

# ANNUAL REPORT

2022-2023

**ASSOCIATED CERAMICS LIMITED**

**CIN : L26919WB1970PLC027835**

**REG. ADDRESS : 17, 4TH FLOOR, GANESH CHANDRA  
AVENUE, KOLKATA - 700013**

# 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 : 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 31st, 2023.

### **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)**

<b>Particulars</b>	<b>31<sup>st</sup> March, 2023 (Rs.)</b>	<b>31<sup>st</sup> March, 2022 (Rs.)</b>
<b>Revenue From operations</b>	<b>5579.52</b>	<b>3837.05</b>
<b>Other Income</b>	<b>40.24</b>	<b>40.17</b>
<b>Total Revenue</b>	<b>5619.76</b>	<b>3877.22</b>
<b>Total Expense</b>	<b>5023.45</b>	<b>3340.16</b>
<b>Profit/(Loss) Before Taxation</b>	<b>596.31</b>	<b>537.06</b>
Add: Exceptional item	<b>20.72</b>	<b>(2.70)</b>
<b>Profit/(Loss) Before Taxation</b>	<b>617.02</b>	<b>534.36</b>
<b>Tax Expenses</b>		
Current Tax	144.44	116.94
Deferred Tax	15.05	(1.07)
Tax for earlier years	-	-
<b>Profit After Tax</b>	<b>457.53</b>	<b>418.49</b>
Transfer To General Reserve	-	-
Adjustment relating to Fixed Asset	-	-
Assessed Tax for Earlier Years	-	-
Brought Forward from Earlier Years	<b>1203.46</b>	<b>784.98</b>
<b>Balance Carried to Balance Sheet</b>	<b>1651.79</b>	<b>1203.46</b>

### **2. TRANSFER TO RESERVES:**

No amount has been transferred to reserves.

### **3. OPERATIONAL REVIEW:**

During the year under review the turnover of the Company increased from Rs 3837.05 lakhs to Rs 5579.52 lakhs an increase by nearly 45.41% to that of the last year. The solar power project of the Company has generated revenue of Rs. 40.24 lakhs as against Rs. 40.17 lakhs compared to previous year. The profit/ (loss) before Tax for the year was Rs 617.02 lakhs as against Rs 534.36 lakhs in the previous year an increase of nearly 15.47% in comparison to that of the last year. Thus, Profit after tax for the year was Rs 457.53 lakhs as against profit of Rs 418.49 lakhs in the previous year.

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

## **4. MATERIAL CHANGES AND COMMITMENTS**

The Company's Profit before tax increased to Rs 617.02 lakhs as against profit of Rs 534.36 lakhs.

Apart from above there was no material changes and commitments affecting the financial position of the company occurred between end of the financial year to which this financial statement relates 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, 2023 is Rs. 401.97 lakhs, out of total issued capital, equity capital comprises of Rs 204.47 lakhs and preference share capital Rs 197.5 lakhs and Rs.24.01 lakhs the amount of Forfeited Shares. 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, 2023 was Rs 66.72 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 deposit from the public. Further the acceptance of deposits is governed by the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014.

## **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 detail of the investments made by company is given in the notes to the financial statements.

## 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

Extract of Annual Return in accordance with the Companies Act, 2013, the annual return in the prescribed format can be accessed at: [www.associatedceramics.com](http://www.associatedceramics.com)

## 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 – I** which forms part of this report.

## 13. 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

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is required. The Company constantly strives for maintenance and improvement in quality of its products.

## 14. FOREIGN EXCHANGE EARNINGS AND OUT-GO:

During the period under review the foreign exchange  
Earnings was **RS 13,54,879.52/-** (PY RS 73,04,807/-)  
Outgo was **RS 8,01,363.74 /-** (PY RS 10,101,904/-)

## 15. DIRECTORS AND KEY MANAGEMENT PERSONNEL:

1. Mr. Sharad Agarwal – Chief Financial Officer
2. Mr. Arun Agarwal – Managing Director
3. Mr. Sharad Agarwal – Director
4. Mr. Binod Kumar Suhasaria - Independent Director
5. Mr. Abhishek Agarwal - Independent Director
6. Mrs. Sumona Bose - Independent Director
7. Mrs. Suchika Marda – Company Secretary

During the year, Mr. Subhash Goyal, an Independent Director in the company resigned from office w.e.f 24th January, 2023.

Mr.Abhishek Agarwal was appointed as an Independent Director in the company w.e.f 22<sup>nd</sup> March, 2023.

## 16. 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

## 17. MEETINGS:

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

During the year Six (6) Board Meetings were convened and held. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013. (Board Meeting Dates- 30.05.2022, 13.08.2022, 14.11.2022, 30.01.2023, 14.02.2023, 22.03.2023)

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## 18. 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 profit 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 was adequate and operating effectively; and

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.

## 19. 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.

The details of transactions entered into during the year are given in Note No. 32 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- II**.

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## 20. 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 or Joint ventures. Further the company has no subsidiary / joint venture company.

## 21. 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 are required by the Board under Section 134 of the Companies Act, 2013.

## 22. AUDITORS:

**M/s. Maroti & Associates., Chartered Accountants, Kolkata (Firm Registration No. : 322770E)** which was appointed as Statutory Auditors at the annual general meeting held in the year 2022 resigned from the position of Statutory Auditors w.e.f **13th May, 2023.**

**M/s. Sanjay Gulab & Co., Chartered Accountants, Kolkata (Firm Registration No. : 012598N)** was appointed as auditor w.e.f **16th May, 2023** till the AGM in the F.Y 2023-2024.

Further the company has received a certificate from **M/s. Sanjay Gulab & Co., Chartered Accountants, Kolkata (Firm Registration No. : 012598N)** to the effect that their re-appointment, if made, would be within the limits prescribed under section 141(3) of The Companies Act, 2013.

## 23. ADOPTION OF INDIAN ACCOUNTING STANDARDS:

The Company adopted the Indian Accounting Standards ("Ind AS") 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 to be restated to confirm to the provisions of Ind AS. 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 37 to the Financial Statements.

## 24. AUDIT COMMITTEE:

The Audit Committee consists of:

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SI. No.	Name	Designation
1.	SUBHASH GOYAL	Chairman
2.	BINOD KUMAR SUHASARIA	Member
3.	SUMANA BOSE	Member

**Note** : During the year, Mr. Subhash Goyal, an Independent Director in the company who was also the chairman of the committee resigned from office w.e.f 24th January, 2023.

Mr. Abhishek Agarwal was appointed as an Independent Director in the company w.e.f 22<sup>nd</sup> March, 2023 and was also appointed as chairman of the committee.

During the year Four (4) 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.

## 25. 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.

The Committee consists of :

SI. No.	Name	Designation
1.	SUBHASH GOYAL	Chairman
2.	BINOD KUMAR SUHASARIA	Member
3.	SUMANA BOSE	Member

**Note** : During the year, Mr. Subhash Goyal, an Independent Director in the company who was also the chairman of the committee resigned from office w.e.f 24th January, 2023.

Mr. Abhishek Agarwal was appointed as an Independent Director in the company w.e.f 22<sup>nd</sup> March, 2023 and was also appointed as chairman of the committee.

## 26. STAKEHOLDERS RELATIONSHIP COMMITTEE

The Committee consists of :

SI. No.	Name	Designation
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1.	SUBHASH GOYAL	Chairman
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**Note** : During the year, Mr. Subhash Goyal, an Independent Director in the company who was also the chairman of the committee resigned from office w.e.f 24th January, 2023.

Mr. Abhishek Agarwal was appointed as an Independent Director in the company w.e.f 22<sup>nd</sup> March, 2023 and was also appointed as chairman of the committee.

## 27.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 Mrs. Pooja Bansal, Peer Reviewed Practicing Company Secretary to undertake secretarial audit of the Company. The report of the secretarial audit is annexed as **ANNEXURE-III**. 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.

## 28.INDUSTRIAL RELATIONS:

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

## 29.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 reviewed and assessed that there no such element of risk exists which may threaten the existence of the company.

## 30.CORPORATE SOCIAL RESPOSIBILITY:

The Company considers Corporate Social Responsibility as an important aspect of doing business. As a good corporate citizen, the Company initiated appropriate action towards various social causes as soon as the provision become applicable to the Company during the period.

Accordingly, the said function is discharged by the Board of Directors of the Company. The Corporate Social Responsibility Policy of the Company as adopted by the Board of Directors is available on Company's website [www.associatedceramics.com](http://www.associatedceramics.com)

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During the year ended 31st March, 2023, your Company has spent ₹ 8.75 Lakhs on various CSR activities as defined under schedule VII of the Companies Act, 2013.

## **31.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.

## **32.CORPORATE GOVERNANCE AND MANAGEMENT DISCUSSION & ANALYSIS REPORTS**

The Company is in compliance with Regulation 17 to 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.

## **33.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.

## **34.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.

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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.

## **35.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 employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed. The Board is responsible for implementation of the Code.

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

## **36.MATERIAL CHANGES AND COMMITMENTS, IF ANY, 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:**

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.

## **37.REMUNERATION POLICY**

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.

## **38.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

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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.

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

Particulars	Ratio To Median Remuneration
<b>DIRECTOR</b>	
ARUN AGARWAL	74.47
BIMAL AGARWAL	21.20
SHARAD AGARWAL	60.34
BINOD KUMAR SUHASARIA	NIL
SUMONA BOSE	NIL

**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
Arun Agarwal (Managing Director)	50.00%
Sharad Agarwal (CFO)	66.66%
Suchika Marda (CS)	--

**c. The Percentage increase in the median remuneration of employees in the financial year 2022-2023** – There was 6.99 % increment in the median remuneration of employees during the financial year 2022- 2023.

**d. The Number of permanent employees in the rolls of the Company** - 107 in 2023 (excluding Directors)

**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

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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**

Aggregate remuneration of the Key Managerial Personnel in FY 22-23 ( Rs in lacs )	126.00
Revenue ( Rs in lacs )	5579.52
Remuneration of KMP ( as % of revenue )	2.25
PROFIT BEFORE TAX ( PBT ) ( RS IN LACS )	617.02
Remuneration of KMP ( as % of PBT )	20.42

**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 trade 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:**

percentile increase in salaries of employees other than managerial personnel : 17.74%

Percentile increase in the managerial remuneration was 29.85% for the year.

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

	ARUN AGARWAL (Managing Director)	SHARAD AGARWAL (Director)	BIMAL AGARWAL (Director)
REMUNERATION IN FY 22-23 (RS IN LACS)	60	48	18
REVENUE	5579.52		
REMUNERATION AS A % OF REVENUE	1.07	0.86	0.32
PROFIT BEFORE TAX (PBT) (RS IN LACS)	617.02		
REMUNERATION AS % OF PBT	9.72	7.77	2.91

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**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.

**39. 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.

**40. INSOLVENCY AND BANKRUPTCY CODE, 2016**

No application or proceeding was made or pending against the Company under the Insolvency and Bankruptcy Code, 2016 during the year under review.

**41. VARIATION IN VALUATION**

During the year under review, there was no instance of one-time settlement with any bank or financial institution necessitating disclosure or reporting in respect of difference in valuation done by the Company.

**42. ACKNOWLEDGEMENTS:**

The 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.

# **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 : L26919WB1970PLC027835**

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

**For and on behalf of the Board of Directors**

**ARUN AGARWAL  
DIN: 01660148  
MANAGING DIRECTOR**

**BIMAL AGARWAL  
DIN: 00652555  
DIRECTOR**

**Place: Kolkata**

**Date: 30/05/2023**

# ASSOCIATED CERAMICS LIMITED

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KOLKATA – 700013  
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## ANNEXURE-I

### CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION FOR THE FINANCIAL YEAR 2022-23

	POWER & FUEL CONSUMTION	CURRENT YEAR 2022	PREVIOUS YEAR 2022
1	ELECTRICITY PURCHASED		
	UNIT ( KWH )	977749.50	985527.72
	TOTAL AMOUNT ( RS In lakhs)	77.33	80.43
	RATE / UNIT ( RS )	7.91	8.16
	OWN GENERATION ( THROUGH DIESEL )		
	UNIT ( KWH )	118053	123488
	UNIT PER LITRE OF DIESEL	3.32	3.23
	COST / UNIT ( RS )	28.20	26.34
2	COAL		
	QUANTITY IN M.T	2610.61	2893.23
	TOTAL COST ( RS )	384.71	310.57
	COST / UNIT ( RS )	14736.55	10734.39
3	FURNANCE OIL		
	QUANTITY IN M.T	NIL	NIL
	TOTAL COST ( RS )	NIL	NIL
	COST / UNIT ( RS )	NIL	NIL
	CONSUMPTION PER UNIT OF PRODUCTION		
	ELECTRICITY	68.07	73.33
	COAL	0.34	0.41
	FURNANCE OIL	NIL	NIL

For and on behalf of the Board of Directors

ARUN AGARWAL  
DIN: 01660148  
MANAGING DIRECTOR

BIMAL AGARWAL  
DIN: 00652555  
DIRECTOR

Place: Kolkata  
Date: 30/05/2023



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## ANNEXURE II

### FORM NO. AOC -2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014.

Form for Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arms length transaction under third proviso thereto.

1. Details of contracts or arrangements or transactions not at Arm's length basis.

SL. No.	Particulars	Details
	Name (s) of the related party & nature of relationship	NIL
	Nature of contracts/arrangements/transaction	NIL
	Duration of the contracts/arrangements/transaction	NIL
	Salient terms of the contracts or arrangements or transaction including the value, if any	NIL
	Justification for entering into such contracts or arrangements or transactions'	NIL
	Date of approval by the Board	NIL
	Amount paid as advances, if any	NIL
	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	NIL

2. Details of contracts or arrangements or transactions at Arm's length basis.

(a)

Sl. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	IPITATA COMMOTRADE PVT. LTD. <b>NATURE:</b> ASSOCIATE & GROUP COMPANY
b)	Nature of contracts/arrangements/transaction	UNSECURED LOAN
c)	Duration of the contracts/arrangements/transaction	1 year
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	Value : Rs. 54,00,00,00
e)	Date of approval by the Board	30.05.2017
f)	Amount paid as advances, if any	Nil, Repaid Rs. 3,55,11,492 and Interest Rs. 4,50,953

(b)

Sl. No.	Particulars	Details
a)	Name (s) of the related party & nature of	EXCELLENT MERCHANTS

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	relationship	PVT LTD <b>NATURE:</b> ASSOCIATE & GROUP COMPANY
b)	Nature of contracts/arrangements/transaction	REPAYMENT OF UNSECURED LOAN
c)	Duration of the contracts/arrangements/transaction	1 Year
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	RS. 150,00,000
e)	Date of approval by the Board	30.05.2017
f)	Amount paid as advances, if any	Nil, Repaid Rs. 1,01,70,196 & Interest Rs. 1,28,712

(c)

Sl. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	SHARAD REFRACTORIES PVT. LTD. <b>NATURE:</b> ASSOCIATE & GROUP COMPANY
b)	Nature of contracts/arrangements/transaction	PURCHASE OF GOODS OR SERVICES
c)	Duration of the contracts/arrangements/transaction	N.A.
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	RS. 53,98,983
e)	Date of approval by the Board	30.05.2017
f)	Amount paid as advances, if any	NIL

(d)

Sl. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	SHARAD REFRACTORIES PVT. LTD. <b>NATURE:</b> ASSOCIATE & GROUP COMPANY
b)	Nature of contracts/arrangements/transaction	SALE OF GOODS OR SERVICES
c)	Duration of the contracts/arrangements/transaction	N.A.
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	RS. 22,01,012.7
e)	Date of approval by the Board	30.05.2017
f)	Amount paid as advances, if any	NIL

(e)

Sl. No.	Particulars	Details
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# ASSOCIATED CERAMICS LIMITED

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a)	Name (s) of the related party & nature of relationship	ACCAUTO SALES PROMOTION PVT LTD. <b>NATURE:</b> ASSOCIATE & GROUP COMPANY
b)	Nature of contracts/arrangements/transaction	ADVANCE
c)	Duration of the contracts/arrangements/transaction	N.A.
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	Rs. 2,80,611.89
e)	Date of approval by the Board	30.05.2017
f)	Amount paid as advances, if any	N.A

(f)

SI. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	ASSOCIATED GLOBAL FINANCE LTD <b>NATURE:</b> ASSOCIATE & GROUP COMPANY
b)	Nature of contracts/arrangements/transaction	UNSECURED LOAN
c)	Duration of the contracts/arrangements/transaction	1 year
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	RS. 60,00,000
e)	Date of approval by the Board	30.05.2017
f)	Amount paid as advances, if any	NIL

(g)

SI. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	ASSOCIATED GLOBAL FINANCE LTD <b>NATURE:</b> ASSOCIATE & GROUP COMPANY
b)	Nature of contracts/arrangements/transaction	REPAYMENT OF LOAN
c)	Duration of the contracts/arrangements/transaction	1 year
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	RS. 60,00,000
e)	Date of approval by the Board	30.05.2017
f)	Amount paid as advances, if any	NIL

(h)

SI. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	ARUN AGARWAL <b>NATURE:</b> MANAGING

# ASSOCIATED CERAMICS LIMITED

17, GANESH CHANDRA AVENUE, 4<sup>TH</sup> FLOOR

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		DIRECTOR
b)	Nature of contracts/arrangements/transaction	REMUNERATION
c)	Duration of the contracts/arrangements/transaction	--
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	RS. 60,00,000
e)	Date of approval by the Board	13/08/2022
f)	Amount paid as advances, if any	NIL

(i)

Sl. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	BIMAL AGARWAL <b>NATURE:</b> Executive DIRECTOR
b)	Nature of contracts/arrangements/transaction	REMUNERATION
c)	Duration of the contracts/arrangements/transaction	--
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	RS. 15,00,000
e)	Date of approval by the Board	01/07/2015
f)	Amount paid as advances, if any	NIL

(j)

Sl. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	SHARAD AGARWAL <b>NATURE:</b> Executive DIRECTOR
b)	Nature of contracts/arrangements/transaction	REMUNERATION
c)	Duration of the contracts/arrangements/transaction	--
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	RS. 48,00,000
e)	Date of approval by the Board	13/08/2022
f)	Amount paid as advances, if any	NIL

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

ARUN AGARWAL  
DIN: 01660148  
MANAGING DIRECTOR

BIMAL AGARWAL  
DIN: 00652555  
DIRECTOR

Place: Kolkata  
Date: 30/05/2023



**POOJA BANSAL**  
**Practicing Company Secretary**  
**Membership No. 50458**  
**COP No. 18524**

**Flat No. F1, 5th floor, Respect Home,  
Andul Road, Halderpara, Podrah,  
Howrah - 711109**  
**Email Id- [pujab35@gmail.com](mailto:pujab35@gmail.com)**  
**Contact No. 9038589527**

**Form No. MR-3**

**SECRETARIAL AUDIT REPORT  
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2023**

[Pursuant to section 204(1) of the Companies Act, 2013 and rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,  
The Members  
**ASSOCIATED CERAMICS LTD**  
**CIN: L26919WB1970PLC027835**  
**17 GANESH CHANDRA AVENUE, 4TH 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 LTD** (hereinafter referred as 'the Company'). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31 March 2023 ('Audit Period') complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31 March 2023, according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999, and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 – **No events / actions occurred during the Audit Period in pursuance of this regulation;**
  - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 – **No events / actions occurred during the Audit Period in pursuance of this regulation;**
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 – **No events / actions occurred during the Audit Period in pursuance of this regulation;**
  - (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 – **No events / actions occurred during the Audit Period in pursuance of this regulation;**
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 – **No events / actions occurred during the Audit Period in pursuance of this regulation;** and
  - (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015; and
- (vi) Other specifically applicable laws to the Company.

I report that, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test-check basis, the Company has complied with all the laws applicable specifically to the Company.

I have also examined compliance with the applicable clauses of the Secretarial Standards issued by The Institute of Company Secretaries of India.

I have relied on the representation made by the Company and its Officers for systems and mechanism formed by the Company for compliances under other applicable Acts, Laws and Regulations to the Company.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

I further report that:

- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors including Woman Director. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- Adequate notice is given to all directors for the Board Meetings, including Committees thereof, along with agenda and detailed notes on agenda at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting by the directors.
- All decisions at Board Meetings and Committee Meetings are carried out unanimously and recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

I further report that the compliance by the Company of applicable financial laws such as direct and indirect tax laws and maintenance of financial records and books of accounts have not been reviewed in this audit since the same have been subject to review by the statutory financial auditors, tax auditors and other designated professionals.

I further report that as per the explanations given to me and the representation made by the Management and relied upon by me, 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.

I further report that during the audit period, there was no other event/action having major bearing on the Company's affairs.



**POOJA BANSAL**  
**Practising Company Secretary**  
**Membership No.: 50458**  
**COP: 18524**

**Peer Review Certificate No. 1725/2022**  
**UDIN: A050458E000432213**

**Kolkata, May 30, 2023**



**POOJA BANSAL**  
Practicing Company Secretary  
Membership No. 50458  
COP No. 18524

Flat No. F1, 5th floor, Respect Home,  
Andul Road, Halderpara, Podrah,  
Howrah - 711109  
Email Id- [puiab35@gmail.com](mailto:puiab35@gmail.com)  
Contact No. 9038589527

**'ANNEXURE A'**

To,  
The Members  
**ASSOCIATED CERAMICS LTD**  
CIN: L26919WB1970PLC027835  
17 GANESH CHANDRA AVENUE, 4TH FLOOR  
KOLKATA - 700013

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 our 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 our opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

**POOJA BANSAL**  
Practicing Company Secretary  
Membership No.: 50458  
COP: 18524

Peer Review Certificate No. 1725/202  
UDIN: A050458E000432213



**Kolkata, May 30, 2023**





**POOJA BANSAL**  
Practicing Company Secretary  
Membership No. 50458  
COP No. 18524

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Email Id- [pujab35@gmail.com](mailto:pujab35@gmail.com)  
Contact No. 9038589527

**SECRETARIAL COMPLIANCE REPORT OF  
ASSOCIATED CERAMICS LTD  
FOR THE YEAR ENDED MARCH 31, 2023  
(Pursuant to SEBI Circular No. CIR/CFD/CMD1/27/2019 Dated February 8, 2019)**

To,  
The Members  
**ASSOCIATED CERAMICS LTD**  
CIN: L26919WB1970PLC027835  
17 GANESH CHANDRA AVENUE 4TH FLOOR  
KOLKATA - 700013

I, CS Pooja Bansal, Practicing Company Secretaries, have conducted the review of the compliance of the applicable statutory provisions and the adherence to good corporate practices by **M/s. ASSOCIATED CERAMICS LTD** ('the listed entity'), having its Registered Office at **17 GANESH CHANDRA AVENUE 4TH FLOOR KOLKATA - 700013**. Secretarial Review 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 our verification of the listed entity's books, papers, minutes books, forms and returns filed and other records maintained by the listed entity and also the information provided by the listed entity, its officers, agents and authorized representatives during the conduct of Secretarial Review, I hereby report that in my opinion, the listed entity has, during the review period covering the financial year ended on March 31, 2023, complied with the statutory provisions listed hereunder and also that the listed entity has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I, Pooja Bansal, Practicing Company Secretaries, have examined:

- (a) all the documents and records made available to us and explanation provided by the **Listed Entity**,
- (b) the filings/ submissions made by the listed entity to the stock exchanges,
- (c) website of the listed entity,
- (d) any other document/filing, as may be relevant, which has been relied upon to make this certification,

for the year ended March 31, 2023 ("Review Period") in respect of compliance with the provisions of:

- (a) the Securities and Exchange Board of India Act, 1992 ("SEBI Act") and the Regulations, circulars, guidelines issued thereunder; and
- (b) the Securities Contracts (Regulation) Act, 1956 ("SCRA"), rules made thereunder and the Regulations, circulars, guidelines issued thereunder by the Securities and Exchange Board of India;

The specific Regulations, whose provisions and the circulars/ guidelines issued thereunder, have been examined, include:

- (a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- (b) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- (c) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (d) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 - **Not applicable during the Review Period;**
- (e) Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 - **Not applicable during the Review Period;**
- (f) Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 - **Not applicable during the Review Period;**
- (g) Securities and Exchange Board of India (Issue and Listing of Non- Convertible and Redeemable Preference Shares) Regulations, 2013;
- (h) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; and
- (i) Other applicable regulations and circulars/guidelines issued thereunder;

I hereby report that, during the Review Period the compliance status of the listed entity is appended as below:

<b>S. No.</b>	<b>Particulars</b>	<b>Compliance Status (Yes/No/NA)</b>	<b>Observations/ Remarks by PCS</b>
1.	<b>Secretarial Standards:</b> The compliances of the listed entity are in accordance with the applicable Secretarial Standards (SS) issued by the Institute of Company Secretaries India (ICSI), as notified by the Central Government under section 118(10) of the Companies Act, 2013 and mandatorily applicable.	Yes	
2.	Adoption and timely updation of the Policies: <ul style="list-style-type: none"> <li>• All applicable policies under SEBI Regulations are adopted with the approval of board of directors of the listed entities</li> <li>• All the policies are in conformity with SEBI</li> </ul>	Yes	

	Regulations and have been reviewed & updated on time, as per the regulations/circulars/guidelines issued by SEBI		
3.	<p><b>Maintenance and disclosures on Website:</b></p> <ul style="list-style-type: none"> <li>• The Listed entity is maintaining a functional website</li> <li>• Timely dissemination of the documents/ information under a separate section on the website</li> <li>• Web-links provided in annual corporate governance reports under Regulation 27(2) are accurate and specific which re-directs to the relevant document(s)/section of the website</li> </ul>	Yes	
4.	<p><b>Disqualification of Director:</b> None of the Director(s) of the Company is/ are disqualified under Section 164 of Companies Act, 2013 as confirmed by the listed entity.</p>	Yes	
5.	<p><b>Details related to Subsidiaries of listed entities have been examined w.r.t.:</b> (a) Identification of material subsidiary companies (b) Disclosure requirement of material as well as other subsidiaries</p>	Yes	
6.	<p><b>Preservation of Documents:</b> The listed entity is preserving and maintaining records as prescribed under SEBI Regulations and disposal of records as per Policy of Preservation of Documents and Archival policy prescribed under SEBI LODR Regulations, 2015.</p>	Yes	
7.	<p><b>Performance Evaluation:</b> The listed entity has conducted performance evaluation of the Board, Independent Directors and the Committees at the start of every financial year/during the financial year as prescribed in SEBI Regulations.</p>	Yes	
8.	<p><b>Related Party Transactions:</b> (a) The listed entity has obtained prior</p>	Yes	

	approval of Audit Committee for all related party transactions; or (b) The listed entity has provided detailed reasons along with confirmation whether the transactions were subsequently approved/ratified/rejected by the Audit Committee, in case no prior approval has been obtained.		
9.	<b>Disclosure of events or information:</b> The listed entity has provided all the required disclosure(s) under Regulation 30 along with Schedule III of SEBI LODR Regulations, 2015 within the time limits prescribed thereunder.	Yes	
10.	<b>Prohibition of Insider Trading:</b> The listed entity is in compliance with Regulation 3(5) & 3(6) SEBI (Prohibition of Insider Trading) Regulations, 2015.	Yes	
11.	<b>Actions taken by SEBI or Stock Exchange(s), if any:</b> No action(s) has been taken against the listed entity/ its promoters/ directors/ subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under SEBI Regulations and circulars/ guidelines issued thereunder except as provided under separate paragraph herein (**).	Yes	
12.	<b>Additional Non-compliances, if any:</b> No additional non-compliance observed for any SEBI regulation/circular/guidance note etc.	Yes	

Compliances related to resignation of statutory auditors from listed entities and their material subsidiaries as per SEBI Circular CIR/CFD/CMD1/114/2019 dated 18th October, 2019:

Sr. No.	Particulars	Compliance Status (Yes/No/ NA)	Observations/Remarks by PCS*
1.	<b>Compliances with the following conditions while appointing/re-appointing an auditor</b>		

	<p>i. If the auditor has resigned within 45 days from the end of a quarter of a financial year, the auditor before such resignation, has issued the limited review/ audit report for such quarter; or</p> <p>ii. If the auditor has resigned after 45 days from the end of a quarter of a financial year, the auditor before such resignation, has issued the limited review/ audit report for such quarter as well as the next quarter; or</p> <p>iii. If the auditor has signed the limited review/ audit report for the first three quarters of a financial year, the auditor before such resignation, has issued the limited review/ audit report for the last quarter of such financial year as well as the audit report for such financial year.</p>	<p>NA</p> <p>NA</p>	<p>No such Instances</p> <p>No such instances</p>
2.	<b>Other conditions relating to resignation of statutory auditor</b>		
	<p>i. Reporting of concerns by Auditor with respect to the listed entity/its material subsidiary to the Audit Committee:</p> <p>a. In case of any concern with the management of the listed entity/material subsidiary such as non-availability of information / non-cooperation by the management which has hampered the audit process, the auditor has approached the Chairman of the Audit Committee of the listed entity and the Audit Committee shall receive such concern directly and immediately without specifically waiting for the quarterly Audit Committee meetings.</p> <p>b. In case the auditor proposes to resign, all concerns with respect to the proposed resignation, along with relevant documents has been</p>	<p>NA</p>	<p>No such instances</p>

	<p>brought to the notice of the Audit Committee. In cases where the proposed resignation is due to non-receipt of information / explanation from the company, the auditor has informed the Audit Committee the details of information/ explanation sought and not provided by the management, as applicable.</p> <p>c. The Audit Committee / Board of Directors, as the case may be, deliberated on the matter on receipt of such information from the auditor relating to the proposal to resign as mentioned above and communicate its views to the management and the auditor.</p> <p><b>ii. Disclaimer in case of non-receipt of information:</b></p> <p>The auditor has provided an appropriate disclaimer in its audit report, which is in accordance with the Standards of Auditing as specified by ICAI / NFRA, in case where the listed entity/ its material subsidiary has not provided information as required by the auditor.</p>		
3.	The listed entity / its material subsidiary has obtained information from the Auditor upon resignation, in the format as specified in Annexure- A in SEBI Circular CIR/CFD/CMD1/114/2019 dated 18th October, 2019.	NA	No such instances

(a) (\*\*) The listed entity has complied with the provisions of the above Regulations and circulars/ guidelines issued thereunder, except in respect of matters specified below:

Sr. No.	Compliance Requirement (Regulations/circulars/guidelines including specific clause)	Regulation/Circular No.	Deviations	Action Taken by	Type of Action	Details of Violation	Fine Amount	Observations/Remarks of the Practising Company Secretary	Management Response	Remarks
<i>No such instances</i>										

(b) The listed entity has taken the following actions to comply with the observations made in previous reports:

Sr. No.	Compliance Requirement (Regulations/circulars/guidelines including specific clause)	Regulation/Circular No.	Deviations	Action Taken by	Type of Action	Details of Violation	Fine Amount	Observations/Remarks of the Practising Company Secretary	Management Response	Remarks
<i>No such instances</i>										

## **Assumptions & Limitation of scope and Review:**

1. Compliance of the applicable laws and ensuring the authenticity of documents and information furnished,  
are the responsibilities of the management of the listed entity.
2. Our responsibility is to certify based upon our examination of relevant documents and information. This  
is neither an audit nor an expression of opinion.
3. We have not verified the correctness and appropriateness of financial Records and Books of Accounts of  
the listed entity.
4. This Report is solely for the intended purpose of compliance in terms of Regulation 24A (2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and is neither an assurance as to the future viability of the listed entity nor of the efficacy or effectiveness with which the management has conducted the affairs of the listed entity.

**POOJA** Digitally signed by  
**BANSAL** POOJA BANSAL  
Date: 2023.05.30  
11:25:09 +05'30'

**Pooja Bansal**  
**Practicing Company Secretary**  
**ACS No.: 50458**  
**CP No.: 18524**  
**Peer Review No. 1725/2022**

**UDIN: A050458E000418531**

Date : May 30, 2023  
Place : Kolkata





**POOJA BANSAL**  
**Practicing Company Secretary**  
**Membership No. 50458**  
**COP No. 18524**

**Flat No. F1, 5th floor, Respect Home,**  
**Andul Road, Halderpara, Podrah,**  
**Howrah - 711109**  
**Email Id- [pujab35@gmail.com](mailto:pujab35@gmail.com)**  
**Contact No. 9038589527**

**CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**

***(pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)***

To,  
The Members  
**ASSOCIATED CERAMICS LTD**  
**CIN: L26919WB1970PLC027835**  
**17 GANESH CHANDRA AVENUE, 4TH FLOOR**  
**KOLKATA - 700013**

I have examined the relevant registers, records, forms, returns and the disclosures received from the Directors of M/s. ASSOCIATED CERAMICS LTD, having CIN L26919WB1970PLC027835, and registered office at 17 GANESH CHANDRA AVENUE, 4TH FLOOR, KOLKATA - 700013 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on March 31, 2023, have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority:

<b>Sr. No.</b>	<b>Name of Director</b>	<b>DIN</b>	<b>Date of appointment in Company</b>
1.	Mr. Bimal Agarwal	00652555	01/07/2015
2.	Mr. Sharad Agarwal	00652580	01/04/2021
3.	Mr. Binod Kumar Suhasaria	00652607	10/05/1988
4.	Mr. Arun Agarwal	01660148	23/03/1976
5.	Ms. Sumana Bose	08305755	07/01/2019

Ensuring the eligibility of the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification.

This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**POOJA BANSAL**  
**Practicing Company Secretary**  
**Membership No.: 50458**  
**COP: 18524**



**Peer Review Certificate No. 1725/2022**  
**UDIN: A050458E000432202**

**Kolkata, May 30, 2023**



## INDEPENDENT AUDITOR'S REPORT

### TO THE MEMBERS OF ASSOCIATED CERAMICS LIMITED

#### Report on the Audit of the Financial Statements

#### Opinion

We have audited the accompanying standalone financial statement of **ASSOCIATED CERAMICS LIMITED** ('The Company') which comprises the Balance Sheet as at March 31, 2023, the Statement of Profit and Loss (including other comprehensive income), the Statement of changes in equity and Statement of Cash Flows for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements"), which we have signed under reference to this report.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act 2013 (the "Act") in the manner so required and give a true and fair view in conformity with accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

#### Basis for Opinion

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

#### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements for the financial year ended 31<sup>st</sup> March, 2023. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and informing our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined that there are no key audit matters to communicate in our report.

## **Information Other than the Financial Statements and Auditor's Report Thereon**

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report but does not include the financial statements and our Auditor's Report thereon.

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

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

We have nothing to report in this regard.

## **Responsibility of Management and those charged with governance for the Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with accounting principles generally accepted in India. This responsibility also includes responsible the maintenance of the adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is responsible for overseeing the Company's financial reporting process.

## **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Company's to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

## Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit 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), the Statement of Changes in Equity and the cash flows are dealt with by this Report are in agreement with the relevant books of account.
- d) In our opinion, the aforesaid standalone financial statements comply with the specified under Section 133 of the Act, read with companies (Indian Accounting Standards) Rules, 2015, as amended.
- e) On the basis of the written representations received from the directors of the Company as on March 31, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 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 A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:  
In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 read with Schedule V of the Act.
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company has disclosed the impact of pending litigations on its financial position of the financial statements.
  - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund.

- i) a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever (“Ultimate Beneficiaries”) by or on behalf of the Company or provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries;
- (b) The management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any persons or entities, including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company shall: directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever (“Ultimate Beneficiaries”) by or on behalf of the Funding Party or provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries; and
- (c) Based on such audit procedures as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i)(a) and (i)(b) contain any material misstatement.
- j) The Company has not paid/declared any dividend during the year.
- k) Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of accounts using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from April 1, 2023, and accordingly, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.
2. The Companies (Auditor’s Report) order, 2020 (“the order”) issued by the Central Government of India in terms of subsection (11) of section 143 of the Act, we give in the Annexure B, a statement on the matters specified in the paragraph 3 and 4 of the order, to the extent applicable.

**For SANJAY GULAB & CO**  
**Chartered Accounts**  
**Firm Registration No. 012598N**

**CA SANJAY KUMAR JAIN**  
**PARTNER**  
**Membership No.091273**  
**UDIN NO. 23091273BGWXHA6238**

**Place: - Delhi**  
**Date: - 30-05-2023**

## **Annexure - A to the Independent Auditor's Report**

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

We have audited the internal financial controls over financial reporting of **ASSOCIATED CERAMICS LIMITED** ("the Company") as of 31<sup>st</sup> March, 2023 in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

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

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('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 2023, 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 SANJAY GULAB & CO**  
**Chartered Accounts**  
**Firm Registration No. 012598N**

**CA SANJAY KUMAR JAIN**  
**PARTNER**  
**Membership No.091273**  
**UDIN NO. 23091273BGWXHA6238**

**Place: - Delhi**  
**Date: - 30-05-2023**



## ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of **Associated Ceramics Limited** of even date)

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that:

- i. a) In respect of the Company's Property, Plant and Equipment:
    - (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
    - (B) Based on the information and explanations furnished to us and the records of the Company examined by us, the Company does not have any Intangible Assets and accordingly, reporting under this Clause is not applicable
  - b) According to the information and explanations given to us and on the basis of examination of the records of the company, the Company has a regular program of physical verification of its fixed assets by which all fixed assets are verified in a phased manner over a period of three years. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain fixed assets were physically verified during the year. No material discrepancies were observed on such verification.
  - c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, we report that title deeds of all other immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee), disclosed in the financial statements are held in the name of the Company.
  - d) According to the information and explanation given to us, the Company has not revalued any of its Property, Plant and Equipment and intangible assets during the year.
  - e) According to the information and explanation given to us, no proceedings have been initiated during the year or are pending against the Company as at March 31, 2023 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- ii. (a) The physical verification of inventory has been conducted at reasonable intervals by the Management during the year and, in our opinion, the coverage and procedures of such verification by Management is reasonably appropriate and no material discrepancies were noticed on such physical verification.
    - (b) The Company has not been sanctioned working capital limits in excess of ₹5 crore, in aggregate, at any points of time during the year, from banks or financial institutions on the basis of security of current assets and hence reporting under clause 3(ii)(b) of the Order is not applicable.
  - iii. The Company has not made any investments in, provided any guarantee or security or granted any loans or advances in nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties and hence reporting under clause 3(iii) of the Order is not applicable.
  - iv. In our opinion and according to the information and explanations given to us, the Company has not either directly or indirectly, granted any loan to any of its directors or to any other person in whom the director is interested, in accordance with the provisions of section 185 of the Act and the Company has not made investments through more than two layers of investment companies in accordance with the provisions of section 186 of the Act. Accordingly, provisions stated in paragraph 3(iv) of the Order are not applicable to the Company.
  - v. According to the information and explanations given to us and on the basis of our examination of the records, the Company has not accepted any deposit or amounts which are deemed to be deposits under Section 73 to 76. Hence, reporting under clause 3(v) of the Order is not applicable.

- vi. As per the information and explanation given to us by the Management, maintenance of cost records has not been prescribed by the Central Government under sub-section (1) of section 148 of the Act.
- vii. In respect of statutory dues:
- (a) In our opinion, the Company has generally been regular in depositing undisputed statutory dues, including Goods and Services tax, Provident Fund, Employees' State Insurance other material statutory dues applicable to it with the appropriate authorities, and no undisputed amounts payable in respect of Income Tax, Cess and other material statutory dues in arrears as at 31<sup>st</sup> March, 2023 for a period of more than six months from the date they become payable.
- (b) According to the information and explanations given to us and on the basis of our examination of the records, the following dues of Income Tax have not been deposited as on March 31, 2023 on account of disputes are given below:

Nature of the Statute	Nature of dues	Amount (₹ lakhs)	Period to which the Amount Relates	Forum where Dispute is Pending
INCOME TAX ACT, 1961	Income Tax	8.44	A.Y. 2012-2013	Income Tax Appellate Tribunal

- viii. According to the information and explanations given to us, there were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961(43 of 1961).
- ix. (a) According to the information and explanations given to us and on the basis of our examination of the records, the Company has not defaulted in repayment of any loans or other borrowings or in payment of interest thereon to any lender.
- (b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (c) According to the information and explanations given to us and on the basis of our examination of the records, the Company has not taken any term loan during the year and there are no outstanding term loans at the beginning of the year and hence, reporting under clause 3(ix)(c) of the Order is not applicable.
- (d) In our opinion, according to the information and explanations given to us and on an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.
- (e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries or associate companies.
- (f) According to the information explanations given to us and on the basis of our examination on the records, the Company has not raised any loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associates companies and hence reporting on clause(ix)(f) of the Order is not applicable.
- x. (a) According to the information and explanations given to us and on the basis of our examination of the records, the Company has not raised moneys by way of initial public offer or

further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.

- (b) According to the information and explanations given to us and on the basis of our examination of the records, during the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable.
- xi. (a) According to the information and explanations given to us and on the basis of our examination, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- (b) We have not come across any instance of fraud by the company or on the company during the course of our audit, accordingly the provisions stated in clause 3(xi)(b) of the Order is not applicable.
- (c) As represented to us by the management, there are no whistle-blower complaints received by the Company during the year. Accordingly, the provisions stated in paragraph (xi)(c) of the Order is not applicable.
- xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, the provisions stated in paragraph 3(xii) (a) to (c) of the Order are not applicable to the Company.
- xiii. In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- xiv. (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- (b) We have considered the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.
- xv. In our opinion during the year the Company has not entered into any non-cash transactions with its Directors or persons connected with its directors. And hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- xvi. (a) According to the information and explanation given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the reporting under Clause 3(xvi)(a) of the Order is not applicable to the Company.
- (b) The Company has not conducted non-banking financial / housing finance activities during the year. Accordingly, the reporting under Clause 3(xvi)(b) of the Order is not applicable to the Company.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, the reporting under Clause 3(xvi)(c) of the Order is not applicable to the Company.
- (d) Based on the information and explanations provided by the management of the Company, the Group has no CIC as part of the Group.
- xvii. The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- xviii. There has been resignation of the statutory auditors during the year, there were no issues, objections or concerns raised by the outgoing auditors.
- xix. According to the information and explanations given to us and based on our examination of financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of

the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

- xx. According to the information and explanations given to us, the provisions of section 135 of the Act are applicable to the Company. The Company has made the required contributions during the year and there are no unspent amounts which are required to be transferred to the special account as on the date of our audit report. Accordingly, the provisions of paragraph of (xx)(a) to (b) of the Order are not applicable to the Company
- xxi. The reporting under Clause 3(xxi) of the Order is not applicable in respect of audit of standalone financial statements. Accordingly no comment in respect of the said clause has been included in this report.

**For SANJAY GULAB & CO**  
**Chartered Accounts**  
**Firm Registration No. 012598N**

**CA SANJAY KUMAR JAIN**  
**PARTNER**  
**Membership No.091273**  
**UDIN NO. 23091273BGWXHA6238**

**Place: - Delhi**  
**Date: - 30-05-2023**

**Associated Ceramics Limited**  
**L26919WB1970PLC027835**  
**Balance Sheet as at 31st March, 2023**

(₹ in lacs)

Particulars	Note no.	As at 31st March, 2023	As at 31st March, 2022
<b>Assets</b>			
<b>Non-Current Assets</b>			
a) Property, Plant and Equipment	2	2,529.11	1,094.68
b) Capital Work-in-progress		-	410.46
c) Financial Assets			
i) Investments	3	154.68	169.03
		<b>2,683.79</b>	<b>1,674.16</b>
<b>Current Assets</b>			
a) Inventories	4	1,115.93	1,077.21
b) Financial assets			
i) Trade receivables	5	388.18	307.68
ii) Cash and Cash equivalents	6	66.72	97.60
iii) Loans	7	-	0.38
iv) Other Bank balances	8	10.45	10.45
v) Other financial asset	9	19.14	18.74
c) Current Tax Assets (Net)	10	148.13	142.11
d) Other current assets	11	26.43	29.55
		<b>1,774.98</b>	<b>1,683.73</b>
<b>Total Assets</b>		<b>4,458.77</b>	<b>3,357.89</b>
<b>Equity and Liabilities</b>			
<b>Equity</b>			
a) Equity Share Capital	12	425.98	425.98
b) Other Equity	13	2,606.65	2,149.11
		<b>3,032.63</b>	<b>2,575.09</b>
<b>Liabilities</b>			
<b>Non-Current Liabilities</b>			
a) Deferred tax liabilities (Net)	14	39.56	24.51
		<b>39.56</b>	<b>24.51</b>
<b>Current Liabilities</b>			
a) Financial liabilities			
i) Borrowings	15	634.68	316.72
ii) Trade Payables			
(A) total outstanding dues of micro enterprises and small enterprises			
(B) total outstanding dues of creditor other than micro enterprises and small enterprises	16	527.11	265.47
iii) Other financial liabilities	17	15.18	14.15
b) Other current liabilities	18	35.79	20.36
c) Provisions	19	173.82	141.59
		<b>1,386.58</b>	<b>758.29</b>
<b>Total Equity and Liabilities</b>		<b>4,458.77</b>	<b>3,357.89</b>
Significant Accounting Policies	1		

The accompanying notes form an integral part of the Financial Statements

29-50

In terms of our report of even date

For and on behalf of the Board

**FOR SANJAY GULAB & CO**  
Chartered Accountants

Sd/-  
**ARUN AGARWAL**  
*Managing Director*  
Din : 01660148

Sd/-  
**SHARAD AGARWAL**  
*Director*  
Din : 00652580

Sd/-  
**CA Sanjay Kumar Jain**  
Partner  
Membership No. 091273  
Firm Registration No. 012598N

**SUCHIKA MARDA**  
*Company Secretary*

Place : Delhi  
Date: 30/05/2023  
UDIN: 23091273BGWXHA6238

**Associated Ceramics Limited**  
**L26919WB1970PLC027835**  
**Statement of Profit & Loss for the year ended 31st March, 2023**

(₹ in lacs)

	Particulars	Notes	For the Period ending on 31st March 2023	For the Period ending on 31st March 2022
	<b>INCOME</b>			
I	Revenue from operations	20	5,579.52	3,837.05
II	Other Income	21	40.24	40.17
III	<b>Total Income(I+II)</b>		<b>5,619.76</b>	<b>3,877.22</b>
	<b>EXPENSES</b>			
IV	Cost of materials consumed	22	3,253.71	2,352.92
	Purchases of stock-in-trade		212.15	44.67
	Changes in inventories of finished goods, stock in trade and work -in-progress	23	117.99	(140.29)
	Employee benefits expense	24	591.56	492.45
	Finance costs	25	33.93	9.40
	Depreciation and amortisation expense	26	156.75	99.18
	Other expenses	27	657.36	481.83
	<b>Total Expense(IV)</b>		<b>5,023.46</b>	<b>3,340.16</b>
V	Profit/(loss) before exceptional item and tax (III-IV)		596.31	537.06
VI	Exceptional items		20.72	(2.70)
VII	Profit/(loss) before tax (V-VI)		<b>617.03</b>	<b>534.36</b>
VIII	Tax expense:	28		
	(i) Current tax		144.44	116.94
	(ii) Deferred tax		15.05	(1.07)
IX	Profit/(loss) for the period (VII-VIII)		<b>457.54</b>	<b>418.49</b>
X	<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		-	-
XI	<b>Total Comprehensive Income for the period (Comprising Profit / (Loss) and Other Comprehensive Income for the period)</b>		<b>457.54</b>	<b>418.49</b>
XII	<b>Earning per Equity Share of ` 10 each (in `)</b>			
	Basic & Diluted EPS	29	22.38	18.69
	Significant Accounting Policies	1		
The accompanying notes form an integral part of the Financial Statements		29-50		

In terms of our report of even date  
**FOR SANJAY GULAB & CO**  
Chartered Accountants

For and on behalf of the Board

Sd/-  
**CA Sanjay Kumar Jain**  
Partner  
Membership No. 091273  
Firm Registration No. 012598N  
UDIN: 23091273BGWXHA6238

Sd/-  
**ARUN AGARWAL**  
Managing Director  
Din : 01660148

Sd/-  
**SHARAD AGARWAL**  
Director  
Din : 00652580

**SUCHIKA MARDA**  
Company Secretary

Place : Delhi  
Date: 30/05/2023

**ASSOCIATED CERAMICS LIMITED**

L26919WB1970PLC027835

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2023**

<u>Particulars</u>	31st March 2023	31st March 2022
<b>A) CASH FLOW FROM OPERATING ACTIVITIES:</b>		
Net Profit before Tax & Extra-ordinary items	596.31	537.06
<b>Adjustments for :</b>		
Exceptional items	20.72	(2.70)
Loss in fair value of investment	14.35	-
Foreign Exchange Fluctuation Gain	(7.92)	-
Liabilities Written off	(0.20)	-
Depreciation	156.75	99.18
Interest Expense	33.93	9.40
Interest on Income Tax	4.31	-
Interest Income	(2.22)	(3.27)
Allowance for credit losses	(25.33)	22.08
Changes in fair value of financial assets carried at fair value through profit and loss	-	(31.86)
Dividend Income	(0.99)	(0.70)
<b>Operating Profit before working capital changes.</b>	<b>789.70</b>	<b>629.18</b>
<b>Changes in working capital</b>		
(Increase)/ decrease in inventories	(38.72)	(133.57)
(Increase)/ decrease in Trade Receivables	(47.24)	456.78
(Increase)/ decrease in other financial asset, other current assets	3.12	73.04
(Increase)/ decrease in other current assets	(1.81)	(4.92)
(Increase)/ decrease in Loans	0.38	(0.38)
Increase/ (decrease) Trade Payables	261.65	(50.01)
Increase/ (decrease) in other financial liabilities, other current liabilities and provisions	21.18	(46.36)
<b>Cash Utilised / from Operation</b>	<b>198.56</b>	<b>294.57</b>
Direct Tax Paid (Net of Refund)	(125.87)	(86.03)
<b>Net Cash flow from/ utilised in Operating Activities</b>	<b>862.40</b>	<b>837.72</b>
<b>B CASH FLOW FROM INVESTING ACTIVITIES :</b>		
Purchase of Property, Plant and Equipment	(1,591.82)	(564.08)
Sale of Property, Plant and Equipment	411.10	35.76
Investment in other bank balance	(0.00)	(9.10)
Dividend Income	0.99	0.70
Interest Income	2.22	3.27
<b>Net Cash flow from/ used in investing Activities</b>	<b>(1,177.51)</b>	<b>(533.45)</b>
<b>C CASH FLOW FROM FINANCING ACTIVITIES :</b>		
Secured Loans - Short Term Borrowings	(132.09)	63.23
Interest expense	(33.93)	(9.40)
Unsecured Loans	450.26	(303.87)
<b>Net Cash flow from/ utilised in Financial Activities</b>	<b>284.23</b>	<b>(250.04)</b>
Net Increase / decrease in Cash & Cash Equivalents (A+B+C)	(30.88)	54.22
Cash & Cash Equivalents As on 01.04.2022 (Opening Balance)	97.60	43.38
<b>Cash &amp; Cash Equivalents As on 31.03.2023 (Closing Balance)</b>	<b>66.72</b>	<b>97.60</b>

In terms of our report of even date

For and on behalf of the Board

**FOR SANJAY GULAB & CO**

Chartered Accountants

Sd/-

**ARUN AGARWAL**

*Managing Director*

Din : 01660148

Sd/-

**SHARAD AGARWAL**

*Director*

Din : 00652580

Sd/-

**CA Sanjay Kumar Jain**

Partner

Membership No. 091273

Firm Registration No. 012598N

**SUCHIKA MARDA**

*Company Secretary*

Place : Delhi

Date: 30/05/2023

UDIN: 23091273BGWXHA6238

**Associate Ceramics Limited**  
**Significant accounting policies for the year ended 31st March 2023.**

**Note - 1**

**1. Corporate Information**

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 Ganesh Chandra Avenue 4th Floor, Kolkata, WB 700013 In.

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.

**b. Basis of preparation**

The financial statements have been prepared under the historical cost convention, on the accrual basis of accounting, with the exception of certain assets and liabilities that are required to be carried at fair values by Ind AS. The accounting policies have been applied consistently over all the periods presented in these financial statements.

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.

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.



## **Associate Ceramics Limited**

### **Significant accounting policies for the year ended 31st March 2023.**

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.

- Disclosures for valuation methods, significant estimates and assumptions
- Quantitative disclosures of fair value measurement hierarchy
- Investment in quoted and unquoted equity shares
- 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 realized or intended to be sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realized 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;
- 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.

## **Associate Ceramics Limited**

### **Significant accounting policies for the year ended 31st March 2023.**

The operating cycle is the time between the acquisition of assets for processing and their realization 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 management makes judgments, 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 recognized in the period in which the estimates are revised and future periods are affected.

Significant judgments 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 losses if any. The cost of an item of property, plant and equipment comprises of its purchase price including import duties and other non-refundable purchase taxes or levies, directly attributable cost of bringing the asset to its working condition for its intended use and the initial estimate of decommissioning, restoration and similar liabilities, if any. 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.

##### *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.

## **Associate Ceramics Limited**

### **Significant accounting policies for the year ended 31st March 2023.**

#### **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-**

##### **Property, Plant and Equipment and Intangible 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.

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.

## **Associate Ceramics Limited**

### **Significant accounting policies for the year ended 31st March 2023.**

#### **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 (AC)**

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 (FVTOCI)**

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 (FVTPL)**

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.

##### **Classification and Subsequent Measurement: Financial liabilities**

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

## **Associate Ceramics Limited**

### **Significant accounting policies for the year ended 31st March 2023.**

#### **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.

**Associate Ceramics Limited**  
**Significant accounting policies for the year ended 31st March 2023.**

**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**

A Provision is recognised when the company has a present legal or constructive obligation as a result of past events and 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.

## **Associate Ceramics Limited**

### **Significant accounting policies for the year ended 31st March 2023.**

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.

## **Associate Ceramics Limited**

### **Significant accounting policies for the year ended 31st March 2023.**

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.



## **Associate Ceramics Limited**

### **Significant accounting policies for the year ended 31st March 2023.**

#### **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.

#### **q. 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.

#### **r. 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.

#### **s. Earnings per share**

Basic earnings per share is computed by dividing the net profit or loss 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

## **Associate Ceramics Limited**

### **Significant accounting policies for the year ended 31st March 2023.**

for all 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.

#### **t. 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.

#### **u. 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.

#### **v. 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.

#### **w. 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.

**Associated Ceramics Limited**  
**L26919WB1970PLC027835**  
**Statement of Changes in Equity for the year ended 31st March, 2023**

**A. Equity Share Capital**

**For the year ended 31st March, 2023** (₹ in lacs)

Balance as at 01st April, 2022	Changes in Equity Share Capital during the year	Balance as at 31st March, 2023
425.98	-	425.98

**For the year ended 31st March, 2022** (₹ in lacs)

Balance as at 01st April, 2021	Changes in Equity Share Capital during the year	Balance as at 31st March, 2022
425.98	-	425.98

**B. Other Equity**

(₹ in lacs)

Particulars	Reserve and Surplus			Equity instruments through OCI	Remeasurement of the net defined benefit plans	Total equity attributable to equity share holders of the company
	Securities Premium	Retained Earnings	Other Reserves			
Balance as at 01st April, 2022	945.45	1,194.25	9.41	-	-	2,149.11
Profit for the year	-	457.54	-	-	-	457.54
Transferd To Revaluation Reserve	-	-	-	-	-	-
Balance as at 31st March, 2023	945.45	1,651.79	9.41	-	-	2,606.65

Particulars	Reserve and Surplus			Equity instruments through OCI	Remeasurement of the net defined benefit plans	Total equity attributable to equity share holders of the company
	Securities Premium	Retained Earnings	Other Reserves			
Balance as at 01st April, 2021	945.45	784.98	1.19	-	-	1,731.62
Profit for the year	-	418.48	(0.99)	-	-	417.49
Transferd To Revaluation Reserve	-	(9.21)	9.21	-	-	-
Balance as at 31st March, 2022	945.45	1,194.25	9.41	-	-	2,149.11

In terms of our report of even date  
**FOR SANJAY GULAB & CO**  
Chartered Accountants

For and on behalf of the Board

Sd/-

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

Sd/-

**SHARAD AGARWAL**  
*Director*  
Din : 00652580

Sd/-

CA Sanjay Kumar Jain  
Partner  
Membership No. 091273  
Firm Registration No. 012598N  
UDIN: 23091273BGWXHA6238

**SUCHIKA MARDA**  
*Company Secretary*

Place : Delhi  
Date: 30/05/2023

**Associated Ceramics Limited**

Notes to the Financial Statements for the year ended 31st March 2023

**2. Property, Plant and Equipment**

(₹ in lacs)

Description	Gross block				Accumulated depreciation				Net block
	31st March 2022	Additions	Disposals/ Adjustments	31st March 2023	31st March 2022	Additions	Disposals/ Adjustments	31st March 2023	31st March 2023
Freehold Land	169.16	-	-	169.16	-	-	-	-	169.16
Factory Shed (Building)	391.77	641.77	-	1,033.54	187.08	33.79	-	220.86	812.68
Factory Shed WIP (Building WIP)	410.46	-	410.46	0.00	-	-	-	-	0.00
Plant and Equipment	1,255.07	925.01	-	2,180.08	844.08	85.21	-	929.29	1,250.79
Furniture and Fixtures	11.75	-	-	11.75	10.57	0.32	-	10.89	0.87
Solar Power	661.15	-	-	661.15	357.18	34.32	-	391.50	269.65
Vehicles	27.33	22.36	7.53	42.15	23.91	2.01	6.89	19.03	23.12
Computer	0.82	1.36	-	2.18	0.75	0.82	-	1.56	0.61
Office Equipment	15.82	1.33	-	17.15	14.64	0.29	-	14.93	2.22
<b>Total</b>	<b>2,943.33</b>	<b>1,591.82</b>	<b>417.99</b>	<b>4,117.17</b>	<b>1,438.20</b>	<b>156.75</b>	<b>6.89</b>	<b>1,588.05</b>	<b>2,529.11</b>

(₹ in lacs)

Description	Gross block				Accumulated depreciation				Net block
	31st March 2021	Additions	Disposals/ Adjustments	31st March 2022	31st March 2021	Additions	Disposals/ Adjustments	31st March 2022	31st March 2022
Freehold Land	169.16	-	-	169.16	-	-	-	-	169.16
Buildings	308.20	154.10	70.53	391.77	224.39	9.26	46.57	187.08	204.70
Buildings WIP	135.42	275.04	-	410.46	-	-	-	-	410.46
Plant and Equipment	1,325.87	134.94	205.74	1,255.07	987.91	50.11	193.94	844.08	410.99
Furniture and Fixtures	11.75	-	-	11.75	10.16	0.41	-	10.57	1.18
Solar Power	661.15	-	-	661.15	318.49	38.69	-	357.18	303.97
Vehicles	27.33	-	-	27.33	22.79	1.12	-	23.91	3.42
Computer	0.82	-	-	0.82	0.63	0.12	-	0.75	0.07
Office Equipment	15.82	-	-	15.82	14.17	0.47	-	14.64	1.18
<b>Total</b>	<b>2,655.52</b>	<b>564.08</b>	<b>276.26</b>	<b>2,943.33</b>	<b>1,578.54</b>	<b>100.17</b>	<b>240.51</b>	<b>1,438.20</b>	<b>1,505.14</b>

Associated Ceramics Limited

Notes to the Financial Statements for the year ended 31st March 2023

	Number of shares		(₹ in lacs)	
	31st March 2023	31st March 2022	31st March 2023	31st March 2022
<b>3. Non current investments</b>				
<b><u>Investments measured at fair value through profit and loss</u></b>				
<b><u>Investment in others</u></b>				
<b><u>Quoted</u></b>				
<b><u>Investments in equity instruments</u></b>				
Jindal Photo Ltd.	336	336	1.13	0.88
Triveni Sheet Glass Ltd	3,500	3,500	0.76	0.69
HDFC Bank Ltd	5,000	5,000	71.07	73.50
JSW Steel Ltd	12,000	12,000	75.80	87.91
Jindal Polyfilms Ltd	56	56	0.50	0.62
Universus Photo Imagings Ltd	14	14	0.07	0.08
			<b>149.33</b>	<b>163.68</b>
<b><u>Investments measured at cost/deemed cost</u></b>				
<b><u>Unquoted</u></b>				
Amarjyoti Udyog Ltd	50,000	50,000	5.00	5.00
Sharad Refractories Pvt Ltd	50	50	0.05	0.05
Associated Global Finance Ltd	3,000	3,000	0.30	0.30
			<b>5.35</b>	<b>5.35</b>
<b>Total</b>			<b>154.68</b>	<b>169.03</b>
Aggregate amount of unquoted investments			<b>5.35</b>	<b>5.35</b>
Aggregate amount of quoted investments			<b>149.33</b>	<b>163.68</b>
Aggregate market value of quoted investments			<b>149.33</b>	<b>163.68</b>

(₹ in lacs)

4. Inventories	31st March 2023	31st March 2022
(Valued at lower of cost and Net Realisable Value)		
Raw Materials	748.36	577.92
Material in Transit		
Work in progress	63.00	68.00
Finished Goods	278.96	391.95
Stores and Spares	25.61	39.34
<b>Total</b>	<b>1,115.93</b>	<b>1,077.21</b>

5. Trade receivables	31st March 2023	31st March 2022
Unsecured Considered good	434.27	379.10
Less: Allowances for credit losses	(46.09)	(71.42)
<b>Total</b>	<b>388.18</b>	<b>307.68</b>

(₹ in lacs)

Trade Receivables Ageing Schedule As at 31.03.2023

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade Receivables - considered good	641.82	(150.92)	(29.60)	(27)	-	434.27
(ii) Undisputed Trade Receivables - considered doubtful						
(iii) Disputed Trade Receivables - considered good						
(iv) Disputed Trade Receivables - considered doubtful						

(₹ in lacs)

Trade Receivables Ageing Schedule As at 31.03.2022

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade Receivables - considered goods	288.76	54.98	35.36	-	-	379.10
(ii) Undisputed Trade Receivables - considered doubtful						
(iii) Disputed Trade Receivables - considered good						
(iv) Disputed Trade Receivables - considered doubtful						

(i) Trade receivables have been pledged as security for liabilities, for details refer note 15 for details.

(ii) Trade receivables is after adjustment of Foreign Fluctuations gain or losses.

6. Cash and cash equivalents	31st March 2023	31st March 2022
Balance with banks		
In current account	50.15	86.00
Cash on hand	16.57	11.61
<b>Total</b>	<b>66.72</b>	<b>97.60</b>

7. Loans	31st March 2023	31st March 2022
Unsecured, Considered Good		
Loans to related parties	-	0.38
<b>Total</b>	<b>-</b>	<b>0.38</b>

8. Other bank balances	31st March 2023	31st March 2022
Fixed deposits maturity for more than 3 months but less than 12 months	10.45	10.45
<b>Total</b>	<b>10.45</b>	<b>10.45</b>
<b>Total (6+8)</b>	<b>77.17</b>	<b>108.06</b>

Fixed Deposit of Rs. 2,00,000 is pledged against the overdraft facility obtained from State Bank of India.

9. Other financial assets	31st March 2023	31st March 2022
Security deposits	15.49	15.49
Interest accrued and due on fixed deposits	0.42	0.02
Earnest money deposit	3.23	3.23
<b>Total</b>	<b>19.14</b>	<b>18.74</b>

10. Current tax asset (Net)	31st March 2023	31st March 2022
Tax Deducted at Source	6.07	6.46
Tax Deducted at Source(GST)	17.22	15.41
Tax collected at Source	0.57	0.60
Income tax Refundable	24.27	3.64
Advance income tax	100.00	116.00
<b>Total</b>	<b>148.13</b>	<b>142.11</b>

11. Other current assets	31st March 2023	31st March 2022
(Unsecured, considered good)		
Advances to suppliers	8.31	5.91
Advances to employees	10.35	11.96
Balances with statutory authorities (GST)	(65.22)	(49.36)
Export Incentive Receivable	1.93	-
Balance with other Authorities	68.08	58.06
Anti dumping duty	2.98	2.98
<b>Total</b>	<b>26.43</b>	<b>29.55</b>

Associated Ceramics Limited  
Notes to the Financial Statements for the year ended 31st March 2023

12. Equity share capital	31st March 2023	31st March 2022
<b>Authorised capital</b>		
50,25,000 (Previous Year : 50,25,000) equity shares of ₹ 10 each	502.50	502.50
9,750 (Previous Year : 9,750) 10% preference shares of ₹ 1000 each	97.50	97.50
1,00,000 (Previous Year : 1,00,000) 6% Non-Cumulative Preference shares	100.00	100.00
<b>Total</b>	<b>700.00</b>	<b>700.00</b>
<b>Issued, subscribed &amp; paid up Capital</b>		
<b>Fully Paid up:</b>		
20,44,730 (Previous Year : 20,44,730 ) equity shares of ₹ 10 each	204.47	204.47
9,750 (Previous Year : 9,750) 10% preference shares of ₹ 1000 each	97.50	97.50
1,00,000 ( Previous Year : 1,00,000 ) 6% Non-Cumulative Preference shares	100.00	100.00
<b>Forfeited Share**:</b>		
9,60,300 (Previous Year: 9,60,300 shares) equity shares of ₹ 10 each	24.01	24.01
<b>Total</b>	<b>425.98</b>	<b>425.98</b>

\*\* 9,60,300 Partly Paid-up Equity Shares of the company on which ₹ 2.5/Share has been received was forfeited due to failure to pay the balance amount of ₹ 7.5/Share due thereon towards share capital as per the list of partly paid up shares placed before the board.  
The shares has been forfeited on 20th January, 2022 with the approval of directors of ASSOCIATED CERAMICS LIMITED from Bombay Stock Exchange and application for noting of forfeiture has been made to Calcutta Stock Exchange also.

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

	31st March 2023		31st March 2022	
	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
Add: Share issued during the year	-	-	-	-
<b>Equity shares at the end of the year</b>	<b>30,05,030</b>	<b>228.48</b>	<b>30,05,030</b>	<b>228.48</b>

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

	31st March 2023		31st March 2022	
	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
Add: Share issued during the year	-	-	-	-
<b>Equity shares at the end of the year</b>	<b>9,750</b>	<b>97.50</b>	<b>9,750</b>	<b>97.50</b>

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

	31st March 2023		31st March 2022	
	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
Add: Share issued during the year	-	-	-	-
<b>Equity shares at the end of the year</b>	<b>1,00,000</b>	<b>100.00</b>	<b>1,00,000</b>	<b>100.00</b>

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

	31st March 2023		31st March 2022	
	No of shares	% holding	No of shares	% holding
<b>Equity shares of ₹ 10 each fully paid up</b>				
Sharad Agarwal	3,42,000	11.42%	3,42,000	11.42%
Amar Jyoti Udyog Limited	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

	31st March 2023		31st March 2022	
	No of shares	% holding	No of shares	% holding
<b>Preference shares of ₹ 1000 each fully paid up</b>				
Express Vyapar Pvt Ltd	2,267	23.25%	2,267	23.25%
Associated Global Finance Limited	7,483	76.75%	7,483	76.75%

g) Details of shareholders holding more than 5% shares of non-convertible 6% preference shares in the Company

	31st March 2023		31st March 2022	
	No of shares	% holding	No of shares	% holding
<b>Non-convertible 6% preference shares of ₹ 100 each fully paid up</b>				
Associated Global Finance Limited	1,00,000	100.00%	1,00,000	100.00%

h) Shares held by Promoters at the end of the year

SL. NO	Promoter Name	As at 31.03.2023			As at 31.03.2022		
		No. of Shares	% of Total Shares	% Change during the year	No. of Shares	% of Total Shares	% Change during the year
1	Arun Agarwal	1,38,320	4.60	-	1,38,320	4.60	-
2	Bimal Agarwal	1,19,510	3.98	-	1,19,510	3.98	-
3	Binod Kumar Subhasaria	-	-	-	-	-	(100)
3	Manju Agarwal	86,450	2.88	-	86,450	2.88	-
4	Raj Laxmi Agarwal	77,900	2.59	-	77,900	2.59	-
5	Sharad Agarwal	3,42,000	11.38	-	3,42,000	11.38	-
6	Accaato Sales Promotion Private Limited	41,500	1.38	-	41,500	1.38	-
7	Amar Jyoti Udyog Limited	3,25,700	10.84	-	3,25,700	10.84	-
8	Chittaranjan Housing Company Private Limited (Partly Paid Up Equity Share of Rs. 10 each)	-	-	-	-	-	(100)
	<b>Total</b>	<b>11,31,380</b>	<b>37.65</b>		<b>11,31,380</b>	<b>37.65</b>	

**Associated Ceramics Limited**

**Notes to the Financial Statements for the year ended 31st March 2023**

Note - 13

(₹ in lacs)

Particulars	Reserves and Surplus			FVTOCI	Remeasurement of the net defined benefit plans	Total Other Equity
	Securities Premium	Retained Earnings	Other Reserves			
<b>Balance at 1st April 2021</b>	945.45	784.98	1.19	-	-	1,731.62
Profit / (Loss) for the year*		418.48	(0.99)			417.49
Transfer to Revaluation Reserve		(9.21)	9.21			-
<b>Balance at 31st March 2022</b>	<b>945.45</b>	<b>1,194.25</b>	<b>9.41</b>	<b>-</b>	<b>-</b>	<b>2,149.11</b>
<b>Balance at 1st April 2022</b>	945.45	1,194.25	9.41	-	-	2,149.11
Profit / (Loss) for the year*		457.54	-			457.54
Transfer to Revaluation Reserve		-	-			-
<b>Balance at 31st March 2023</b>	<b>945.45</b>	<b>1,651.79</b>	<b>9.41</b>	<b>-</b>	<b>-</b>	<b>2,606.65</b>



(₹ in lacs)

	31st March 2023	31st March 2022
<b>14. Deferred Tax Liabilities</b>		
Opening Balance	24.51	25.57
<b>Deferred tax liabilities arising on account of :</b>		
Difference in value of assets as per books and as per tax	10.17	1.18
Fair valuation of investment	(1.49)	3.31
Provision for doubtful debts and advances	6.38	(5.56)
<b>Deferred tax asset arising on account of :</b>		
Provision for doubtful debts and advances	-	-
Less : Reversal during the year		
<b>Total</b>	<b>39.56</b>	<b>24.50685</b>

(₹ in lacs)

	31st March 2023	31st March 2022
<b>15. Short-term borrowings</b>		
<b>Secured</b>		
<b>Loans Repayable on Demand</b>		
From Banks	184.12	316.21
From Others	-	0.20
<b>Unsecured</b>		
Loans from related parties	450.56	0.30
<b>Total</b>	<b>634.68</b>	<b>316.72</b>

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

Overdraft facility from bank has been secured by creating charge on mutual funds owned by related entities Associated Global Finance Ltd, Susri Finance Pvt Ltd and Express Vypaar Pvt Ltd.

(₹ in lacs)

	31st March 2023	31st March 2022
<b>16. Trade payables</b>		
Due to micro, small and medium enterprises	-	-
Due to others	527.11	265.47
<b>Total</b>	<b>527.11</b>	<b>265.47</b>

**Trade Payables Ageing Schedule As at 31.03.2023**

(₹ in lacs)

Particulars	Outstanding for following periods from due date of payments				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME					
(ii) Others	414.46	91.34		21.32	527.11
(iii) Disputed Dues - MSME					
(iv) Undisputed dues - Others					

**Trade Payables Ageing Schedule As at 31.03.2022**

(₹ in lacs)

Particulars	Outstanding for following periods from due date of payments				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME					
(ii) Others	238.34		27.12		265.46
(iii) Disputed Dues - MSME					
(iv) Undisputed dues - Others					

(₹ in lacs)

	31st March 2023	31st March 2022
<b>17. Other financial liabilities</b>		
Liabilities for expenses	15.18	14.15
<b>Total</b>	<b>15.18</b>	<b>14.15</b>

(₹ in lacs)

	31st March 2023	31st March 2022
<b>18. Other current liabilities</b>		
Statutory dues	10.59	3.91
Advance from customers	25.20	16.45
<b>Total</b>	<b>35.79</b>	<b>20.36</b>

(₹ in lacs)

	31st March 2023	31st March 2022
<b>19. Provisions</b>		
<b>Provision for Employee Benefits</b>		
Contribution to Employee Provident Fund & ESI	29.38	24.65
Provision for Income Tax	144.44	116.94
<b>Total</b>	<b>173.82</b>	<b>141.59</b>

**Associated Ceramics Limited**
**Notes to the Financial Statements for the year ended 31st March 2023**

(₹ in lacs)

<b>20. Revenue from operations</b>	<b>31st March 2023</b>	<b>31st March 2022</b>
<b>Operating revenue</b>		
- Sale of products	5,489.57	3,738.03
- Sale of solar power	67.49	86.52
<b>Other operating revenue</b>	22.46	12.50
<b>Total</b>	<b>5,579.52</b>	<b>3,837.05</b>

(₹ in lacs)

<b>21. Other income</b>	<b>31st March 2023</b>	<b>31st March 2022</b>
Interest on Deposits(Export Incentives)	2.22	3.27
Interest income	0.41	0.13
Gain from fair valuation of investments carried at fair value through Profit and Loss	-	31.86
Profit on Sale of Motor Vehicle	1.86	-
Dividend Income	0.99	0.70
Provision written back as per expected credit loss model	25.33	-
Gain from Exchange rate fluctuation (net)	7.92	3.34
Liabilities written off	0.20	-
Others	1.30	0.87
<b>Total</b>	<b>40.24</b>	<b>40.17</b>

(₹ in lacs)

<b>22. Cost of material consumed</b>	<b>31st March 2023</b>	<b>31st March 2022</b>
Opening stock	577.92	588.50
Add: Purchases	2,742.13	1,690.04
	<b>3,320.05</b>	<b>2,278.54</b>
Less: Sales	-	8.49
Less: Transfer to trading account	20.00	-
Less: Closing Stock	748.36	577.92
Less: Transfer to Fixed Asset	88.28	-
	<b>2,463.40</b>	<b>1,692.14</b>
<b>Other Materials</b>		
Power & fuel	545.13	451.92
Stores and spares	245.18	208.85
<b>Total</b>	<b>3,253.71</b>	<b>2,352.92</b>

(₹ in lacs)

<b>23. Changes in inventories</b>	<b>31st March 2023</b>	<b>31st March 2022</b>
<b>Opening Stock</b>		
Finished Goods	391.95	151.66
Work in Progress	68.00	168.00
Traded Goods	-	-
	<b>459.95</b>	<b>319.66</b>
<b>Closing Stock</b>		
Finished Goods	278.96	391.95
Work in Progress	63.00	68.00
Traded Goods	-	-
	<b>341.96</b>	<b>459.95</b>
<b>(Increase)/ Decrease in Inventories</b>	<b>117.99</b>	<b>(140.29)</b>

(₹ in lacs)

<b>24. Employee benefits expenses</b>	<b>31st March 2023</b>	<b>31st March 2022</b>
Directors' Remuneration	132.45	102.00
Salaries and Wages	415.87	353.19
Contribution to provident and other funds	38.51	31.95
Staff welfare	4.72	5.31
<b>Total</b>	<b>591.56</b>	<b>492.45</b>

**Associated Ceramics Limited**
**Notes to the Financial Statements for the year ended 31st March 2023**

(₹ in lacs)

<b>25. Finance costs</b>	<b>31st March 2023</b>	<b>31st March 2022</b>
Interest Expenses		
On Borrowings	33.93	9.40
<b>Total</b>	<b>33.93</b>	<b>9.40</b>

(₹ in lacs)

<b>26. Depreciation and amortisation</b>	<b>31st March 2023</b>	<b>31st March 2022</b>
Depreciation	156.75	100.17
Less: Transfer to Revaluation Reserve	-	(0.99)
<b>Total</b>	<b>156.75</b>	<b>99.18</b>

(₹ in lacs)

<b>27. Other expenses</b>	<b>31st March 2023</b>	<b>31st March 2022</b>
Advertisement and publicity	0.07	0.11
Audit fee	1.25	1.25
Bank Charges	12.46	2.43
BSE Revocation & listing fees	-	5.48
Commission on sales	38.31	12.18
Corporate Social Responsibility Expenditure	8.31	
Consultancy charges	35.66	18.18
Directors Sitting Fees	1.00	1.00
Loss in Fair Value of Investment	14.35	
General Charges	44.01	15.22
Insurance	28.85	23.09
Inspection Charges	0.15	1.05
Interest on Income Tax	4.31	-
Late Delivery Charges	-	1.54
Legal fees	-	0.15
Power, fuel and electricity	5.49	5.23
Printing and stationery	5.25	5.65
Provision created as per expected credit loss model	-	22.08
Rates and taxes	3.39	3.39
Rebate	0.21	0.09
Repairs to plant and machinery	160.09	134.82
Sales promotion	22.73	21.79
Security Service Charges	3.20	1.66
Subscription and donations	2.74	3.41
Telephone charges	0.83	1.05
Transaction Charges	0.04	1.58
Transport and handling expenses	220.25	178.38
Traveling and conveyance	27.39	7.81
Vehicle maintenance	16.58	13.24
Pollution Charges	0.43	
<b>Total</b>	<b>657.36</b>	<b>481.83</b>

<b>28. Tax expense</b>	<b>31st March 2023</b>	<b>31st March 2022</b>
Current tax	144.4	116.94
Income tax for earlier year	-	-
Deferred tax	15.05	(1.07)
<b>Total</b>	<b>159.49</b>	<b>115.87</b>

Notes to the Financial Statements for the year ended 31 March 2023:-

**Note 29. Earnings per equity share**

The Company's Earnings Per Share (EPS) is determined based on the net profit attributable to the shareholder's of the company. Basic earning 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 2023	31 March 2022
<b>Net Profit / (Loss) attributable to equity shareholders</b>		
Profit / (Loss) after tax	457.54	418.48
Nominal value of equity share	10.00	10.00
Weighted average number of equity shares for basic & Diluted EPS	20.45	22.39
<b>Basic &amp; Diluted earnings per share (Rs.)</b>	<b>22.38</b>	<b>18.69</b>

**Note 30. Contingent Liabilities**

Descriptions	(₹ in lacs)	
	31 March 2023	31 March 2022
<b>Claims against the company not acknowledged as debt</b>		
Income tax matter	8.44	8.44

- (a) It is not practicable for the Company to estimate the timings of cash outflows, if any, in respect of the above pending resolution of the respective proceedings.  
 (b) The company does not expect any reimbursements in respect of the above contingent liabilities.

**Note 31. Financial instruments by category**

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

Particulars	31 March 2023			31 March 2022		
	FVTPL	FVOCI	Amortised cost	FVTPL	FVOCI	Amortised cost
<b>Financial assets</b>						
Equity Instruments	304.01	-	-	332.71	-	-
Bond	-	-	-	-	-	-
Trade receivables	-	-	388.18	-	-	307.68
Security deposit	-	-	15.49	-	-	15.49
Cash and equivalents	-	-	66.72	-	-	97.60
Other financial assets	-	-	3.66	-	-	3.25
Other bank balances	-	-	10.45	-	-	10.45
<b>Total</b>	<b>304.01</b>	<b>-</b>	<b>484.49</b>	<b>332.71</b>	<b>-</b>	<b>434.48</b>
<b>Financial liabilities</b>						
Borrowings	-	-	634.68	-	-	316.72
Trade payable	-	-	527.11	-	-	-
Other financial liabilities	-	-	15.18	-	-	14.15
<b>Total</b>	<b>-</b>	<b>-</b>	<b>1,176.97</b>	<b>-</b>	<b>-</b>	<b>330.87</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 2023			31 March 2022		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
<b>Financial assets</b>						
Financial assets at FVTPL						
Listed equity instruments	304.01	-	-	332.71	-	-
<b>Total</b>	<b>304.01</b>	<b>-</b>	<b>-</b>	<b>332.71</b>	<b>-</b>	<b>-</b>

Financial assets and liabilities measured at amortised cost for which fair values are disclosed	31 March 2023			31 March 2022		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
<b>Financial liabilities</b>						
Borrowings	-	-	634.68	-	-	316.72
<b>Total financial liabilities</b>	<b>-</b>	<b>-</b>	<b>634.68</b>	<b>-</b>	<b>-</b>	<b>316.72</b>

**Level 1:** Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, 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.

**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.

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

Particulars	31 March 2023		31 March 2022	
	Carrying amount	Fair value	Carrying amount	Fair value
<b>Financial assets</b>				
<b>Carried at amortised cost</b>				
Trade receivables	434.27	388.18	379.10	307.68
Security deposit	15.49	15.49	15.49	15.49
Cash and equivalents	66.72	66.72	97.60	97.60
Other financial assets	3.66	3.66	3.25	3.25
Other bank balances	10.45	10.45	10.45	10.45
<b>Total financial assets</b>	<b>530.58</b>	<b>484.49</b>	<b>505.90</b>	<b>-</b>
<b>Financial liabilities</b>				
<b>Carried at amortised cost</b>				
Borrowings	634.68	634.68	316.72	316.72
Trade payable	527.11	527.11	-	-
Other financial liabilities	15.18	15.18	14.15	14.15
<b>Total financial liabilities</b>	<b>1,176.97</b>	<b>1,176.97</b>	<b>330.88</b>	<b>330.88</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, 2023 and March 31, 2022.

**Note 32. 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 2023	31 March 2022
Variable rate borrowings	-	-
Fixed rate borrowings	450.56	0.30

**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 homogeneous 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 Notes. The Company does not hold collateral as security.

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 2023 and 31 March 2022 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 2023	31 March 2022
<b>Floating rate</b>		
<b>(a) Expiring within one year (Bank overdraft and other facilities)</b>		
<b>Secured</b>		
- Current maturities of long term debt	-	-
- Working capital loan	184.12	316.21
<b>Unsecured</b>		
- Loan from related parties	450.56	0.30
<b>(b) Expiring beyond one year (Bank loans)</b>		
<b>Secured</b>		
- Rupees term loan from banks	-	-

**Note 33. Related party disclosure (As per Ind AS-24 - Related Party Disclosures)****(a) Entities related to reporting entity**

IPPTATA Commodore Private Limited  
Sara Finance Private Limited  
Shard Refractories Private Limited  
Shard International Limited  
Amar Jyoti Udyog Ltd  
Paramount Fines & Traders Ltd  
Associated Global Finance Ltd  
Excellent Merchants Pvt Ltd  
Accauto Sales Promotion Pvt Ltd  
Somnath Fuels Pvt Ltd  
Express Vynpar Pvt Ltd  
Mugma Coke Oven Pvt Ltd

**Relationship with entity**

Entity is controlled by KMP of the reporting entity  
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**(b) Key Management Personnel:**

Anil Agarwal  
Shard Agarwal  
Binod Kumar Subhasana  
Binal Agarwal  
Subhash Goyal (till 24th January, 2023)  
Abhishek Agarwal (from 22nd March, 2023)  
Suchika Marda  
Samana Bose

Managing Director  
Director  
Independent Director  
Director  
Independent Director  
Independent Director  
Company Secretary  
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 arm's length transactions. Outstanding balance at the year-end are unsecured and settlement occurs in cash.

Descriptions	(₹ in lacs)	
	31 March 2023	31 March 2022
<b>(a) Transaction with Key management personnel</b>		
<b>Anun Agarwal</b>		
- Remuneration	63.23	48.00
<b>Bimal Agarwal</b>		
- Remuneration	18.00	18.00
<b>Sharad Agarwal</b>		
- Remuneration	51.23	36.00

Descriptions	(₹ in lacs)	
	31 March 2023	31 March 2022
<b>(b) Transactions with entities related to the reporting</b>		
<b>Sharad Refractories Private Limited</b>		
Received as Firing service charges	-	-
Purchases of raw materials	18.74	24.07
Sale of products	-	-
<b>Ipitata Commotrade Private Limited</b>		
Loan repaid during the year	760.93	104.50
Amount Outstanding at the end of the year	389.84	-
Interest charged	10.77	0.39
<b>Sharad International Limited</b>		
Purchases	-	32.12
Advance Received	-	2.38
Advance Refunded	12.41	2.38
<b>Associate Global Finance Limited</b>		
Loan taken during the year	260.00	20.38
Loan repaid during the year	206.10	20.00
Amount Outstanding at the end of the year	60.48	-
Interest paid	6.57	0.14
<b>Susri Finance Limited</b>		
Loan taken during the year	-	100.75
Loan repaid during the year	-	100.75
Interest paid	-	6.61

Descriptions	(₹ in lacs)	
	31 March 2023	31 March 2022
<b>(c) Balance outstanding with related parties - Entities related to reporting entity</b>		
<b>Associate Global Finance Limited</b>		
Loan Taken	60.48	-
<b>Ipitata Commotrade Private Limited</b>		
Loan Taken	-	-
<b>Susri Finance Limited</b>		
Loan Taken	-	-
<b>Amaryoti Udyog Ltd</b>		
Loan Taken	-	0.05
<b>Excellent Merchants Pvt Ltd</b>		
Loan Taken	-	0.33
<b>Express Vyapaar Pvt Ltd</b>		
Loan Taken	-	0.30
<b>Sharad Refractories Private Limited</b>		
Sundry Creditor	49.48	9.10
<b>Sharad International Limited</b>		
Advance Taken	44.48	56.89

Associate Global Finance Ltd, Susri Finance Private Ltd, Express Vyapaar Pvt Ltd have provided security in connection with an Overdraft facility of Rs. 10 cr obtained by the reporting entity reporting period from HDFC Bank Ltd.

**Note 34. 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 35 : 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.

Descriptions	(₹ in lacs)	
	31 March 2023	31 March 2022
Borrowings	634.68	316.72
Trade payables	527.11	265.47
Less: Cash and cash equivalents	66.72	97.60
<b>Net debt</b>	<b>1095.08</b>	<b>484.58</b>
Equity	3032.63	2575.09
Gearing ratio	27%	16%

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.

**Note 36. Auditor's remuneration (excluding service tax) and expenses :**

Descriptions	(₹ in lacs)	
	31 March 2023	31 March 2022
Statutory Audit Fee	1.00	1.00
Tax Audit Fee	0.25	0.25

**Note 37.** There are no charges or satisfaction of charges, which are yet to be registered with Registrar of Companies beyond the statutory period except the following: Overdraft facility with HDFC Bank Limited which was secured by charge of INR 7 cr has been closed in February 2023. However the satisfaction of charge has not yet been registered with Registrar of Companies, Kolkata which should have been registered by March 2023, as per Companies Act, 2013 due to delay in providing the NOC from HDFC Bank.

**Note 38.** No Proceeding have been initiated or pending against the Company for holding any Benami property under Benami Transactions (prohibition) Act,1988

**Note 39.** The Company has not borrowed any funds from banks /Financial Institutions (being its current assets as collateral security) during the year under review

**Note 40.** The Company has not borrowed any borrowings for specific purpose from bank and financial Institution during the year.

**Note 41.** The Company has not entered into any transactions with another Company whose name has been struck off by the Registrar of the Companies.

**Note 42.** The Company is not a declared wilful defaulter by any bank or financial institution or other lender during the year.

**Note 43.** The Company has rounded off the figures of financial statements to the nearest lacs.

**Note 44. Corporate Social Responsibilities CSR activities:**

Particulars	31-03-2023
Amount required to be spent by the company during the	8.11
Amount of expenditure incurred on:	8.31
(a) Construction/ acquisition of any asset	-
(b) Donation for Education	8.31
Shortfall at the end of the year	-
Details of related party transactions in relation to CSR	NA

**Note 45.** The Company has complied with the number of layers prescribed under Companies Act, 2013.

**Note 46.** The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

**Note 47.** The Company has not advanced,loans or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:  
(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (ultimate beneficiaries) or  
(b) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries

**Note 48.** The Company has not received any fund from any person(s) or entity(ies), including foreign entities (funding party) with the understanding (whether recorded in writing or otherwise) that the Company shall:  
(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party (ultimate beneficiaries) or  
(b) provide any guarantee, security or the like on behalf of the ultimate beneficiaries.

Associated Ceramics Limited				
Notes to the Financial Statements		(₹ in lacs)		
Note 49. Segment Reporting :				
	Segment Revenue		Segment Profit	
	For the year ended 31.03.2023	For the year ended 31.03.2022	For the year ended 31.03.2023	For the year ended 31.03.2022
Refractory Items	5,512.03	3,750.53	573.56	469.74
Solar Energy	67.49	86.52	56.69	76.72
Unallocable	40.24	40.17	-	-
	5,619.76	3,877.22	630.24	546.46
Less: Inter segment revenue	-	-	-	-
<b>Total</b>	<b>5,619.76</b>	<b>3,877.22</b>	<b>630.24</b>	<b>546.46</b>
			For the year ended 31.03.2023	For the year ended 31.03.2022
Interest			33.93	9.40
Other Unallocated expenses/ (income)			-	-
<b>Profit/ (loss) before exceptional items and tax</b>			<b>596.31</b>	<b>537.06</b>
Exceptional Items			20.72	(2.70)
<b>Profit/ (loss) before tax</b>			<b>617.03</b>	<b>534.36</b>
Less: Tax expense			159.49	115.87
<b>Profit/ (loss) after tax</b>			<b>457.54</b>	<b>418.48</b>
<b>Segment Assets:</b>				
			For the year ended 31.03.2023	For the year ended 31.03.2022
Refractory Items			4189.12	3053.92
Solar Energy			269.65	303.97
Unallocable			-	-
			4458.77	3357.89
<b>Segment Liabilities:</b>				
			For the year ended 31.03.2023	For the year ended 31.03.2022
Refractory Items			1426.14	782.80
Solar Energy			-	-
Unallocable			-	-
			1426.14	782.80
<b>Capital Employed</b>				
			For the year ended 31.03.2023	For the year ended 31.03.2022
Refractory Items			2,762.98	2,271.12
Solar Energy			269.65	303.97
Unallocable			-	-
			3,032.63	2,575.09
In terms of our report of even date		For and on behalf of the Board		
<b>FOR SANJAY GULAB &amp; CO</b>				
Chartered Accountants				
CA Sanjay Kumar Jain		ARUN AGARWAL	SHARAD AGARWAL	
Partner		Managing Director	Director	
Membership No. 091273		Din : 01660148	Din : 00652580	
Firm Registration No. 012598N		SUCHIKA MARDA		
Place : Kolkata		Company Secretary		
Date: 30/05/2023				
UDIN: 23091273BGWXHA6238				



**NOTE:-50****Analytical Ratios:-**

		Numerator	Denominator	2022-2023	2021-2022	% of changes	Remarks
1	<b>Current Ratio (%)</b>	Total current assets	Total current liabilities	1.28	2.22	-42.35	The variance is due to increase in the Current Liabilities.
2	<b>Debt-Equity Ratio (%)</b>	Total borrowings	Equity Share Capital and Reserves Surplus	0.21	0.12	70.16	The variance is due to increase in the borrowings.
3	<b>Debt Service Coverage Ratio (%)</b>	Earning for Debt Service = Net Profit after taxes + Non-cash operating expenses + Interest + Other non-cash adjustments	Debt service = Interest and lease payments + Principal repayments	N.A.	N.A.	N.A.	N.A.
4	<b>Return on Equity Ratio (%)</b>	Profit for the year less Preference dividend (if any)	Average total equity	0.16	0.20	-16.56	N.A.
5	<b>Inventory turnover Ratio (%)</b>	Cost of Goods Sold	Average Inventory	0.48	0.64	-24.48	The variance is due to increase in the value of closing stock and fall in cost of goods sold.
6	<b>Trade Receivables turnover Ratio (%)</b>	Revenue from operations	Average trade receivables	16.04	9.76	64.28	The variance is due to increase in revenue from operations.
7	<b>Trade Payables Turnover Ratio (%)</b>	Purchases	Average Trade Payables	0.54	0.15	251.11	The variance is due to percentage increase in purchases being more than percentage increase in average sundry creditors.
8	<b>Net capital turnover Ratio (%)</b>	Revenue from operations	Average working capital	8.49	4.65	82.82	The variance is due to increase in revenue from operations.
9	<b>Net profit Ratio (%)</b>	Profit for the year	Revenue from operations	0.08	0.11	-24.81	N.A.
10	<b>Return on Capital employed (%)</b>	Profit before tax and finance costs	Capital employed = Net worth + Lease liabilities + Deferred tax liabilities	0.26	0.25	3.14	N.A.
11	<b>Return on investment (%)</b>	Income generated from invested funds	Average invested funds in treasury investments	0.01	0.28	-97.66	The variance is due to fall in income from investments.

In terms of our report of even date

For and on behalf of the Board

**FOR SANJAY GULAB & CO**  
Chartered Accountants

Sd/-  
**CA Sanjay Kumar Jain**  
Partner  
Membership No. 091273  
Firm Registration No. 012598N

Sd/-  
**ARUN AGARWAL**  
Managing Director  
Din : 01660148

Sd/-  
**SHARAD AGARWAL**  
Director  
Din : 00652580

Place : Delhi  
Date: 30/05/2023  
UDIN: 23091273BGWXHA6238

**SUCHIKA MARDIA**  
Company Secretary



