit - others, specify	NIL	NIL	NIL	NIL
5	<b>Others, please specify</b>	NIL	NIL	NIL	NIL
	<b>Total</b>	NIL	NIL	NIL	NIL

## 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)
<b>A. COMPANY</b>					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL
<b>B. DIRECTORS</b>					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL

For and on behalf of the Board of Directors  
Of Associated Ceramics Ltd.

ARUN AGARWAL  
DIN: 01660148  
MANAGING DIRECTOR

SHARAD AGARWAL  
DIN: 00652580  
DIRECTOR

Place: Kolkata

Date: 30<sup>th</sup> Day of May, 2018

For ASSOCIATED CERAMICS LTD

For ASSOCIATED CERAMICS LTD

*Arun Agarwal*  
Director

*Sharad Agarwal*  
Director

# 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

Website : [www.associatedceramics.com](http://www.associatedceramics.com)

## ANNEXURE II

### CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION FOR THE FINANCIAL YEAR 2017-18

	POWER & FUEL CONSUMTION	CURRENT YEAR 2018	PREVIOUS YEAR 2017
1	ELECTRICITY		
	PURCHASED		
	UNIT ( KWH )	545179	485172
	TOTAL AMOUNT ( RS )	46.22	40.77
	RATE / UNIT ( RS )	8.48	8.40
	OWN GENERATION ( THROUGH DIESEL )		
	UNIT ( KWH )	78085	58116
	UNIT PER LITRE OF DIESEL	33.75	35.52
	COST / UNIT ( RS )	3.37	3.55
2	COAL		
	QUANTITY IN M.T	2963	2506
	TOTAL COST ( RS )	207.15	173.05
	COST / UNIT ( RS )	6990	6905
3	FURNACE OIL		
	QUANTITY IN M.T	NIL	NIL
	TOTAL COST ( RS )	NIL	NIL
	COST / UNIT ( RS )	NIL	NIL
	CONSUMPTION PER UNIT OF PRODUCTION		
	ELECTRICITY	77.63	82.09
	COAL	0.422	0.424
	FURNANCE OIL	NIL	NIL

For and on behalf of the Board of Directors  
of Associated Ceramics Ltd.

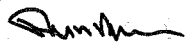
ARUN AGARWAL  
DIN: 01660148  
MANAGING DIRECTOR


SHARAD AGARWAL  
DIN: 00652580  
DIRECTOR

For ASSOCIATED CERAMICS LTD

For ASSOCIATED CERAMICS LTD

Place: Kolkata  
Date: 30<sup>th</sup> Day of May, 2018

  
Director

  
Director

**FORM NO. MR- 3**  
**SECRETARIAL AUDIT REPORT**  
**For the Financial Year Ended On 31st March, 2018**  
**(Pursuant to section 204(1) of the Companies Act, 2013 and Rule No. 9 of**  
**the Companies (Appointment and Remuneration Personnel) Rules, 2014)**

To  
The Members of  
**ASSOCIATED CERAMICS LIMITED**  
17, Ganesh Chandra Avenue  
4<sup>th</sup> Floor, Kolkata-700013

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **ASSOCIATED CERAMICS LIMITED** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2018, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records made available to me and maintained by **ASSOCIATED CERAMICS LIMITED** for the financial year ended on 31<sup>st</sup> March, 2018 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA) and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') viz.:
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;

*Arvind Bajpai*  
**ARVIND BAJPAI**  
COMPANY SECRETARY  
MEMB. NO.-30634  
C. P. NO.-11186

- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998.

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

- (a) Secretarial Standards issued by The Institute of Company Secretaries of India with respect to board and general meetings are yet to be specified under the Act by the Institute.
- (b) The Listing Agreements entered into by the Company with Calcutta Stock Exchange and Bombay Stock Exchange.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above except to the extent as mentioned below:

- (a) The Directors have disclosed their interest in other firms/Companies to the Board of Directors pursuant to the provisions of the Act and the rules made there under, however, the Company has filed the resolution in form MGT-14 with the Registrar of Companies as required under the provisions of the Section 184, Section 179 along with Rule 8(5) under the Meeting of the Board and its Powers of the Companies Act, 2013.
- (b) The "Key Managerial Personnel" i.e. Chief Financial Officer & Company Secretary as required to be appointed by companies listed on stock exchanges in India, pursuant to the provision of section 203(1) of the Companies Act, 2013 have been appointed by the Company during the period under scrutiny.
- (c) The Company had not appointed any additional director during the year under the provisions of Section 161 under the Companies Act, 2013.
- (d) The Company had filed the resolution in Form MGT-14 with the Registrar of Company in respect of the Adoption of accounts and Boards Report, as required under the provisions of the Section 179(3)(g) of the Companies Act, 2013.
- (e) The Annual General Meeting for the financial year ended on 31<sup>st</sup> March 2017 was held on 21<sup>st</sup> September, 2017 after giving notice to the members of the Company and the resolutions passed there at were recorded in the Minutes Book maintained for the purpose, however, the Company had filed Form MGT-15 with the Registrar of Company.

*Arvind Bajpai*  
**ARVIND BAJPAI**  
**COMPANY SECRETARY**  
**MEMB. NO.-30634**  
**C. P. NO.-11186**

f) During the period under review an Extra-Ordinary General Meeting was held on 22<sup>nd</sup> August, 2018 in order to appoint M/s. Maroti & Associates as Statutory Auditors of the Company to fill the casual vacancy caused upon vacation by M/s. A. Pandey & Associates.

(g) The Company has filed the report as required under the rule 30(1) and 30(2) of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.

I further report that:

The Board at its meeting held on 24<sup>th</sup> May, 2018 appointed Mrs. Suchika Marda as the Company Secretary of the Company.

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors and there were no changes in the composition of the Board of Directors during the period.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent atleast seven days in advance.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

I further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines

**PLACE: KOLKATA**  
**DATE: 30<sup>th</sup> day of May, 2018**

ARVIND BAJPAI  
COMPANY SECRETARY  
MEMB. NO.-30634  
C. P. NO.-11186

*Arvind Bajpai*

**ARVIND BAJPAI**  
Practicing Company Secretary  
M No 30634  
C. P. No: 11186

**Note: This report is to be read with our letter of even date which is annexed as 'ANNEXURE A' and forms an integral part of this report.**

**ANNEXURE A'**

To,  
The Members,  
**ASSOCIATED CERAMICS LIMITED**  
17, GANESH CHANDRA AVENUE,  
4<sup>TH</sup> FLOOR, KOLKATA - 700 013

**My report of even date is to be read along with this letter.**

1. Maintenance of secretarial record is the responsibility of the management of the company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where ever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

**PLACE: KOLKATA**  
**DATE: 30<sup>th</sup> day of May, 2018**

**ARVIND BAJPAI**  
COMPANY SECRETARY  
MEMB. NO. - 30634  
C. P. NO. - 11186  
*Arvind Bajpai*  
**ARVIND BAJPAI**  
Practising Company Secretary  
M No 30634  
C. P. No: 11186

\*\*\*\*\*

## **Independent Auditor's Report**

To the Members of

**ASSOCIATED CERAMICS LIMITED****REPORT ON THE FINANCIAL STATEMENTS**

We have audited the accompanying financial statements of **ASSOCIATED CERAMICS LIMITED** ('the Company'), which comprise the balance sheet as at 31<sup>st</sup> March 2018, the Statement of profit and loss (including other comprehensive income), the Statement of Changes in Equity and the Statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

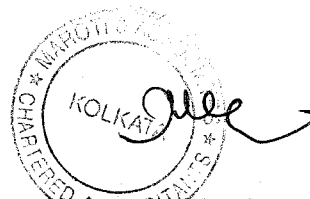
**MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS**

The Company's Board of Directors are responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Indian Accounting Standards (Ind As) specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatements, 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 have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatements.

An audit involves performing procedures to obtain audit evidences about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatements in the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidences we have obtained are sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

## **OPINION**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31<sup>st</sup> March 2018 and its Loss, the changes in equity and its 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, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure A, a statement on the matters specified in the paragraph 3 and 4 of the order.



\*\*\*\*\*

2. As required by Section 143 (3) of the Act, we report that:

- a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b. In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- c. The balance sheet, the statement of profit and loss including other comprehensive income, Statement of changes in equity and the cash flow statement dealt with by this Report are in agreement with the books of accounts;
- d. In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act;
- e. On the basis of the written representations received from the directors as on 31<sup>st</sup> March 2018 taken on record by the Board of Directors, none of the directors are disqualified as on 31<sup>st</sup> March 2018 from being appointed as a director in terms of Section 164 (2) of the Act;
- f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting; and
- g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
  - a. The Company does not have any pending litigations which would impact its financial position.
  - b. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any. However the *Sub Company* does not have any ongoing long-term contracts including derivative contracts as on the Balance sheet date.



# MAROTI & ASSOCIATES

Chartered Accountants

MERCANTILE BUILDING  
9/12, Lal Bazar Street, "E" Block  
3<sup>rd</sup> Floor, Room No-2, Kolkata-700001  
Ph.: +91 33 2231 9392, 2231 9391  
Fax : +9133 2243 8371  
( M ) : +91 98310 48621

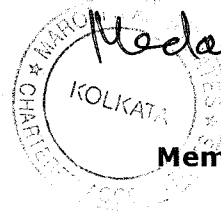
E-mail: [mkmaroti@gmail.com](mailto:mkmaroti@gmail.com)

\*\*\*\*\*

- c. There were no such amounts appearing in the books which are required to be transferred to the Investor Education and Protection Fund by the Company.

For MAROTI & ASSOCIATES  
Chartered Accountants  
Firm Registration No. 322770E

Place : Kolkata  
Date : 30<sup>th</sup> May, 2018



*M. K. Maroti*  
M. K. Maroti  
Partner  
Membership No. 057073

\*\*\*\*\*

**Annexure - A to the Auditors' Report**

The Annexure referred to in Independent Auditors' Report to the members of the Company on the financial statements for the year ended 31<sup>st</sup> March 2018, we report that:

1. **a)** The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- b)** The Company has a regular programme of physical verification of its fixed assets by which fixed assets are verified in a phased manner. In accordance with this programme, fixed assets were verified during the year and no material discrepancies were noticed on such verification. In our opinion, the periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.
- c)** According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has certain immovable properties and accordingly the title deeds of the immovable properties are held in the name of the Company.
2. According to the information and explanations given to us and on the basis of our examination of the records of the Company, physical verification of inventories had been conducted at reasonable intervals by the management during the year, and as reported no material discrepancies were noticed on such verification.
3. The Company has not granted any loans (whether secured or unsecured) to Companies, Firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act'). Accordingly, this clause is not applicable.
4. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans and investments made. The Company has not given any guarantee(s) or provided any security for loan taken by third party.
5. The Company has not accepted any deposits from the public during the year and does not have any unclaimed deposits as at 31<sup>st</sup> March, 2018. Accordingly, the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed there under are not applicable to the company for the year under audit. Accordingly, this clause is not applicable.



\*\*\*\*\*

6. The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act for any of the services rendered by the company. Accordingly, this clause is not applicable.

7. a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of accounts in respect of undisputed statutory dues including provident fund, income-tax, sales tax, value added tax, duty of customs, service tax, Goods and Service Tax, cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities as applicable for the year under audit.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income tax, sales tax, value added tax, duty of customs, service tax, Goods and Service Tax, cess and other material statutory dues were in arrears as at 31<sup>st</sup> March 2018 for a period of more than six months from the date they became payable.

b) According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at March 31, 2018 for a period of more than six months from the date of becoming payable except the followings:

<u>Sl. No</u>	<u>Nature of Dues</u>	<u>Amount Due</u>	<u>Forum where pending</u>	<u>For which Assessment Year</u>
1	Income Tax Act, 1961.	Rs. 8,44,360/- (Net of payment)	Commissioner of Income Tax (Appeal)	2012-2013

8. In our opinion and according to the information and explanation provided to us, the Company has not defaulted in the repayment of dues to bank.

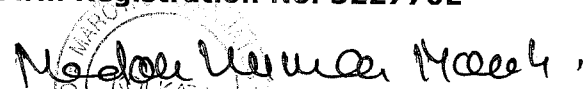
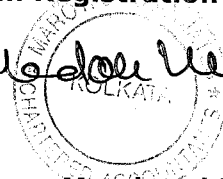
9. Based upon the audit procedures performed and the information and explanations given by the management, the Company has not raised any money by way of initial public offer or further public offer including debt instruments. However the moneys were raised by way of term loans which were applied for the purposes for which those were raised.



\*\*\*\*\*

- 10.** According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- 11.** According to the information and explanations give to us and based on our examination of the records of the Company, the Company has been paid or provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- 12.** In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- 13.** According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- 14.** According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- 15.** According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- 16.** The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934 and accordingly this clause is not applicable to the company.

**For MAROTI & ASSOCIATES**  
**Chartered Accountants**  
**Firm Registration No. 322770E**

  
  
**M. K. Maroti**  
**Partner**  
**Membership No. 057073**

**Place : Kolkata**  
**Date : 30<sup>th</sup> May, 2018**

\*\*\*\*\*

**Annexure - B to the Auditors' Report**

**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of **ASSOCIATED CERAMICS LIMITED** ("the Company") as of 31<sup>st</sup> March 2018 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

**MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS**

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**AUDITORS' RESPONSIBILITY**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India.

Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.



\*\*\*\*\*

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidences we have obtained are sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

**MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that:

1. pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
2. provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
3. provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.



\*\*\*\*\*

**INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**OPINION**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31<sup>st</sup> March 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For MAROTI & ASSOCIATES**  
**Chartered Accountants**  
**Firm Registration No. 322770E**



**M. K. Maroti**  
**Partner**  
**Membership No. 057073**

**Place : Kolkata**  
**Date : 30<sup>th</sup> May, 2018**

**Associated Ceramics Limited**  
**L26919WB1970PLC027835**  
**Balance Sheet as at 31st March, 2018**

(₹ in lacs)

Particulars	Note no.	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
<b>Assets</b>				
<b>Non-Current Assets</b>				
a) Property, Plant and Equipment	2	1,112.38	1,265.67	1,180.83
b) Capital work-in-progress	2	-	-	192.96
c) Financial Assets				
i) Investments	3	56.09	58.66	48.39
		<b>1,168.47</b>	<b>1,324.35</b>	<b>1,422.17</b>
<b>Current Assets</b>				
a) Inventories	4	809.67	1,115.55	1,681.86
b) Financial assets				
i) Trade receivables	5	568.77	651.68	298.81
ii) Cash and Cash equivalents	6	47.36	11.01	19.22
iii) Other Bank balances	7	1.03	1.11	18.08
iv) Other financial asset	8	27.51	27.43	23.97
c) Current Tax Assets (Net)	9	12.81	12.57	107.23
d) Other current assets	10	90.03	166.02	91.59
		<b>1,557.19</b>	<b>1,985.36</b>	<b>2,240.75</b>
<b>Total Assets</b>		<b>2,725.65</b>	<b>3,309.71</b>	<b>3,662.92</b>
<b>Equity and Liabilities</b>				
<b>Equity</b>				
a) Equity Share Capital	11	425.98	425.98	425.98
b) Other Equity	12	765.42	965.84	1,282.26
		<b>1,191.40</b>	<b>1,391.82</b>	<b>1,708.24</b>
<b>Non-Current Liabilities</b>				
a) Financial liabilities				
i) Borrowings	13	275.76	294.04	349.07
b) Deferred tax liabilities (Net)	14	74.42	66.76	120.08
		<b>350.18</b>	<b>360.81</b>	<b>469.15</b>
<b>Current Liabilities</b>				
a) Financial liabilities				
i) Borrowings	15	729.03	887.62	806.89
ii) Trade Payables	16	302.11	502.36	507.67
iii) Other financial liabilities	17	5.57	60.19	59.74
b) Other current liabilities	18	135.19	96.77	73.88
c) Provisions	19	12.17	10.14	37.36
		<b>1,184.07</b>	<b>1,557.08</b>	<b>1,485.54</b>
<b>Total Equity and Liabilities</b>		<b>2,725.65</b>	<b>3,309.71</b>	<b>3,662.92</b>
Significant Accounting Policies	1			

The accompanying notes form an integral part of the Financial Statements

In terms of our report of even date

For and on behalf of the Board

**FOR MAROTI & ASSOCIATES**  
Chartered Accountants

M. K. Maroti  
Partner

Membership No. 057073

Firm Registration No. 322770E

Place : Kolkata

Date: 30th Day of May, 2018

  
ARUN AGARWAL

Managing Director

Din : 01660148

  
SHARAD AGARWAL

Director

Din : 00652580

  
SUCHIKA MARDA

Company Secretary

**Associated Ceramics Limited**  
**L26919WB1970PLC027835**  
**Statement of Profit & Loss for the year ended 31st March, 2018**

(₹ in lacs)

Particulars		Notes	For the Period ending on 31st March 2018	For the Period ending on 31st March 2017
<b>INCOME</b>				
I	Revenue from operations	20	1,715.81	2,141.29
II	Other Income	21	76.45	37.77
III	<b>Total Income(I+II)</b>		<b>1,792.26</b>	<b>2,179.06</b>
<b>EXPENSES</b>				
IV	Cost of material consumed	22	1,316.68	1,267.27
	Excise Duty		41.68	189.46
	Change in inventories of finished goods, stock in trade and work -in-progress	23	(7.65)	342.39
	Employee benefits expense	24	172.78	140.63
	Finance costs	25	83.70	109.10
	Depreciation and amortisation expense	26	156.40	178.63
	Other expenses	27	239.73	321.60
	<b>Total Expense(IV)</b>		<b>2,003.33</b>	<b>2,549.09</b>
V	Profit/(loss) before tax (III-IV)		(211.07)	(370.03)
V	Exceptional items		18.31	0.82
VI	Profit/(loss) before tax		(192.76)	(369.21)
VII	Tax expense:	28		
	(i) Current tax		-	0.53
	(ii) Deferred tax		7.66	(53.32)
VIII	Profit/(loss) for the period (V-VI)		(200.42)	(316.42)
IX	<b>Other comprehensive income</b>			
	(i) Items that will not be reclassified to profit and loss		-	-
	(ii) Items that will be reclassified to profit and loss		-	-
	Other comprehensive income for the year		-	-
X	<b>Total Comprehensive Income for the period (VII+VIII)</b> <b>(Comprising Profit / (Loss) and Other Comprehensive Income for the period)</b>		<b>(200.42)</b>	<b>(316.42)</b>
XI	<b>Earning per Equity Share of ` 10 each (in `)</b>			
	Basic & Diluted EPS	30	(8.77)	(13.85)
	Significant Accounting Policies	1		

The accompanying notes form an integral part of the Financial Statements

In terms of our report of even date  
**FOR MAROTI & ASSOCIATES**  
Chartered Accountants

For and on behalf of the Board

M. K. Maroti  
Partner

Membership No. 057073

Firm Registration No. 322770E

Place : Kolkata

Date: 30th Day of May, 2018

*Arun Agarwal*  
**ARUN AGARWAL**  
Managing Director  
Din : 01660148

*Sharad Agarwal*  
**SHARAD AGARWAL**  
Director  
Din : 00652580

*Suchika Marda*  
**SUCHIKA MARDA**  
Company Secretary

**ASSOCIATED CERAMICS LIMITED**

**L26919WB1970PLC027835**

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2018**

<b>Particulars</b>	<b>31st March 2018</b>	<b>31st March 2017</b>
<b>A) CASH FLOW FROM OPERATING ACTIVITIES:</b>		
Net Profit before Tax & Extra-ordinary items	(200.42)	(316.42)
Adjustments for :		
Depreciation	156.40	178.63
Interest Expense	83.70	109.10
Interest Income	(1.48)	(9.57)
Allowance for credit losses	(57.25)	52.20
Changes in fair value of financial assets carried at fair value through profit and loss	(11.43)	(10.27)
Dividend Income	(0.55)	(0.33)
<b>Operating Profit before working capital changes.</b>	<b>(31.03)</b>	<b>3.33</b>
<b>Changes in working capital</b>		
(Increase)/ decrease in inventories	305.88	566.31
(Increase)/ decrease in Trade Receivables	161.80	(364.10)
(Increase)/ decrease in other financial asset, other current assets	75.99	(78.76)
(Increase)/ decrease Trade Payables	(200.25)	(5.31)
(Increase)/ decrease in other financial liabilities, other current liabilities and provisions	41.02	(3.87)
<b>Cash Utilised / from Operation</b>	<b>384.44</b>	<b>114.26</b>
Direct Tax Paid	(0.23)	(94.13)
<b>Net Cash from/ utilised in Operating Activities</b>	<b>353.18</b>	<b>23.47</b>
<b>B CASH FLOW FROM INVESTING ACTIVITIES :</b>		
Purchase/Sale of Fixed assets	(3.10)	57.63
Investment in other bank balance	0.08	16.97
Dividend Received	0.55	(0.33)
Interest Received	1.40	10.44
<b>Net Cash from/ used in investing Activities</b>	<b>(1.07)</b>	<b>84.72</b>
<b>C CASH FLOW FROM FINANCIAL ACTIVITIES :</b>		
Secured Loans - Long Term Borrowings	(73.47)	(88.02)
Secured Loans - Short Term Borrowings	123.45	(66.28)
Interest expense	(83.70)	(109.10)
Unsecured Loans	(282.04)	147.01
<b>Net Cash from/ utilised in Financial Activities</b>	<b>(315.76)</b>	<b>(116.40)</b>
Net Increase / decrease in Cash & Cash Equivalents (A+B+C)	36.35	(8.21)
Cash & Cash Equivalents As on 01.04.2015 (Opening Balance)	11.01	19.22
<b>Cash &amp; Cash Equivalents As on 31.03.2016 (Closing Balance)</b>	<b>47.36</b>	<b>11.01</b>

In terms of our report of even date

**FOR MAROTI & ASSOCIATES**

Chartered Accountants

*M. K. Maroti*

**M. K. Maroti**

**Partner**

**Membership No. 057073**

**Firm Registration No. 322770E**

**Place : Kolkata**

**Date: 30th Day of May, 2018**

For and on behalf of the Board

*Arun Agarwal*  
**ARUN AGARWAL**

*Managing Director*

Din : 01660148

*Sharad Agarwal*  
**SHARAD AGARWAL**

*Director*

Din : 00652580

*Suchika Marda*

**SUCHIKA MARDA**

*Company Secretary*

## Associate Ceramics Limited

### Significant accounting policies for the year ended 31st March 2018.

#### 1. Company Overview

Associate Ceramics Limited ('the company') is a listed company incorporated in India in 1970 under the Companies Act, 1956. The registered office of the Company is at 17<sup>th</sup> Ganesh Chandra Avenue, 4<sup>th</sup> Floor, Kolkata 700013.

The Company is primarily engaged in business of manufacture and sale of refractory items.

#### 2. Significant Accounting Policies

The significant accounting policies applied by the Company in the preparation of its financial statements are listed below. Such accounting policies have been applied consistently to all the periods presented in these financial statements and in preparing the opening Ind AS Balance Sheet as at April 1, 2016 for the purpose of transition to Ind AS, unless otherwise indicated.

##### a. Statement of compliance

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under section 133 of the Companies Act, 2013 (the 'Act') and other relevant provisions of the Act.

These financial statements are the first financial statements under Ind AS. The transition from Previous GAAP to Ind AS has been accounted for in accordance with Ind AS 101 "First Time Adoption of Indian Accounting Standards", with April 1, 2016 being the transition date.

In accordance with Ind As 101 "First time adoption of Indian Accounting Standard", the Company has presented a reconciliation (Refer Note No.44 C )from the presentation of financial statements under accounting standards notified under the Companies (Accounting Standards) Rules, 2006 ("Previous GAAP") to Ind AS of total equity as at April 1, 2016 and March 31 and 2017, total comprehensive income for the year ended March 31, 2017

##### b. Basis of preparation

The financial statements have been prepared under the historical cost convention with the exception of certain assets and liabilities that are required to be carried at fair values by Ind AS.

The financial statements are presented in Indian Rupees ("INR") and all values are rounded to the nearest lakhs, except otherwise stated.

##### c. Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

In the principal market for the asset or liability, or in the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.



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## Associate Ceramics Limited

### Significant accounting policies for the year ended 31st March 2018.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is Unobservable

For assets and liabilities that are recognized in the financial statements on a recurring basis, the company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period or each case.

For the purpose of fair value disclosures, the company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

This note summarizes accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

- o Disclosures for valuation methods, significant estimates and assumptions
- o Quantitative disclosures of fair value measurement hierarchy
- o Investment in quoted and unquoted equity shares
- o Financial instruments

#### d. Current versus non-current classification

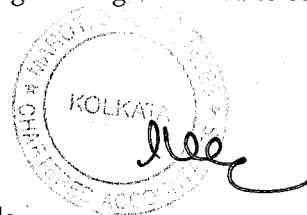
The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading



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## Associate Ceramics Limited

### Significant accounting policies for the year ended 31st March 2018.

- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

#### e. Use of estimates and critical accounting judgements

In preparation of the financial statements, the Company makes judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and the associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and the underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and future periods affected.

Significant judgements and estimates relating to the carrying values of assets and liabilities include useful lives of property, plant and equipment and intangible assets, impairment of property, plant and equipment, intangible assets and investments, provision for employee benefits and other provisions, recoverability of deferred tax assets, commitments and contingencies.

#### f. Property, plant and equipment

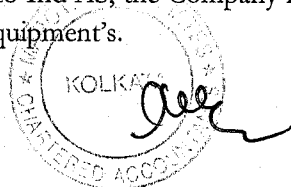
##### *Recognition and initial measurement*

An item of property, plant and equipment is recognised as an asset if it is probable that the future economic benefits associated with the item will flow to the Company and its cost can be measured reliably. This recognition principle is applied to the costs incurred initially to acquire an item of property, plant and equipment and also to costs incurred subsequently to add to, replace part of, or service it. All other repair and maintenance costs, including regular servicing, are recognised in the statement of profit and loss as incurred. When a replacement occurs, the carrying value of the replaced part is de-recognised. Where an item of property, plant and equipment comprises major components having different useful lives, these components are accounted for as separate items.

Property, plant and equipment are stated at cost, less accumulated depreciation and impairment. Cost includes all direct costs and expenditures incurred to bring the asset to its working condition and location for its intended use. Trial run expenses (net of revenue) are capitalised. Borrowing costs incurred during the period of construction is capitalised as part of cost of the qualifying assets.

The gain or loss arising on disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of profit and loss.

For transition to Ind AS, the Company has elected to take fair value as deemed cost for land, building and Plant & Equipment's.



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## Associate Ceramics Limited

### Significant accounting policies for the year ended 31st March 2018.

#### *De-recognition*

An item of property, plant and equipment and any significant part initially recognised is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognized.

#### **g. Depreciation of property plant and equipment**

Depreciation or amortisation is provided so as to write off, on a Written down value basis, the cost of property, plant and equipment and other intangible assets, including those held under finance leases to their residual value. These charges are commenced from the dates the assets are available for their intended use and are spread over their estimated useful economic lives as per the useful life prescribed in Schedule II to the Companies Act, 2013, or, as per technical assessment, or, in the case of leased assets, over the lease period, if shorter. The estimated useful lives of assets and residual values are reviewed regularly and, when necessary, revised. No further charge is provided in respect of assets that are fully written down but are still in use.

In case of certain classes of PPE, the Company uses different useful lives than those prescribed in Schedule II to the Act. The useful lives have been assessed based on technical advice, taking into account the nature of the PPE and the estimated usage of the asset on the basis of management's best estimation of obtaining economic benefits from those classes of assets.

Freehold land is not depreciated.

Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets. However, when there is no reasonable certainty that ownership will be obtained by the end of the lease term, assets are depreciated over the shorter of the lease term and their useful lives.

The Company reviews the residual value, useful lives and depreciation method annually and, if expectations differ from previous estimates, the change is accounted for as a change in accounting estimate on a prospective basis.

#### **h. Impairment of non-financial assets**

At each balance sheet date, the Company reviews the carrying values of its property, plant and equipment and intangible assets to determine whether there is any indication that the carrying value of those assets may not be recoverable through continuing use. If any such indication exists, the recoverable amount of the asset is reviewed in order to determine the extent of impairment loss (if any). Where the asset does not generate cash flows that are independent from other assets, the Company estimates the recoverable amount of the cash generating unit (CGU) to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted. An impairment loss is recognised in the statement of profit and loss as and when the carrying value of an asset exceeds its recoverable amount.



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## Associate Ceramics Limited

### Significant accounting policies for the year ended 31st March 2018.

Where an impairment loss subsequently reverses, the carrying value of the asset (or CGU) is increased to the revised estimate of its recoverable amount so that the increased carrying value does not exceed the carrying value that would have been determined had no impairment loss been recognised for the asset (or CGU) in prior years. A reversal of an impairment loss is recognised in the statement of profit and loss immediately.

#### i. Financial Instruments

Financial assets and financial liabilities are recognised when a Company becomes a party to the contractual provisions of the instruments.

##### Initial Recognition:

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss and ancillary costs related to borrowings) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in Statement of Profit and Loss.

##### Classification and Subsequent Measurement: Financial Assets

The Company classifies financial assets as subsequently measured at amortised cost, fair value through other comprehensive income ("FVOCI") or fair value through profit or loss ("FVTPL") on the basis of following:

- the entity's business model for managing the financial assets and
- the contractual cash flow characteristics of the financial asset.

##### Amortised Cost

A financial asset shall be classified and measured at amortised cost if both of the following conditions are met:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

##### Fair Value through Other Comprehensive Income

A financial asset shall be classified and measured at fair value through OCI if both of the following conditions are met:

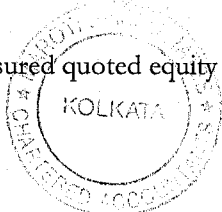
- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

##### Fair Value through Profit or Loss

A financial asset shall be classified and measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through OCI.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

The Company has measured quoted equity instruments at fair value through profit or loss.



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## Associate Ceramics Limited

### Significant accounting policies for the year ended 31st March 2018.

#### Classification and Subsequent Measurement: Financial liabilities

Financial liabilities are classified as either financial liabilities at FVTPL or 'other financial liabilities'.

#### Financial Liabilities at FVTPL

Financial liabilities are classified as at FVTPL when the financial liability is held for trading or are designated upon initial recognition as FVTPL:

Gains or Losses on liabilities held for trading are recognised in the Statement of Profit and Loss.

#### Other Financial Liabilities

Other financial liabilities (including borrowings and trade and other payables) are subsequently measured at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

#### Impairment of financial assets

Financial assets, other than those at FVTPL, are assessed for indicators of impairment at the end of each reporting period. The Company recognises a loss allowance for expected credit losses on financial asset. In case of trade receivables, the Company follows the simplified approach permitted by Ind AS 109 – Financial Instruments for recognition of impairment loss allowance. The application of simplified approach does not require the Company to track changes in credit risk. The Company calculates the expected credit losses on trade receivables using a provision matrix on the basis of its historical credit loss experience.

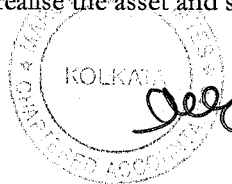
#### Derecognition of financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset.

#### Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.



*S. Mardola*

## Associate Ceramics Limited

### Significant accounting policies for the year ended 31st March 2018.

#### j. Employee benefits

##### Short term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefits obligations in the balance sheet.

##### Defined contribution plans

Payments to defined contribution plans are charged as an expense as they fall due. Payments made to state managed retirement benefit schemes are dealt with as payments to defined contribution schemes where the Company's obligations under the schemes are equivalent to those arising in a defined contribution retirement benefit scheme.

#### k. Inventories

Raw materials, stores and spares & traded goods are valued at lower of cost and net realizable value. However, material and other items held for use in the production of finished goods are not written down below cost if the finished products, in which they will be incorporated are expected to be sold at or above cost.

Work-in-progress and finished goods are valued at lower of cost and net realizable value. Cost includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity. Cost of finished goods includes excise duty and is determined on weighted average basis.

By-products are valued at estimated net realizable value.

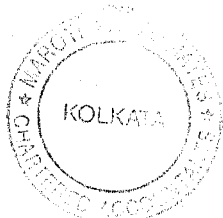
Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

#### l. Provisions, Contingent liabilities and Contingent assets

Provisions are recognised when the company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of time value of money and the risks specific to the liability. The increase in the provision due to passage of time is recognised as interest expense.

A present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made, is disclosed as a contingent liability. Contingent liabilities are also disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company.



*[Handwritten signature]*  
S. Masala

## Associate Ceramics Limited

### Significant accounting policies for the year ended 31st March 2018.

Contingent assets are not recognised in financial statements since this may result in the recognition of income that may never be realised. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and is recognised.

#### m. Government grants

The Company recognizes government grants only when there is reasonable assurance that the conditions attached to them shall be complied with and the grants will be received. Grants related to assets are treated as deferred income and are recognized as other income in the Statement of Profit and Loss on a systematic and rational basis over the useful life of the asset. Grants related to income are recognized on a systematic basis over the periods necessary to match them with the related costs which they are intended to compensate and are deducted from the expense in the Statement of Profit and Loss.

#### n. Non-current assets held for sale and discontinued operations

Non-current assets and disposal groups classified as held for sale are measured at the lower of their carrying value and fair value less costs to sell.

Assets and disposal groups are classified as held for sale if their carrying value will be recovered through a sale transaction rather than through continuing use. This condition is only met when the sale is highly probable and the asset, or disposal group, is available for immediate sale in its present condition and is marketed for sale at a price that is reasonable in relation to its current fair value. The Company must also be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

Where a disposal group represents a separate major line of business or geographical area of operations, or is part of a single coordinated plan to dispose of a separate major line of business or geographical area of operations, then it is treated as a discontinued operation. The post-tax profit or loss of the discontinued operation together with the gain or loss recognised on its disposal are disclosed as a single amount in the statement of profit and loss, with all prior periods being presented on this basis.

#### o. Income taxes

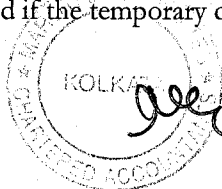
Income tax expense represents the sum of the tax currently payable and deferred tax.

##### Current tax

Current tax is the amount of tax payable based on the taxable profit for the period as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961 and other applicable tax laws in the countries where the Company operates and generates taxable income.

##### Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.



A handwritten signature in black ink, appearing to be "S. Mondal".

S. Mondal

## Associate Ceramics Limited

### Significant accounting policies for the year ended 31st March 2018.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries and associates, and interests in joint ventures, except where the Company is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is highly probable that future economic benefit associated with it will flow to the Company.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

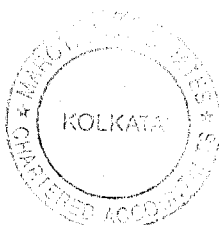
#### Current and deferred tax for the year

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

#### p. Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable net of discounts, taking into account contractually defined terms and excluding taxes or duties collected on behalf of the government.

Goods & Service Tax (GST) has been implemented w.e.f. 1st July 2017. Consequently, Central Excise, VAT, Service Tax etc. have been replaced by GST. GST, VAT, Service Tax etc are not included in Revenue from Operations. However, excise duty was included in Revenue from Operations till 30th June, 2017. Hence, reported revenue for the period upto 30th June, 2017 are not comparable with those thereafter.



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S. Marder

## Associate Ceramics Limited

### Significant accounting policies for the year ended 31st March 2018.

#### Sale of goods

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership have been transferred to the buyer, usually on delivery of the goods. Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates.

#### Interest income

Interest income is accrued on a time proportion basis, by reference to the principal outstanding and the effective interest rate applicable.

#### Dividend income

Dividend income from investments is recognised when the shareholder's rights to receive payment have been established.

#### r. Foreign currency transactions

The financial statements of the Company are presented in Indian rupees (₹), which is the functional currency of the Company and the presentation currency for the financial statements.

In preparing the financial statements, transactions in currencies other than the Company's functional currency are recorded at the rates of exchange prevailing on the date of the transaction. At the end of each reporting period, monetary items denominated in foreign currencies are re-translated at the rates prevailing at the end of the reporting period. Nonmonetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not translated.

Exchange differences arising on translation of long term foreign currency monetary items recognised in the financial statements before the beginning of the first Ind AS financial reporting period in respect of which the Company has elected to recognise such exchange differences in equity or as part of cost of assets as allowed under Ind AS 101-"First time adoption of Indian Accounting Standard" are recognised directly in equity or added/deducted to/ from the cost of assets as the case may be. Such exchange differences recognised in equity or as part of cost of assets is recognised in the statement of profit and loss on a systematic basis.

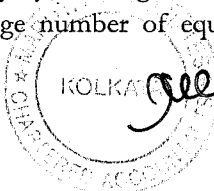
Exchange differences arising on the retranslation or settlement of other monetary items are included in the statement of profit and loss for the period.

#### s. Borrowing costs

Borrowings costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the interest costs.

#### t. Earnings per share

Basic earnings per share is computed by dividing the net profit for the period attributable to the equity shareholders of the Company by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period and for all



## Associate Ceramics Limited

### Significant accounting policies for the year ended 31st March 2018.

periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares that have changed the number of equity shares outstanding, without a corresponding change in resources.

Diluted earnings per share is computed by dividing the profit / (loss) after tax as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares including the treasury shares held by the Company to satisfy the exercise of the share options by the employees.

#### u. Trade receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

#### v. Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with the financial institutions, other short term, highly liquid investments with original maturities of three months or less (except the instruments which are pledged) that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts.

Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

#### w. Trade and other payables

These amounts represent liabilities for goods and services provided to the company prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within the credit period allowed. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. Long term trade payables are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

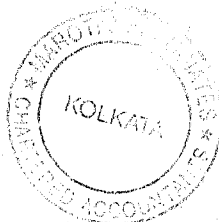
#### x. Segment reporting

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, whose operating results are regularly reviewed by the company's chief operating decision maker to make decisions for which discrete financial information is available. Based on the management approach as defined in Ind AS 108, the chief operating decision maker evaluates the Company's performance and allocates resources based on an analysis of various performance indicators by business segments and geographic segments.

#### y. Ind AS 115 Revenue from Contract with customers

On March 28, 2018, Ministry of Corporate Affairs ("MCA") has notified the Ind AS 115, Revenue from Contract with Customers. The core principle of the new standard is that an entity should recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Further, the new standard requires enhanced disclosures about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers

The standard permits two possible methods of transition:



*SR* *RD* *S. Maitra*

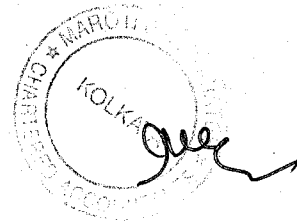
**Associate Ceramics Limited**

**Significant accounting policies for the year ended 31st March 2018.**

Retrospective approach - Under this approach the standard will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8- Accounting Policies, Changes in Accounting Estimates and Errors;

Retrospectively with cumulative effect of initially applying the standard recognized at the date of initial application (Cumulative catch - up approach) The effective date for adoption of Ind AS 115 is financial periods beginning on or after April 1, 2018.

The Company will adopt the standard on April 1, 2018 by using the cumulative catch-up transition method and accordingly comparatives for the year ending or ended March 31, 2018 will not be retrospectively adjusted. The effect on adoption of Ind AS 115 is expected to be insignificant



*Handwritten signatures and initials:*  
A stylized signature on the left, initials "SP" in the middle, and the name "S. Marda." on the right.

Associated Ceramics Limited

Statement of Changes in Equity for the year ended 31st March, 2018

A. Equity Share Capital

For the year ended 31st March, 2018

(₹ in lacs)	
Balance as at 31st March, 2016	Balance as at 31st March, 2017
425.98	425.98
Changes in Equity Share Capital during the year	-

For the year ended 31st March, 2017

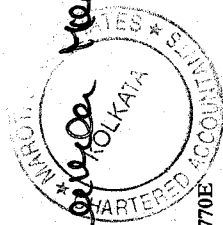
Balance as at 01st April, 2016	Balance as at 31st March, 2016
425.98	425.98
Changes in Equity Share Capital during the year	-

B. Other Equity

Particulars	Reserve and Surplus				Total equity attributable to equity share holders of the company
	Securities Premium	Retained Earnings	Other Reserves	Equity instruments through OCI	
Balance at 01st April 2016	945.45	334.53	2.28	-	1,282.26
Profit for the year	-	(316.42)	-	-	(316.42)
Balance as at 31st March, 2017	945.45	18.11	2.28	-	965.84

Particulars	Reserve and Surplus				Total equity attributable to equity share holders of the company
	Securities Premium	Retained Earnings	Revaluation Reserve	Equity instruments through OCI	
Balance as at 31st March, 2017	945.45	18.11	2.28	-	965.84
Profit for the year	-	(200.42)	-	-	(200.42)
Balance as at 31st March, 2018	945.45	(182.31)	2.28	-	765.42

In terms of our report of even date  
FOR MAROTI & ASSOCIATES  
Chartered Accountants



Medon Nagarjee & Co.  
M. K. Maroti  
Partner  
Membership No. 057073  
Firm Registration No. 322770E

For and on behalf of the Board

✓ Sharad Agarwal  
SHARAD AGARWAL  
Director  
Din : 00652580

✓ Aron Agarwal  
ARON AGARWAL  
Managing Director  
Din : 01660148

✓ Suchika Mazda  
SUCHIKA MARDA  
Company Secretary

Place : Kolkata  
Date : 30th Day of May, 2018

Associate Ceramics Limited  
Notes to the Financial Statements for the year ended 31st March 2018

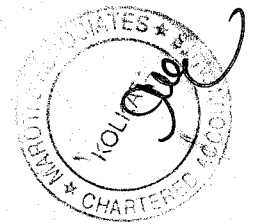
2. Property, Plant and Equipment

Description	Gross block			Accumulated depreciation			Net block	
	31st March 2017	Additions	Disposals/ Adjustments	31st March 2018	31st March 2017	Additions	Disposals/ Adjustments	31st March 2018
Freehold Land	169.16	-	-	169.16	-	-	-	169.16
Buildings	308.20	-	-	308.20	183.26	11.87	-	195.13
Plant and Equipment	1,129.02	-	-	1,129.02	728.56	75.46	-	804.02
Furniture and Fixtures	11.75	-	-	11.75	6.47	1.37	-	7.83
Solar Power	661.15	-	-	661.15	107.84	62.47	-	170.31
Vehicles	24.07	0.58	-	24.65	14.43	3.00	-	7.23
Office Equipment	11.87	2.53	-	14.39	8.99	2.24	-	11.22
<b>Total</b>	<b>2,315.22</b>	<b>3.10</b>	<b>-</b>	<b>2,318.32</b>	<b>1,049.55</b>	<b>156.40</b>	<b>-</b>	<b>1,205.94</b>

Description	Gross block			Accumulated depreciation			Net block	
	Deemed Cost as on 1st April 2016	Additions	Disposals/ Adjustments	31st March 2017	1st April 2016	Additions	Disposals/ Adjustments	31st March 2017
Freehold Land	169.16	-	-	169.16	-	-	-	169.16
Buildings	305.70	2.50	-	308.20	170.24	13.02	-	124.94
Plant and Equipment	882.22	262.87	16.07	1,129.02	654.47	86.97	12.88	400.46
Furniture and Fixtures	10.94	0.81	-	11.75	4.76	1.71	-	5.29
Solar Power	661.15	-	-	661.15	37.42	70.42	-	553.31
Vehicles	24.07	-	-	24.07	10.05	4.38	-	9.64
Office Equipment	11.39	0.48	-	11.87	6.86	2.13	-	2.88
<b>Total</b>	<b>2,064.63</b>	<b>266.66</b>	<b>16.07</b>	<b>2,315.22</b>	<b>883.80</b>	<b>178.63</b>	<b>12.88</b>	<b>1,265.67</b>

2. Capital Work-in-Progress

Description	Gross block			Accumulated depreciation			Net block	
	Deemed Cost as on 1st April 2016	Additions	Disposals/ Adjustments	31st March 2017	1st April 2017	Additions	Disposals/ Adjustments	31st March 2018
Plant & equipments	192.96	-	-	-	-	-	-	-
<b>Total</b>	<b>192.96</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>



*for*  
*S. M. S. M. S.*

	Number of shares				₹ in lacs)
	31st March 2018	31st March 2017	1st April 2016	31st March 2017	
3. Non current investments					
<u>Investments measured at fair value through profit and loss</u>					
<u>Quoted</u>					
<u>Investments in equity instruments</u>					
Jindal Photo Film Ltd.	336	336	336	0.32	0.54
Triveni Sheet Glass Ltd	3,500	3,500	3,500	1.06	0.63
HDFC Bank Ltd	2,500	2,500	2,500	36.06	26.61
JSW Steel Ltd	997	997	997	1.87	1.26
				<b>39.31</b>	<b>29.04</b>
<u>Investments measured at cost/deemed cost</u>					
<u>Quoted</u>					
<u>Investments in Associates</u>					
Amariyoti Udyog Ltd	50,000	50,000	50,000	5.00	5.00
				<b>5.00</b>	<b>5.00</b>
<u>Unquoted</u>					
<u>Investments in Associates</u>					
Sharad Refractories Pvt.Ltd	50	50	50	0.05	0.05
Associated Global Finance Ltd	3,000	3,000	3,000	0.30	0.30
				<b>0.35</b>	<b>0.35</b>
<u>Investments measured at amortised cost</u>					
<u>Unquoted</u>					
RECL Bond	140	140	140	14.00	14.00
<b>Total</b>				<b>56.09</b>	<b>48.39</b>
Aggregate amount of unquoted investments				<b>14.35</b>	<b>14.35</b>
Aggregate amount of quoted investments				<b>44.31</b>	<b>34.04</b>
Aggregate market value of quoted investments				<b>44.31</b>	<b>34.04</b>



for

S. M. M. M.

(₹ in lacs)

4. Inventories	31st March 2018	31st March 2017	1st April 2016
(Valued at lower of cost and Net Realisable Value)			
Raw Materials	417.00	732.62	960.66
Work in progress	125.00	120.00	110.00
Finished Goods	240.42	237.77	590.16
Stores and Spares	27.25	19.92	5.24
Traded Goods		5.24	15.79
<b>Total</b>	<b>809.67</b>	<b>1,115.55</b>	<b>1,681.86</b>

(₹ in lacs)

5. Trade receivables	31st March 2018	31st March 2017	1st April 2016
Unsecured Considered good	673.30	813.45	408.38
Less: Allowances for credit losses	(104.52)	(161.77)	(109.58)
<b>Total</b>	<b>568.77</b>	<b>651.68</b>	<b>298.81</b>

(i) Trade receivables have been pledged as security for liabilities, for details refer note 16 &amp; 19 for details.

(₹ in lacs)

6. Cash and cash equivalents	31st March 2018	31st March 2017	1st April 2016
Balance with banks	22.34	5.64	10.94
Cash on hand	25.02	5.37	8.27
<b>Total</b>	<b>47.36</b>	<b>11.01</b>	<b>19.22</b>

(₹ in lacs)

7. Other bank balances	31st March 2018	31st March 2017	1st April 2016
Fixed deposits maturity for more than 3 months but less than 12 months	1.03	1.11	18.08
<b>Total</b>	<b>1.03</b>	<b>1.11</b>	<b>18.08</b>
<b>Total (12+13)</b>	<b>48.39</b>	<b>12.12</b>	<b>37.30</b>

8. Other financial assets (Unsecured, considered good)	31st March 2018	31st March 2017	1st April 2016
	Short-term	Short-term	Short-term
Security deposits	21.42	21.42	21.34
Interest accrued and due on fixed deposits	0.11	0.03	0.90
Earnest money deposit	5.98	5.98	1.73
<b>Total</b>	<b>27.51</b>	<b>27.43</b>	<b>23.97</b>

(₹ in lacs)

9. Current tax asset (net)	31st March 2018	31st March 2017	1st April 2016
	Short-term	Short-term	Short-term
Tax Deducted at Source	1.80	1.57	5.22
Tax collected at Source	0.01	0.01	0.01
Advance income tax (net of provision)	11.00	11.00	102.00
<b>Total</b>	<b>12.81</b>	<b>12.57</b>	<b>107.23</b>

(₹ in lacs)

10. Other current assets (Unsecured, considered good)	31st March 2018	31st March 2017	1st April 2016
	Short-term	Short-term	Short-term
Advances to suppliers	35.20	81.28	40.66
Advances to employees	2.96	6.41	6.01
Balances with statutory authorities	51.87	78.33	44.92
<b>Total</b>	<b>90.03</b>	<b>166.02</b>	<b>91.59</b>



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II. Equity share capital	31st March 2018		31st March 2017		1st April 2016	
	No. of shares	₹ in lacs	No. of shares	₹ in lacs	No. of shares	₹ in lacs
Authorised capital						
50,25,000 (31 March 2017: 50,25,000 and 01 April 2016: 50,25,000) equity shares of ₹ 10 each		502.50	502.50	502.50	502.50	502.50
9,750 (31 March 2017: 9,750 and 01 April 2016: 9,750) 10% preference shares of ₹ 1000 each		97.50	97.50	97.50	97.50	97.50
1,00,000 Non-Cumulative Preference shares 6%		100.00	100.00	100.00	100.00	100.00
<b>Total</b>		<b>700.00</b>	<b>700.00</b>	<b>700.00</b>	<b>700.00</b>	<b>700.00</b>
Issued, subscribed & fully paid up Capital						
20,44,730 (31 March 2017: 20,44,730 and 01 April 2016: 20,44,730) equity shares of ₹ 10 each		204.47	204.47	204.47	204.47	204.47
9,750 (31 March 2017: 9,750 and 01 April 2016: 9,750) 10% preference shares of ₹ 1000 each		97.50	97.50	97.50	97.50	97.50
1,00,000 Non-Cumulative Preference shares 6%		100.00	100.00	100.00	100.00	100.00
<b>Total</b>		<b>401.97</b>	<b>401.97</b>	<b>401.97</b>	<b>401.97</b>	<b>401.97</b>
Issued, subscribed but not fully paid up						
9,60,300 (31 March 2017: 9,60,300 and 01 April 2016: 9,60,300) equity shares of ₹ 10 each		24.01	24.01	24.01	24.01	24.01
<b>Total</b>		<b>425.98</b>	<b>425.98</b>	<b>425.98</b>	<b>425.98</b>	<b>425.98</b>

a) Reconciliation of equity shares outstanding at the beginning and at the end of the year.

	31st March 2018		31st March 2017		1st April 2016	
	No. of shares	₹ in lacs	No. of shares	₹ in lacs	No. of shares	₹ in lacs
Equity shares at the beginning of the year	30,05,030	228.48	30,05,030	228.48	30,05,030	228.48
Add: Share issued during the year	-	-	-	-	-	-
Equity shares at the end of the year	30,05,030	228.48	30,05,030	228.48	30,05,030	228.48

b) Reconciliation of 10% preference shares outstanding at the beginning and at the end of the year.

	31st March 2018		31st March 2017		1st April 2016	
	No. of shares	₹ in lacs	No. of shares	₹ in lacs	No. of shares	₹ in lacs
Preference shares at the beginning of the year	9,750	97.50	9,750	97.50	9,750	97.50
Add: Share issued during the year	-	-	-	-	-	-
Equity shares at the end of the year	9,750	97.50	9,750	97.50	9,750	97.50

c) Reconciliation of Non-convertible 6% preference shares outstanding at the beginning and at the end of the year.

	31st March 2018		31st March 2017		1st April 2016	
	No. of shares	₹ in lacs	No. of shares	₹ in lacs	No. of shares	₹ in lacs
Preference shares at the beginning of the year	1,00,000	100.00	1,00,000	100.00	1,00,000	100.00
Add: Share issued during the year	-	-	-	-	-	-
Equity shares at the end of the year	1,00,000	100.00	1,00,000	100.00	1,00,000	100.00

d) Rights/ preferences/ restrictions attached to equity shares

The Company has only one class of equity shares having a par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian Rupees. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts, if any. The distribution will be in proportion to the number of equity shares held by the shareholders.

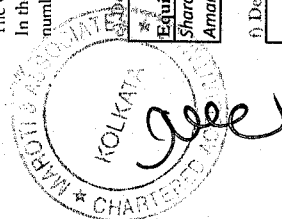
e) Details of shareholders holding more than 5% shares of the equity shares in the Company

Equity shares of ₹ 10 each fully paid up	As on 31st March 2018		As on 31st March 2017		As on 1st April 2016	
	No. of shares	% holding	No. of shares	% holding	No. of shares	% holding
Sharad Agarwal	3,42,950	11.42%	3,42,950	11.42%	3,42,950	11.42%
Amar Jyoti Udyog Limited	3,25,700	10.84%	3,25,700	10.84%	3,25,700	10.84%

f) Details of shareholders holding more than 5% shares of the 10% preference shares in the Company

Equity shares of ₹ 10 each fully paid up	As on 31st March 2018		As on 31st March 2017		As on 1st April 2016	
	No. of shares	% holding	No. of shares	% holding	No. of shares	% holding
Aarkay Sales Agencies Pvt Ltd	500	5.13%	500	5.13%	500	5.13%
Associated Global Finance Limited	7,483	76.75%	7,483	76.75%	7,483	76.75%

Non-convertible 6% preference shares of ₹ 100 each fully paid up	As on 31st March 2018		As on 31st March 2017		As on 1st April 2016	
	No. of shares	% holding	No. of shares	% holding	No. of shares	% holding
	1,00,000	100.00%	1,00,000	100.00%	1,00,000	100.00%



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Associate Ceramics Limited

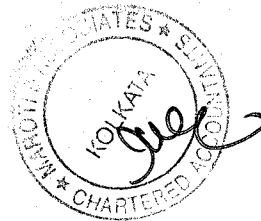
Notes to the Financial Statements for the year ended 31st March 2018

Note - 12

(₹ in lacs)

Particulars	Reserves and Surplus					Total Other Equity
	Securities Premium	Retained Earnings	Other Reserves	FVTOCI Equity Instruments	Remeasurement of the net defined benefit plans	
Balance at 1st April 2016	945.45	334.53	2.28	-	-	1,282.26
Profit / (Loss) for the year	-	(316.42)	-	-	-	(316.42)
Balance at 31st March 2017	945.45	18.11	2.28	-	-	965.84
Balance at 1st April 2017	945.45	18.11	2.28	-	-	965.84
Profit / (Loss) for the year*	-	(200.42)	-	-	-	(200.42)
Balance at 31st March 2018	945.45	(182.31)	2.28	-	-	765.42

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(₹ in lacs)

13. Borrowings	Long- term	Long- term	Long- term
	31st March 2018	31st March 2017	1st April 2016
Secured			
Term loans from banks (INR loan)	275.76	349.24	404.26
Less: Current Maturities of Long Term debt		(55.19)	(55.19)
	275.76	294.04	349.07

**Repayment terms and security disclosure for the outstanding long-term borrowings (excluding current maturities) as on 31st March 2018 :**

Term loans from banks are secured, in respect of respective facilities by way of :

**(i) Nature of security for Secured Borrowings**

Term Loan from HDFC Bank are secured by mutual funds

**(ii) Repayment Terms for Secured Borrowings**

(₹ in lacs)

Type of Loan	31st March 2018	31st March 2017	1st April 2016	Rate of Interest	Repayment Schedule
	Loan Amount	Loan Amount	Loan Amount		
Term Loan	275.76	349.24	404.26	10.95% to 12.00% p.a.	Loan payable in 22 equal quarterly installment from the end of the first quarter after moratorium of 6 months



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(₹ in lacs)

14. Deferred tax	31st March 2018	31st March 2017	1st April 2016
Opening Balance	66.76	120.08	0.49
Deferred tax liabilities arising on account of :			
Difference in value of assets as per books and as per tax	(16.11)	7.08	149.54
Fair valuation of investment	3.96	3.55	7.98
Deferred tax asset arising on account of :			
Provision for doubtful debts and advances	19.81	(18.06)	(37.92)
Brought Forward Tax Losses	-	(45.89)	-
<b>Total</b>	<b>74.42</b>	<b>66.76</b>	<b>120.08</b>

(₹ in lacs)

15. Short-term borrowings	Short-term	Short-term	Short-term
	31st March 2018	31st March 2017	1st April 2016
Secured			
Loans Repayable on Demand			
From banks - Working capital borrowings	411.58	288.13	354.41
Unsecured			
Loans from related parties	317.45	599.49	452.49
<b>Total</b>	<b>729.03</b>	<b>887.62</b>	<b>806.89</b>

## i) Security disclosure for the outstanding short-term borrowings :

Borrowings from banks are secured, in respect of respective facilities by way of :

Hypothecation of stock and Book Debts and further secured by further secured by fixed deposits and mutual funds and also guaranteed by directors personally

(₹ in lacs)

16. Trade payables	Short-term	Short-term	Short-term
	31st March 2018	31st March 2017	1st April 2016
Due to micro, small and medium enterprises	-	-	-
Due to others	302.11	502.36	507.67
<b>Total</b>	<b>302.11</b>	<b>502.36</b>	<b>507.67</b>

(₹ in lacs)

17. Other financial liabilities	Short-term	Short-term	Short-term
	31st March 2018	31st March 2017	1st April 2016
Current maturities of long term debts	-	55.19	55.19
Liabilities for expenses	5.58	5.00	4.54
<b>Total</b>	<b>5.57</b>	<b>60.19</b>	<b>59.74</b>

(₹ in lacs)

18. Other current liabilities	Short-term	Short-term	Short-term
	31st March 2018	31st March 2017	1st April 2016
Statutory dues	16.74	8.64	4.43
Advance from customers	118.45	88.12	69.45
<b>Total</b>	<b>135.19</b>	<b>96.77</b>	<b>73.88</b>

(₹ in lacs)

19. Provisions	Short-term	Short-term	Short-term
	31st March 2018	31st March 2017	1st April 2016
Provision for Employee Benefits			
Salary & Reimbursements	-	6.70	4.86
Contribution to Employee Provident Fund & ESI	12.17	3.44	3.13
Provision for Income Tax	-	-	29.38
<b>Total</b>	<b>12.17</b>	<b>10.14</b>	<b>37.36</b>



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(₹ in lacs)

20. Revenue from operations	31st March 2018	31st March 2017
Operating revenue		
- Sale of products	1,608.40	2,007.15
- Sale of solar power	93.94	105.93
Other operating revenue	13.47	28.20
<b>Total</b>	<b>1,715.81</b>	<b>2,141.29</b>

(₹ in lacs)

21. Other income	31st March 2018	31st March 2017
Particulars		
Interest received on financial assets carried at amortised cost		
- Deposits	1.48	9.57
	11.43	10.27
Gain from fair valuation of investments carried at fair value through Profit and Loss		
Dividend Income	0.55	0.33
Provision written back as per expected credit loss model	57.25	-
Exchange Gain Fluctuation (net)	3.10	1.55
Others	2.64	16.05
<b>Total</b>	<b>76.45</b>	<b>37.77</b>

(₹ in lacs)

22. Cost of material consumed	31st March 2018	31st March 2017
Opening stock	732.62	960.66
Add: Purchases	600.47	723.74
	<b>1,333.09</b>	<b>1,684.40</b>
Less: Sales	15.83	-
Less: Closing Stock	417.00	732.62
	<b>900.26</b>	<b>951.78</b>
<b>Other Materials</b>		
Power & fuel	279.03	231.71
Stores and spares	137.39	83.79
<b>Total</b>	<b>1,316.68</b>	<b>1,267.27</b>

(₹ in lacs)

23. Changes in inventories	31st March 2018	31st March 2017
<b>Opening Stock</b>		
Finished Goods	237.77	590.16
Work in Progress	120.00	110.00
Traded Goods	-	5.24
	<b>357.77</b>	<b>705.40</b>
<b>Closing Stock</b>		
Finished Goods	240.42	237.77
Work in Progress	125.00	120.00
Traded Goods	-	5.24
	<b>365.42</b>	<b>363.00</b>
<b>(Increase)/ Decrease in Inventories</b>	<b>(7.65)</b>	<b>342.39</b>

(₹ in lacs)

24. Employee benefits expense	31st March 2018	31st March 2017
Salaries and Wages	139.41	112.01
Contribution to provident and other funds**	23.93	23.14
Staff welfare	9.44	5.48
<b>Total</b>	<b>172.78</b>	<b>140.63</b>



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(₹ in lacs)

25. Finance costs	31st March 2018	31st March 2017
Interest Expense		
- On Borrowings	83.70	109.11
<b>Total</b>	<b>83.70</b>	<b>109.10</b>

(₹ in lacs)

26. Depreciation and amortisation	31st March 2018	31st March 2017
Depreciation	156.40	178.63
<b>Total</b>	<b>156.40</b>	<b>178.63</b>

(₹ in lacs)

27. Other expenses	31st March 2018	31st March 2017
Rates and taxes	7.27	3.02
Power, fuel and electricity	0.57	2.53
Director remuneration	72.00	72.00
Repairs to plant and machinery	25.48	14.05
Insurance	4.28	4.55
Advertisement and publicity	0.11	2.20
Bank Charges	4.93	3.72
Traveling and conveyance	21.70	24.96
Telephone charges	1.63	2.66
Consultancy charges	32.30	36.88
Printing and stationery	0.60	1.87
Legal and professional	0.67	0.06
Transport and handling expenses	37.55	61.58
Allowances for credit losses	-	52.20
Subscription and donations	2.12	2.61
Payment to auditors	0.60	0.58
Vehicle maintenance	7.52	7.73
Selling expenses	1.87	20.72
Sales promotion	0.73	1.37
Loss in transit	-	1.29
Pollution charges	0.09	0.08
Miscellaneous expenses	17.71	4.94
<b>Total</b>	<b>239.73</b>	<b>321.60</b>

(₹ in lacs)

28. Tax expense	31st March 2018	31st March 2017
Current tax	-	-
Income tax for earlier year	-	0.53
Minimum alternate tax credit entitlement	-	-
Deferred tax	7.66	(53.32)
<b>Total</b>	<b>7.66</b>	<b>(52.79)</b>



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## 29.00 Transition to Ind AS

These are the company's first financial statements prepared in accordance with Ind AS.

The accounting policies set out have been applied in preparing the financial statements for the year ended 31 March 2018, the comparative information presented in these financial statements for the year ended 31 March 2017 and in the preparation of an opening Ind AS balance sheet as at 1 April 2016 (the company's date of transition). In preparing its opening Ind AS balance sheet, the company has adjusted the amounts reported previously in financial statements prepared in accordance with the accounting standards notified under Companies (Accounting Standards) Rules, 2006 (amended) and other relevant provisions of the Act. An explanation of how the transition from previous GAAP to Ind AS has affected the company's financial position, financial performance and cash flows is set out in the following tables and notes.

### A. Exemptions and exceptions availed

Set out below are the applicable Ind AS 101 optional exemptions and mandatory exceptions applied in the transition from previous GAAP to Ind AS.

#### A.1 Ind AS optional exemptions

##### A.1.1 Deemed cost of property, plant and equipment and intangible assets

The Company has elected to continue with the carrying value of all of its plant and equipment and intangible assets as recognised as of April 01, 2016 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

##### A.1.2 Deemed cost of investments in associates

The company has elected to continue with the carrying value of all its investment in associates recognized as of 1st April, 2016 measured as per the previous GAAP and use that carrying value as its deemed cost of transition date.

#### A.2 Ind AS mandatory exceptions

##### A.2.1 Estimates

As per para 14 of Ind AS 101, an entity's estimates. In accordance with Ind AS at the date of transition to Ind AS at the end of the comparative period presented in the entity's first Ind AS financial statements, as the case may be, should be consistent with estimates made for the same date in accordance with the previous GAAP unless there is objective evidence that those estimates were in error. However, the estimates should be adjusted to reflect any differences in accountings policies. As per para 16 of the standard, where application of Ind AS requires an entity to make certain estimates that were not required under previous GMP, those estimates should be made to reflect conditions that existed at the date of transition or at the end of the comparative Period.

The Company's estimates under Ind AS are consistent with the above requirement. Key estimates considered in preparation of the financial statement that were not required under the previous GAAP are listed below:

- Fair Valuation of financial instruments carried at FVTPL and/ or FVOCI.
- impairment of financial assets based on the expected credit loss model'

##### A.2.2 Derecognition of financial assets and financial liabilities

As per para 82 of Ind AS 101, an entity should apply the derecognition requirements in Ind AS 109, "Financial instruments", prospectively for transactions occurring on or after the date of transition to Ind AS. However, para 83 gives an option to the entity to apply the derecognition requirements from a date of its choice if the information required to apply Ind AS 109 to financial assets and financial liabilities derecognized as a result of past transactions was obtained at the initially accounting for those transactions. The company has elected to apply the de-recognition provisions of Ind As 109 prospectively from the date of transition to Ind As.

##### A.2.3 Classification and measurement of financial assets

Para 88 - 88C of Ind AS 101 requires an entity to assess classification of financial assets on the basis of facts and circumstances existing as on the date of transition. Further, the standard permits measurement of financial assets accounted at amortized cost based on facts and circumstances existing at the date of transition if retrospective application is impracticable. Accordingly, the Company has determined the classification of financial assets based on facts and circumstances that exist on the date of transition. Measurement of the financial assets accounted at amortized cost has been done retrospectively.

##### A.2.4 Impairment of financial assets

The company has applied impairment requirements of Ind AS 109 retrospectively; however, as permitted by Ind AS 101, it has used reasonable and supportable information that is available without undue cost or effort to determine the credit risk at the date that financial instruments were initially recognized in order to compare it with the credit risk at the transition date.

#### c) Reconciliations between previous GAAP and Ind AS

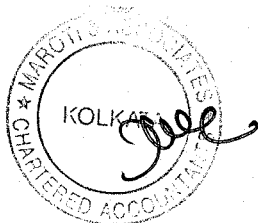
The following reconciliations provide the explanation and qualification of the differences arising from the transition from Previous GAAP to Ind AS in accordance with Ind AS 101

"First Time Adoption of Indian Accounting Standards".

(i) Reconciliation of total equity as at April 1, 2016 and March 31, 2017.

(ii) Reconciliation of total comprehensive income for the year ended March 31, 2017.

Previous GAAP figures have been reclassified/regrouped wherever necessary to confirm with the financial statements prepared under Ind AS.



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Disclosure required by Ind AS 101 - First time adoption of Ind AS

**Reconciliation of Equity as at April 01, 2016 and March, 31, 2017:**

Particulars	(₹ in lacs)	
	31st March 2017	01st April 2016
Total equity (shareholder's funds) as per previous GAAP	1,475.48	1,764.33
Adjustments:		
Fair valuation of quoted investments through profit and loss account	33.32	23.06
Provisions for Trade Receivables- ECL Model	(161.77)	(109.58)
Capital subsidy transferred to retained earning	15.00	15.00
Capital subsidy transferred to retained earning	(15.00)	(15.00)
Revaluation reserve transferred to retained earning	17.13	17.13
Revaluation reserve transferred to retained earning	(17.13)	(17.13)
Amortization of Processing Fees	0.32	0.49
Deferred tax liability	44.45	29.94
Non redeemable preference shares to be classified as financial liability	-	-
<b>Total adjustments</b>	<b>(83.68)</b>	<b>(56.09)</b>
<b>Total equity as per Ind AS</b>	<b>1,391.80</b>	<b>1,708.24</b>

**Reconciliation of total comprehensive income for the year ended March, 31, 2017:**

Particulars	(₹ in lacs)	
	31st March 2017	
Profit after tax as per previous GAAP	(287.05)	
Adjustments:		
Gain on Fair Valuation of Quoted Equity Shares	10.27	
Provision as per ECL model	(52.20)	
Amortisation of processing fees	(0.17)	
Depreciation on revaluation reserve	(1.80)	
Deferred tax on the above adjustments	14.51	
<b>Total adjustments</b>	<b>(29.39)</b>	
Profit after tax as per Ind AS	(316.44)	
Other comprehensive income		
<b>Total comprehensive income as per Ind AS</b>	<b>(316.44)</b>	

**Explanations to the material adjustments made in the process of IND AS transition from previous GAAP**

**Note : 1 Borrowings**

Under Indian GAAP, transaction costs incurred in connection with borrowings are amortised upfront and charged to profit or loss for the period. Under Ind AS, transaction cost are included in initial recognition amount of financial liability and charged to profit or loss using the effective interest method.

**Note : 2 Property, plant and equipment**

The Company has elected to continue with the carrying value of all of its plant and equipment as recognised as of April 01, 2016 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

**Note : 3 Fair value of investments**

Under the Indian GAAP, investments in equity instruments and bonds were classified as long-term investments or current investments based on the intended holding period and realisability. Long-term investments were carried at cost less provision for other than temporary decline in the value of such investments. Current investments were carried at lower of cost and fair value. Under Ind AS, these investments are required to be measured at fair value. The resulting fair value changes of these investments (other than equity instruments designated as at FVOCI) have been recognised in retained earnings as at the date of transition and subsequently in the profit or loss for the year ended 31 March 2017 and 31 March 2018

Fair value changes with respect to investments in quoted equity instruments, unquoted equity instruments and bonds designated as at FVTPL have been recognised in retained earning at the date of transition and subsequently in the profit and loss account for the year ended 31 March 2017 and 31 March 2018

**Note : 4 Deferred Taxes**

In accordance with Ind AS 12, "Income Taxes", the Company on transition to Ind AS has recognised deferred tax on temporary differences, i.e. based on balance sheet approach as compared to the earlier approach of recognising deferred taxes on timing differences, i.e. profit and loss approach. The tax impacts as above primarily represent deferred tax consequences arising out of Ind AS re-measurement changes.

**Note : 6 Expected credit loss model**

Ind-AS 109 requires to recognize loss allowances on trade receivable and other financial assets of the Company, at an amount equal to the lifetime expected credit loss or the 12 month expected credit loss based on the increase in the credit risk.

**Note : 7 Re-Classifications**

The Company has done the following reclassifications as per the requirements of Ind-AS:

- (i) Assets / liabilities which do not meet the definition of financial asset / financial liability have been reclassified to other asset / liability.
- (ii) Remeasurement gain/loss on long term employee defined benefit plans are re-classified from statement of profit and loss to OCI.
- (iii) The Company has re-classified fixed deposits with banks under lien from cash and cash equivalents to other bank balances.
- (iv) Excise duty on sales was earlier netted off with sales, has now been presented separately.



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Note 30. Earnings per equity share

The Company's Earnings Per Share (EPS) is determined based on the net profit attributable to the shareholders of the. Basic earnings per share is computed using the weighted average number of shares outstanding during the year. Diluted earnings per share is computed using the weighted average number of common and dilutive common equivalent shares outstanding during the year including share options, except where the result would be anti-dilutive.

Descriptions	₹ in lacs	
	31 March 2018	31 March 2017
<b>Net Profit / (Loss) attributable to equity shareholders</b>		
Profit / (Loss) after tax	-200.42	-316.42
Nominal value of equity share (₹)	10.00	10.00
Weighted-average number of equity shares for basic & Diluted EPS	22.85	22.85
<b>Basic &amp; Diluted earnings per share (₹)</b>	<b>-8.77</b>	<b>-13.85</b>

Note 31. Contingent Liabilities

Descriptions	31 March 2018	31 March 2017	1 April 2016
Gaurantees given by bank to the extent of	58.34	54.56	57.60

Note 32. Financial instruments by category

For amortised cost instruments, carrying value represents the best estimate of fair value.

Particulars	31 March 2018			31 March 2017			1 April 2016		
	FVTPL	FVOCI	Amortised cost	FVTPL	FVOCI	Amortised cost	FVTPL	FVOCI	Amortised cost
<b>Financial assets</b>									
Equity Instruments	50.74	-	-	39.31	-	-	29.04	-	-
Bond	-	-	-	-	-	14.00	-	-	14.00
Trade receivables	-	-	568.77	-	-	651.68	-	-	298.81
Security deposit	-	-	21.42	-	-	21.42	-	-	21.34
Cash and equivalents	-	-	47.36	-	-	11.01	-	-	19.22
Other financial assets	-	-	6.09	-	-	6.01	-	-	2.63
Other bank balances	-	-	1.03	-	-	1.11	-	-	18.08
<b>Total</b>	<b>50.74</b>	<b>-</b>	<b>644.68</b>	<b>39.31</b>	<b>-</b>	<b>705.23</b>	<b>29.04</b>	<b>-</b>	<b>374.07</b>
<b>Financial liabilities</b>									
Borrowings	-	-	1,004.79	-	-	1,236.86	-	-	1,211.15
Trade payable	-	-	302.11	-	-	502.36	-	-	507.67
Other financial liabilities	-	-	5.58	-	-	5.00	-	-	4.54
<b>Total</b>	<b>-</b>	<b>-</b>	<b>1,312.48</b>	<b>-</b>	<b>-</b>	<b>1,744.22</b>	<b>-</b>	<b>-</b>	<b>1,723.36</b>

(b) Fair value hierarchy

The Company has classified its financial instruments into the three levels prescribed under the accounting standards. An explanation of each level follows underneath the table.

Financial assets and liabilities measured at fair value - recurring fair value measurements	31 March 2018			31 March 2017			01 April 2016		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
<b>Financial assets</b>									
<b>Financial assets at FVTPL</b>									
Listed equity instruments	50.74	-	-	39.31	-	-	29.04	-	-
<b>Total</b>	<b>50.74</b>	<b>-</b>	<b>-</b>	<b>39.31</b>	<b>-</b>	<b>-</b>	<b>29.04</b>	<b>-</b>	<b>-</b>

Financial assets and liabilities measured at amortised cost for which fair values are disclosed	31 March 2018			31 March 2017			01 April 2016		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
<b>Financial liabilities</b>									
Borrowings	-	-	1,004.79	-	-	1,236.86	-	-	1,211.15
<b>Total financial liabilities</b>	<b>-</b>	<b>-</b>	<b>1,004.79</b>	<b>-</b>	<b>-</b>	<b>1,236.86</b>	<b>-</b>	<b>-</b>	<b>1,211.15</b>

**Level 1:** Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, mutual funds that have quoted price. The fair value of all equity instruments which are traded in the stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued using the closing NAV.

**Level 2:** The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.

**Level 3:** If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities, contingent consideration and indemnification asset included in level 3.



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(b) Fair value of financial assets and liabilities measured at amortised cost

Particulars	31 March 2018		31 March 2017		01 April 2016	
	Carrying amount	Fair value	Carrying amount	Fair value	Carrying amount	Fair value
<b>Financial assets</b>						
<b>Carried at amortised cost</b>						
Bond	-	-	14.00	14.00	14.00	14.00
Trade receivables	673.30	568.77	813.45	651.68	408.38	298.81
Security deposit	21.42	21.42	21.42	21.42	21.34	21.34
Cash and equivalents	47.36	47.36	11.01	11.01	19.22	19.22
Other financial assets	6.09	6.09	6.01	6.01	2.63	2.63
Other bank balances	1.03	1.03	1.11	1.11	18.08	18.08
<b>Carried at FVTPL</b>						
Equity instruments	5.99	50.74	5.99	39.31	5.99	29.04
<b>Total financial assets</b>	<b>755.19</b>	<b>695.42</b>	<b>872.99</b>	<b>744.54</b>	<b>489.63</b>	<b>403.11</b>
<b>Financial liabilities</b>						
<b>Carried at amortised cost</b>						
Borrowings	1,004.79	1,004.79	1,236.86	1,236.86	1,211.15	1,211.15
Trade payable	302.11	302.11	502.36	502.36	507.67	507.67
Other financial liabilities	5.58	5.58	5.00	5.00	4.54	4.54
<b>Total financial liabilities</b>	<b>1,312.48</b>	<b>1,312.48</b>	<b>1,744.22</b>	<b>1,744.22</b>	<b>1,723.36</b>	<b>1,723.36</b>

(i) Short-term financial assets and liabilities are stated at carrying value which is approximately equal to their fair value.

(ii) Derivatives are fair valued using market observable rates and published prices together with forecasted cash flow information where applicable.

(iii) Investments carried at fair value are generally based on market price quotations. Costs of unquoted equity instruments has been considered as an appropriate estimate of fair value because of a wide range of possible fair value measurements and cost represents the best estimate of fair value within that range.

(iv) Fair value of borrowings which have a quoted market price in an active market is based on its market price which is categorised as level 1. Fair value of borrowings which do not have an active market or are unquoted is estimated by discounting expected future cash flows using a discount rate equivalent to the risk-free rate of return adjusted for credit spread considered by lenders for instruments of similar maturities which is categorised as level 2 in the fair value hierarchy.

(v) Management uses its best judgement in estimating the fair value of its financial instruments. However, there are inherent limitations in any estimation technique. Therefore, for substantially all financial instruments, the fair value estimates presented above are not necessarily indicative of the amounts that the Company could have realised or paid in sale transactions as of respective dates. As such, fair value of financial instruments subsequent to the reporting dates may be different from the amounts reported at each reporting date.

(vi) There have been no transfers between Level 1 and Level 2 for the years ended March 31, 2017, March 31, 2016 and April 1, 2015.

#### Note 33. Financial risk management objectives and policies

The Company's principal financial liabilities comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations and to support its operations. The Company's financial assets include loans, trade and other receivables, and cash & cash equivalents that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The company's senior management oversees the management of these risks. The company's senior management is supported by a financial risk committee that advises on financial risks and the appropriate financial risk governance framework for the Company. This financial risk committee provides assurance to the Company's senior management that the Company's financial risk activities are governed by appropriate policies and procedure and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The Board of Directors reviews and agrees policies for managing each risk, which are summarised as below:

#### (A) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risks. Financial instruments affected by market risk include loans and borrowings, deposits and payables/receivables in foreign currencies.

#### a) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long term debt obligations with floating interest rates. The Company is carry its borrowings primarily at variable rate. The Company expects the variable rate to decline, accordingly the Company is currently carrying its loans at variable interest rates.

Descriptions	(₹ in lacs)		
	31 March 2018	31 March 2017	1 April 2016
Variable rate borrowings	687.34	637.36	758.66
Fixed rate borrowings	317.45	599.49	452.49

#### Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variable held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

Descriptions	(₹ in lacs)	
	Effect on Profit before tax	
	31 March 2018	31 March 2017
Increase by 50 basis points (31 March 2016: 50 bps)	-3.44	-3.19
Decrease by 50 basis points (31 March 2016: 50 bps)	3.44	3.19

#### b) Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including loans to related parties, deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

#### (i) Trade receivables

Customer credit risk is managed by each business location subject to the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed and individual credit limits are defined in accordance with the assessment both in terms of number of days and amount.

An impairment analysis is performed at each reporting date on an individual basis for major clients. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in Note xx. The Company does not hold collateral as security.



S. Masdar

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(i) Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with the Company's policy. Investment of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. The Company's maximum exposure to credit risk for the components of the balance sheet at 31 March 2018 and 31 March 2017 is the carrying amount as illustrated in Note 32.

(B) Liquidity risk

The Company monitors its risk of a shortage of funds by estimating the future cash flows. The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, cash credit facilities and bank loans. The Company assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. The Company has access to a sufficient variety of sources of funding and debt maturity within 12 months can be rolled over with existing lenders. The Company had access to the following undrawn borrowing facilities at the end of the reporting periods -

Descriptions	(₹ in lacs)		
	31 March 2018	31 March 2017	1 April 2016
Floating rate			
(a) Expiring within one year (Bank overdraft and Secured			
- Current maturities of long term debt	0.00	55.19	55.19
- Working capital loan	411.58	288.13	354.41
Unsecured			
- Loan from related parties	317.45	599.49	452.49
(b) Expiring beyond one year (Bank loans)			
Secured			
- Rupees term loan from banks	275.76	294.04	349.07

Note 34. Related party disclosure (As per Ind AS-24 - Related Party Disclosures)

(a) Associates

IPITATA Commtrade Private Limited  
Susri Finance Private Limited  
Sharad Refractories Private Limited  
Sharad International Limited

(b) Key Management Personnel:

Arun Agarwal	Managing Director
Sharad Agarwal	Director
Binod Subhasaria	Independent Director
Bimal Agarwal	Director
Manju Agarwal	Director
Subhash Goyal	Independent Director

Terms and conditions of transactions with related parties:

The sales and purchase from related parties are made on terms equivalent to those that prevail in arms length transactions. Outstanding balance at the year-end are unsecured and interest free and settlement occurs in cash.

(a) Transaction with Key management personnel

Descriptions	(₹ in lacs)		
	31 March 2018	31 March 2017	1 April 2016
Arun Agarwal			
- Remuneration	30.00	30.00	25.50
Bimal Agarwal			
- Remuneration	18.00	18.00	16.50
Sharad Agarwal			
- Remuneration	24.00	24.00	21.00



*[Handwritten signature]*  
*[Handwritten signature]* S. Marola

(b) Transaction with Associates (₹ in lacs)

Descriptions	31 March 2018	31 March 2017	1 April 2016
Sharad Refractories Private Limited			
Received as firing service charges	11.64	28.20	61.60
Purchases of raw materials	39.29	119.10	215.59
Sale of products	23.75	0.00	0.00
Sharad International Limited			
Purchase of generator set	0.00	534.09	0.00
IPITATA Commotrade Private Limited			
Loan taken during the year	0.00	75.00	225.00
Interest paid	23.97	26.16	0.63
Susri Finance Limited			
Loan taken during the year	0.00	30.00	225.00
Interest paid	16.44	20.52	1.85

(d) Balance outstanding with related parties - Associates (₹ in lacs)

Descriptions	31 March 2018	31 March 2017	1 April 2016
IPITATA Commotrade Private Limited			
Loan Taken	210.75	324.18	225.63
Susri Finance Limited			
Loan Taken	106.69	275.32	226.85

Note 35. Details of dues to Micro, Small and Medium Enterprises as per MSMED Act, 2006 to the extent of Confirmation received:  
The Company has no dues to micro and small enterprises in any year.

Note 36 : Capital Management

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Group monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company's policy is to keep the gearing ratio between 0.5 to 1.00. The Company includes within net debt, interest bearing loans and borrowings, trade payables, less cash and cash equivalents.

(₹ in lacs)

Descriptions	31 March 2018	31 March 2017	1 April 2016
Borrowings	1004.79	1236.86	1211.15
Trade payables	302.11	502.36	507.67
Less: Cash and cash equivalents	47.36	11.01	19.22
Net debt	1354.26	1750.23	1738.04
Equity	1191.40	1391.82	1708.24
Capital and net debt	87.97	79.52	98.29
Gearing ratio	0.53	0.56	0.50

In order to achieve this overall objective, the Group's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements.

Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period.

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2018 and 31 March 2017.

Note 37. Auditors' remuneration (excluding service tax) and expenses :

(₹ in lacs)

Descriptions	31 March 2018	31 March 2017	1 April 2016
Statutory Audit Fee	0.45	0.45	0.45
Tax Audit Fee	0.15	0.15	0.15



*Handwritten initials/signature*

*S. Mazza*

**Associate Ceramics Limited**  
**Notes to the Financial Statements**

(Rupees in Lacs)

**Note 38. Segment Reporting:**

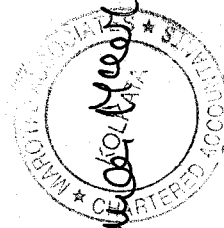
The Company has identified its Business segment as its Primary reportable segment comprising of cultivation, edible oil and real estate.

Particulars	Refractory Items			Solar Energy			Unallocable			Total	
	2017-18	2016-17	2017-18	2017-18	2016-17	2017-18	2017-18	2016-17	2017-18	2016-17	
	Revenue From Operations	1,608.40	1,817.69	93.94	105.93	0.00	1,702.33	1,923.62			
Other Income	13.47	28.20	-	-	76	89.93	54.10				
<b>Total Revenue</b>	<b>1,621.87</b>	<b>1,845.89</b>	<b>93.94</b>	<b>105.93</b>	<b>76.45</b>	<b>1,792.26</b>	<b>1,977.72</b>				
Total Expenses	1,757.65	2,012.58	5.57	3.40	-	1,763.22	2,015.98				
Less: Finance Cost	50.87	69.32	32.83	43.34	-	83.70	111.12				
<b>Profit Before Tax</b>							<b>(1.55)</b>				
Segment Assets	2,234.82	3,276.94	490.84	161.20	-	2,725.65	3,438.14				
Segment Liabilities	1,258.49	1,554.87	275.76	407.79	-	1,534.25	1,962.66				
<b>Other Segmental Information:</b>											
Depreciation/Amortisation	93.93	106.41	62.47	70.42	-	156.40	176.83				
Tangible capital expenditure	3.10	266.66	-	-	-	3.10	266.66				

In terms of our report of even date

**FOR MAROTI & ASSOCIATES**

Chartered Accountants



*Medha Neelgobinda*

**M. K. Maroti**  
Partner

Membership No. 057073

Firm Registration No. 322770E

Place : Kolkata

Date: 30th Day of May, 2018

For and on behalf of the Board

*Shere Agarwal*

**SHARAD AGARWAL**

Director

Din : 00652580

*Suchika Marda*

**SUCHIKA MARDA**

Company Secretary