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CIN : L14101MH1945PLC256122

Factory:  
Plot No. PA-008-020-023  
Mahindra World City Jaipur  
Bhambhoriya, Sanganeer  
Jaipur - 302037 Rajasthan, India

[www.asigroup.co.in](http://www.asigroup.co.in)

Formerly known as Associated  
Stone Industries (Kotah) Ltd.

[artiziasurfaces.com](http://artiziasurfaces.com)

04.09.2020

To

Corporate Service Department  
Bombay Stock Exchange Limited  
P.J.Tower, Dalal Street  
Mumbai-400002

Script Name: ASILL

Script Code: 502015

ISIN No. INE443A01030

Dear Sir,

**Sub:** Submission of 74<sup>th</sup> ASI Industries Limited Annual Report 2019 - 2020 under regulation 34 (1) of SEBI (LODR Regulation 2015)

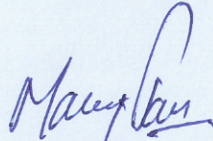
Pursuant to Regulation 34(1) of the Listing Regulations, please find enclosed the Annual Report of the Company along with the Notice of the 74<sup>th</sup> AGM and other Statutory Reports for the Financial Year 2019-20, which is also being sent through electronic mode to those Members whose e-mail addresses are registered with the Registrar and Transfer Agent / Depositories.

The same is also available on the website of the Company at [www.asigroup.co.in](http://www.asigroup.co.in)

This is for your information and records.

Thanking you

For ASI Industries Limited

  
Manoj Jain  
Company Secretary





# BUILDING BLOCKS OF GROWTH

74TH ANNUAL REPORT

2019-20

**ARTIZIA**  
QUARTZ MASTERPIECES



**ARTIZIA**

QUARTZ MASTERPIECES

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## Chairman's Message

**Dear Shareholders,**

The global macroeconomic and financial landscape is undergoing unrivalled instability, with the advent of Novel Coronavirus as the biggest threat to economic growth since the financial crisis of 2008. While being excluded from lockdown, the mining & quarrying sector experienced some pressure in production.

It has been a challenging year for ASI Industries Limited due to economic and operational headwinds. Regular market activities were interrupted due to steps taken to mitigate the effects of a pandemic. The plant and office were shut down post lockdown announcement. After the lockdown was lifted most of the operations have resumed to earlier levels.

Your Company managed to overcome external challenges and deliver satisfactory performance in Fiscal 2020. During this fiscal year, consolidated revenue was impacted by countrywide lockdown due to Covid-19. However, EBITDA margin showed significant improvement and increased to 22% which is almost a 186-bps improvement over the last fiscal year. Revenue from stone stood at ₹ 16,267 lakhs, while wind power generated ₹ 84 lakhs in fiscal year 2020. Trading business reported revenues worth ₹ 4,401 lakhs as against ₹ 4,285 lakhs during last year. Consolidated profit for this fiscal year increased by 40% to ₹ 3,140 lakhs as against previous year's profit of ₹ 2,246 lakhs. Net Profit increased due to the share of profit from associate Company Stone Masters (India) Private Limited.



We are extremely glad to inform you that we have successfully completed Engineered Stone project at Jaipur and waiting for improvement in the global situation to start accepting orders. This project at Mahindra World City, Jaipur, Rajasthan has a capacity of 6.50 million sq. ft. on approximately 7 acres of land. There are around only 50 units globally, that use this patented technology from Bretonstone, Italy and the ASI unit is the third of its kind in India. The most popular application is indoor flooring and walls while the quartz-based product is primarily used as an alternative to laminate or granite in the kitchen countertops. It is also suitable for heavy commercial traffic flooring. It is the fastest growing market segment in the surface industry. We believe that this new asset will take the Company to the next level of growth.

To summarize, 2019-2020 has been a challenging year to your Company. Despite growing uncertainties underlying the global economy, the Company was able to deliver and succeed in all capacities.

As I Close, I would like to take this opportunity to thank all our employees, investors, customers, banks, vendors, and all other stakeholders for their constant support.

I look forward to your continued support and best wishes.

With best regards,

**Deepak Jatia**  
**Chairman and Managing Director**

## Who we are

ASI Industries Ltd is one of the leading stone mining Company in the world and the only listed player in its field in India. Ever since its' establishment in the pre-independence era in 1945, we have been successfully providing our customers with high quality Kota stone products. Our stone mining quarry, largest in the world, is spread across 10 square kms at Ramganjmandi, Rajasthan; the home of impeccable and finest quality Kota stone. Over 12 million square meters of immaculate Kota stone are produced every year in our quarries. AI Rawasi Rocks and Aggregates L.L.C operates as a subsidiary of ASI Industries Ltd. The Company has been a pioneer in the production and manufacturing of diversified range of superior quality limestone.

The Company is diversifying its business by investing into the Engineered Stone business using patented Italian technology. There are only around 50 units globally, that use this patented technology from Bretonstone, Italy and the ASI unit is the third of its kind to set up in India.

Through our ground breaking innovations such as the uniting cutting-edge technology progression and the state-of-art diamond tool units, we have frequently gained ground within the stone mining industry for over seven decades now and counting. With the adoption of advanced mining techniques, ASI has helped revolutionize the Indian stone industry and has set a benchmark which is unparalleled by anyone in the industry. Powered with the latest as well the best technologies and a dedicated, hardworking and skilled work force, we focus on delivering to our customers the finest and refined products which are at par with the global standards. With a relentless commitment towards quality and fineness, we strive to keep up with the changing technological trends and adapt accordingly. Through years of persistence and unwavering dedication, ASI has paved the way for building a global standard for the stone mining industry and will continue to march ahead with the same focus and avidity.

## Financial Snapshot on Consolidated Basis

(₹ In Lacs)

Particulars (₹ lakhs)	FY2011	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017	FY2018	FY2019	FY2020
<b>Income Statement</b>										
<b>Total Revenue</b>	<b>17,365</b>	<b>17,088</b>	<b>17,686</b>	<b>13,347</b>	<b>21,255</b>	<b>20,217</b>	<b>31,587</b>	<b>32,034</b>	<b>27,218</b>	<b>25,096</b>
<i>YoY Growth%</i>		-1.6%	3.5%	-24.5%	59.2%	-4.9%	56.2%	1.4%	-15.0%	-7.8%
<b>EBITDA</b>	<b>2,941</b>	<b>2,638</b>	<b>3,459</b>	<b>2,923</b>	<b>3,957</b>	<b>4,301</b>	<b>5,754</b>	<b>5,272</b>	<b>5,539</b>	<b>5,563</b>
<i>YoY Growth%</i>		-10.3%	31.1%	-15.5%	35.4%	8.7%	33.8%	-8.4%	5.1%	0.4%
<i>EBITDA Margin%</i>	17%	15.4%	19.6%	21.9%	18.6%	21.3%	18.2%	16.5%	20.4%	22.2%
<b>PAT</b>	<b>1,167</b>	<b>943</b>	<b>1,301</b>	<b>1,007</b>	<b>1,445</b>	<b>776</b>	<b>2,218</b>	<b>1,926</b>	<b>2,246</b>	<b>3,140</b>
<i>YoY Growth%</i>		-19.2%	38.0%	-22.6%	43.5%	-46.3%	185.8%	-13.1%	16.6%	39.8%
<i>PAT Margin%</i>	7%	5.5%	7.4%	7.5%	6.8%	3.8%	7.0%	6.0%	8.3%	12.5%
<b>Balance Sheet</b>										
Non-Current Assets	17,715	18,198	18,013	17,303	22,490	27,539	26,507	28,986	34,979	51,594
Current Assets	9,089	9,506	10,266	6,982	16,257	15,173	19,212	18,197	18,957	18,726
<b>Total Assets</b>	<b>26,804</b>	<b>27,704</b>	<b>28,279</b>	<b>24,285</b>	<b>38,746</b>	<b>42,712</b>	<b>45,720</b>	<b>47,183</b>	<b>53,936</b>	<b>70,319</b>
Shareholders Fund	14,983	15,769	16,877	17,632	18,746	19,182	21,360	23,610	25,581	33,059
Non-current Liabilities	3,741	3,145	2,499	1,968	4,605	13,132	11,558	10,960	13,925	14,881
Current Liabilities	8,080	8,790	8,903	4,685	15,395	10,398	12,802	12,613	14,431	22,379
<b>Total Liabilities</b>	<b>11,821</b>	<b>11,935</b>	<b>11,402</b>	<b>6,653</b>	<b>20,001</b>	<b>23,530</b>	<b>24,360</b>	<b>23,573</b>	<b>28,356</b>	<b>37,260</b>
<b>Total Equity and Liabilities</b>	<b>26,804</b>	<b>27,704</b>	<b>28,279</b>	<b>24,285</b>	<b>38,746</b>	<b>42,712</b>	<b>45,720</b>	<b>47,183</b>	<b>53,936</b>	<b>70,319</b>
<b>Ratios</b>										
Debt Equity Ratio (x)	0.4x	0.3x	0.3x	0.2x	0.5x	0.8x	0.7x	0.7x	0.8x	0.9x
Return on Equity (%)	7.8%	6.0%	7.7%	5.7%	7.7%	4.0%	10.4%	8.2%	8.8%	9.5%
Total Debt	5,942	5,440	5,259	3,776	9,482	15,926	14,676	16,294	20,432	28,183

## Corporate Information

### BOARD OF DIRECTORS

Mr. Deepak Jatia  
Chairman & Managing Director

Mrs. Anita Jatia  
Executive Director

Mr. Tushya Jatia  
Executive Director

Mr. Gaurang Gandhi  
Independent Director

Mr. Anshul M. Sonawala  
Independent Director

Mr. Sanjay Seksaria  
Independent Director

### COMPANY SECRETARY & COMPLIANCE OFFICER

Mr. Manoj Jain

### MANAGEMENT EXECUTIVES

Mr. S.R. Soni  
Chief Executive Officer

Mr. Pavan Soni  
Chief Financial Officer

### AUDITORS

M/s. S.C.Bandi & Co.  
Chartered Accountants  
Mumbai – 400021

### BANKERS

ICICI Bank Ltd  
HDFC Bank Ltd  
IDBI Bank Ltd  
Yes Bank Ltd  
IndusInd Bank Ltd



**LISTED ON**

Bombay Stock Exchange Limited  
Security ID: ASIIL  
Security code: 502015

**REGISTRAR AND SHARE TRANSFER AGENTS**

M/s Link Intime India Private Limited, C-101, 247 Park  
L.B.S. Marg, Vikhroli (West), Mumbai- 400 083,  
Tel: 022 - 49186270, Fax: 022 - 49186060,  
Email: [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in)

**REGISTERED OFFICE**

Marathon Innova, 'A' Wing, 7th Floor,  
Off: Ganpatrao Kadam Marg,  
Lower Parel, Mumbai – 400013

**WORKS**

Mining :	Kudayla Industrial Area, Ramganjmandi Dist. Kota, Rajasthan
Wind Power:	1) Beladadi Village, Taluk & Dist. Gadag, Karnataka 2) Rameshwar Village, Taluk Khatau, Dist. Satara, Maharashtra
Engineered Stone	Mahindra World City , SEZ, Sanganer, Jaipur-302037

# Management Discussion and Analysis

## ECONOMIC OVERVIEW

After a lengthy trade war between the two economic superpowers the United States and China, the world is in turmoil and fear over Covid-19. Since January 2020, the planet is facing an unprecedented crisis with the extremely infectious COVID-19 hitting major economies of the world rapidly. According to June 2020 World Bank Global Economic Outlook, 90% of the countries in the world are expected to go into recession in the coming months. Real GDP in the US declined 4.8% in the first quarter of 2020, due to contraction in consumer spending and stoppage of output. Unemployment rate surged sharply globally.

Consumption across metals and mining was adversely impacted which was reflected in the decline in global commodity prices. Energy sector which was already dealing with price crisis before the outbreak has witnessed a decline in global crude oil prices and volatile prices of natural gas due to the drop in demand. Governments and central banks around the world have implemented various measures to boost the economy through liquidity support and regulatory changes.

In 2019, the Indian economy experienced a more than expected slowdown due to the weakness in the real sector and stress in the financial sector. India started fighting the Covid-19 pandemic with a nationwide lockdown on March 25, 2020 because of which India's economic activity came to virtual standstill.

India's economy expanded by just 5% in FY20, marking the slowest growth since FY13. This may be attributed to lower growth in Q4FY20 because of COVID-19's global spread since January 2020 and subsequent lock-down measures. According to provisional accounts (PA) data of central government finances for FY20, the fiscal deficit for FY20 PA stood at ₹ 9.4 lakh crore which is 4.6% of GDP, 0.8% points higher than the revised estimates. The increase in the fiscal deficit was mainly due to the lack of revenue collection during the period 2019-20.

Growth of real Gross Value Added (GVA) at basic prices was at 3.9% in FY20, as compared to 6.0% in FY19. Real GVA growth has declined in almost all sectors except Agriculture & Allied; Mining & quarrying; and Public administration, defence, and other services in FY20. Direct investment into the country increased while portfolio investment experienced some pressure during FY20. According to the Department for Promotion of Industry and Internal Trade (DPIIT), sectors which attracted maximum foreign inflows during FY20 include services (\$7.85 billion), computer software and hardware (\$7.67 billion), telecommunications (\$4.44 billion), trading (\$4.57 billion), automobile (\$2.82 billion), construction (\$2 billion), and chemicals (\$1 billion). The ratio of overseas financial assets to India's GDP rose to 26.5% in March 2020, while the ratio of total claims of non-residents to GDP increased to 40.5% in March 2020.

Measures taken by Reserve Bank of India (RBI) to ease domestic financial conditions would help ease tension slightly. However, changes in credit quality will eventually depend on the pace of economic growth, resilience to demand in particular industries, and normalization of the work-capital cycle. The Government has introduced several policy proposals to help address the economic implications of the lockdown.

## INDUSTRY OVERVIEW

Infrastructure sector is a key driver for the Indian economy. The sector is responsible for driving India's overall development and enjoys intense focus from Government for initiating policies that would ensure time-bound creation of world class infrastructure in the country. Infrastructure sector includes power, bridges, dams, roads and urban infrastructure development. Over the past decade, the government has made significant investments in infrastructure and technology that promise to further improve the natural stone industry around the country. To boost the construction of buildings in the country, the Government of India has agreed to establish a single window clearance facility for the speedy approval of building projects. In the 2019 Agility Emerging Markets Logistics Index India placed second.

In FY20 the eight core industries' combined growth stood at 0.6%. By 2022 India is projected to become the world's third-largest construction market. India aims to spend US\$ 1,400 billion on infrastructure in 2019-23 to have a sustainable development of the country. According to the Department for Promotion of Industry and Internal Trade (DPIIT), between April 2000 and March 2020, the building and infrastructure sectors earned FDI inflows of US\$ 25.66 billion and US\$ 16.84 billion, respectively.

India is one of the leading countries in the natural stone industry. In India stone quarries are mainly located in the states of in Rajasthan, Madhya Pradesh, Andhra Pradesh and few locations in Gujarat, Orissa, Karnataka, Tamil Nadu, Andaman and Nicobar, although they can also be found in many other places. The stone is obtained from underground by a process of digging, blasting or cutting. This process is known as quarrying and the pit or open excavation from which the stone is obtained is called a Quarry.

Within India's top mineral producing regions, the mining industry is a major contributor to the Net State Value Added (NSVA). However, declining demand due to national lockdowns, reduced usage and supply chain problems have forced miners to either work at substantially lower capacity utilization or temporarily shut down operations which led to fall in revenues from mining sector for the governments. Except for Rajasthan, all major mineral producing states allowed mining operations during the lockdown period until 15-Apr-2020. After 15-Apr- 2020, the states including Rajasthan allowed mining operations with certain conditions.

### ENGINEERED STONE/NEW PROJECT OVERVIEW

An engineered stone is also known as agglomerated stone consisting of resin binder, quartz, quartzite, pigments and additives. It is a composite material manufactured using quartz as the major raw material and has a striking resemblance in appearance to natural stone but more uniformity in colour and patterns as compared to natural stone.



It is widely available on the surface of earth, occurs in natural form of silicate mineral with composed silicon oxide commonly known as quartz. This quartz is converted into engineered stone in the form of slab or blocks for end use applications. An engineered stone can be delivered in various shape, texture and colours according to its required application and needs.

Engineered stones are highly resistant to heat and are highly durable thus widely being used in fireplace. Apart from being harder and more durable as compared to natural stone, Engineered Stone is not easy to scratch or chip and is stain resistant & non-porous. These attributes make it a maintenance free product.

Engineered stone can withstand a higher pH balance and is not affected by acidic materials like natural stone is. Since it is non-porous, it restricts the growth of mould, mildew etc on tops and other surfaces in wet areas and is widely used mainly in

locations such as commercial buildings, food service areas, kitchen countertops, island counters, basin counters etc.

Rapid growth in the development of attractive and aesthetic infrastructure is the key driver for increasing the use of engineering stone across the globe. It is resistant to bacterial growth and therefore help to maintain the hygienic environment, which is a key driver of the global engineered stone market.

Asia Pacific is a leading region in terms of consumption. The engineered stone market is expected to expand at a significant pace in countries such as China, India, Japan, Malaysia, Thailand etc. Rising urbanization, growing construction activities, and changing economic status are some of the key factors that boosting the region's market. Repair and renovation activities in Germany, France and the United Kingdom are likely to boost demand for engineering stone. Countries in Rest of Europe are also expected to provide the engineered stone manufacturers with remunerative opportunities due to growing construction activities. The United States is a leading consumer of engineered stone in North America.

The global Engineered Stone market is projected to rise at a CAGR of approximately 8.3% over the next five years, reaching USD 21,000 million in 2024, from USD 13,000 million in 2019.

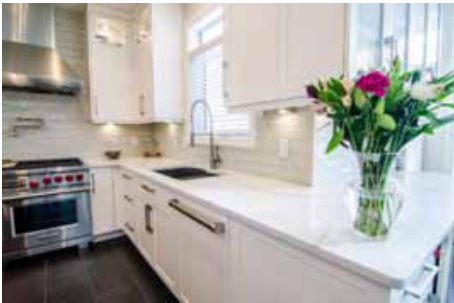
ASI has set up a fully automated production line to manufacture engineered stone using patented Italian technology. The plant is located at Mahindra World City, Jaipur, Rajasthan having a capacity of 6.50 million Sq. Ft on approximately 7 acres of land. The Company has collaborated with Bretonstone for supply of plant and machinery with patented technology. There are only around 50 units globally, that use this patented technology from Bretonstone, Italy and the ASI unit is the third of its kind to set up in India. The Company is expecting this segment to contribute ~₹1,660 million to the top line and up to ~₹181 million to the profit in FY2021. This segment's Revenues is expected to grow at 20% CAGR and PAT to grow at an approximate 25% CAGR over the next 5 years.



### Key Features of Engineered Quartz Stone:

- Quartz is often the most affordable option. Its also easiest to maintain and often more durable than marble and granite
- The high MOH score and better scratch resistance properties make the material suitable for commercial flooring applications where traffic and abrasion factors are high
- Most patterns of engineered stones resemble natural stone, but with a consistent pattern, texture and colour
- Thus, flooring or countertops have a uniform appearance
- The hard, non-porous surface retains its polished lustre and does not need sealing treatment on the surface
- It can also be cleaned and maintained with normal or soapy water
- As they are man-made, these materials can be fabricated in large sizes, resulting in less joints and better aesthetics
- Quartz is the most environmentally friendly

### Technology:



The Company has implemented patented technology from Bretonstone, Italy known as “Compaction by Vibro compression Vacuum process”. The plant consists of a concentrate of mix preparation and treatment, casting, hardening and slab finishing technologies and processes.

The patented technology vibro compression compacts the aggregate mix reducing the gaps between the crystals and particles, resulting in reduction of the quantity of bonding agent and increase in the mechanical properties of the final product.

Bretonstone slabs are perfectly homogenous and isotropic with high physical-mechanical properties throughout the entire slab structure.

### **OPPORTUNITY AND THREAT**

Huge growth and investment are drawing both domestic and foreign players in the Indian infrastructure industry. The private sector is emerging as a major player across various segments of infrastructure. In the Union Budget 2020-21, the government gave the infrastructure sector a massive boost by allocating Rs 1,69,637 crore to the development of transport infrastructure. Demand is expected to increase due to rising standards of living in Tier 2 and 3 cities and Infrastructure boom across the nation. Another aspect that may pose threat to the Company is the high availability of substitutes in the market. Also, the seasonal consumption and production patterns hamper the growth of the Company to a certain limit

Due to your Company’s modern technologies and machinery, the Company is well equipped to gain from the increased demand and meet the market requirements perfectly. Its updated technologies help keep the production process cost effective, in turn making our products affordable.

## SEGMENT WISE PERFORMANCE

Financial results for the year ended 31<sup>st</sup> March 2020, segment wise are as under:

₹ in lakhs (Consolidated)

Particulars	Stone		Wind Power		Trading		Total	
	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19
<b>REVENUE</b>								
External Sales	16,267.16	21,609.75	83.53	96.69	4,400.87	4,284.71	20,751.56	25,991.15
Other Income	4329.93	1,226.62	14.37	0.00		0.00	4344.30	1,226.62
Profit before Finance Cost & Tax	3,849.82	3,940.59	(23.82)	(42.26)	69.45	50.26	3,895.45	3,948.59
Finance Cost	909.90	912.70	0.00	0.00	0.00	0.00	909.90	912.70
Profit/(Loss) Before Tax & Exceptional Item	2,939.92	3,027.89	(23.82)	(42.26)	69.45	50.26	2,985.55	3,035.89
Add: Exceptional item	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Profit/(Loss) Before Tax</b>	<b>2,939.92</b>	<b>3,027.89</b>	<b>(23.82)</b>	<b>(42.26)</b>	<b>69.45</b>	<b>50.26</b>	<b>2,985.55</b>	<b>3035.89</b>
Tax Expense							-154.93	789.82
<b>Net Profit/(Loss)</b>							<b>3,140.48</b>	<b>2,246.07</b>

During the year under review, the turnover of Stone was decrease to ₹ 16,267.16 lakhs and the turnover of trading goods was ₹ 4,400.87 lakhs.

The Generation of Power depends on flow of wind. However, as a part of its efforts to augment “Green Power”, the Company continue to operate Wind Power Plant at Gadag District of Karnataka and at Satara District of Maharashtra with the total installed capacity of 3.625 MW. During the year Company generate 2089.18 mwh of electricity and total turnover was ₹ 83.53 lakhs.

## FINANCIAL RATIOS

Particulars	2019-20	2018-19
Debtors Turnover	2.42x	2.20x
Inventory Turnover	1.13x	1.03x
Interest Coverage Ratio	4.28x	4.33x
Current Ratio	0.84x	1.31x
Debt Equity Ratio	0.85x	0.80x
Return on Net Worth	9.50%	8.78%
Net Profit Margin	12.54%	8.25%

Net profit margin increased due to additional share of profits from associate and lower tax expenses in FY20. Current Ratio declined due to increase in short term borrowings and other current liabilities

## OVERSEAS SUBSIDIARY

The Company has two foreign subsidiaries, namely Al Rawasi Rock and Aggregates LLC, which is based in UAE and ASI Global Ltd., which is based in Mauritius. Their international presence enables your Company to tap the window of huge volume of industrial, infrastructural, reclamation and other construction work which is currently underway in the Gulf region. The net profit of Al Rawasi Rock and Aggregates Ltd, increased from 1,247,887 AED in 2018-19 to 17,677,190 AED in 2019-20.

## DEVELOPMENT IN HUMAN RESOURCE / INDUSTRIAL RELATIONS

The Company takes immense satisfaction and pride in the knowledge that each of our employees displays excellent commitment, hard work and dedication in all areas of business. The Company has adopted a structured and well managed induction process as well as management development programmes to help upgrade the skillset of its managers. The senior management staff has a

system of objective appraisal in place which is based on key result areas. The Company is committed to nurturing, enhancing and retaining its top talent through organizational development. This is an integral part of our Corporate HR function and is a critical pillar to support the organization's growth and sustainability in the long run

#### **INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY**

The Company is equipped with an efficient and smoothly functioning internal control and risk-mitigation system. Its constant assessment and revision based on the new/updated standard operating procedures helps it remain up to date. The internal control system of the company is equivalent to the size, scale and complexities of the operations that it undertakes. The internal and operational audit is entrusted to M/s. L.B.Jha & Co., a firm of Chartered Accountants. The major focus of the internal audit is to review and analyse the controls and business processes along with benchmarking controls with the best methodologies in the industry. The Audit Committee of the Board of Directors actively reviews the adequacy and efficiency of the internal control systems and makes suggestions to strengthen the same. The Company has a robust Management Information System, which is an integral part of the control mechanism. The Audit Committee of the Board of Directors, Statutory Auditors and the Business Heads are periodically apprised for their well-researched internal audit findings and the corrective actions taken or suggested by them. Audit plays an important role in providing assurance to the Board of Directors. Significant audit observations and corrective actions taken band suggested by the management are presented to the Audit Committee of the Board. The Internal Audit function reports to the Chairman of the Company and Audit Committee in order to maintain its independence and objectivity.

#### **OUTLOOK**

The base business of the Kotah stone will continue to grow at a steady rate and the government focus towards affordable housing and improvement of infrastructure at various public spaces will aid the process. The Engineered stone business will commence commercial production once global situation improved and start accepting orders.

## BOARD'S REPORT

Dear Members,

Your Directors are pleased to present the Seventy Fourth Annual Report on the business and operations of the Company together with the Audited Financial Statements for the year ended 31<sup>st</sup> March, 2020.

### FINANCIAL SUMMARY AND HIGHLIGHTS

A summary of the Company's financial results for the Financial Year 2019-20 is as under:

(₹ in Lacs)

Particulars	Standalone		Consolidated	
	2020	2019	2020	2019
Total Revenue	14840.53	18837.55	25095.86	27217.77
EBIDTA	945.87	4001.04	5562.99	5539.47
PAT	(310.31)	1908.91	3140.48	2246.07

#### PERFORMANCE- STANDALONE

The performance of the Company was adversely affected during the year due to disruption of operation due closure order passed by the regulatory authority on account of allege irregularity which were withdrawn by the authority on 29<sup>th</sup> April, 2020.

Total revenue was ₹ 14840.53 Lacs for FY 2019-20 as compared to ₹ 18837.55 Lacs for FY 2018-19 a decrease of 21%. EBITDA stood at ₹ 945.87 Lacs as compared to ₹ 4001.04 Lacs during FY 2018-19, a decrease of 76%. Net Profit (Loss) after Tax stood at ₹ (310.31) Lacs for FY 2019-20 as compared to profit of ₹ 1908.91 Lacs for FY 2018-19.

#### PERFORMANCE- CONSOLIDATED

Total revenue was ₹ 25095.86 Lacs for FY 2019-20 as compared to ₹ 27217.77 Lacs for FY 2018-19 a decrease of 8%. EBITDA stood at ₹ 5562.99 Lacs as compared to ₹ 5539.47 Lacs during FY 2018-19 and Net Profit after Tax stood at ₹ 3140.48 Lacs for FY 2019-20 as compared to ₹ 2246.07 Lacs for FY 2018-19, an increase of 40%.

#### WIND POWER

The Company continues to operate at its installed 3.625 MW capacity Wind Power Plant comprising of 1.125 MW capacity at Gadag District of Karnataka and 2.50 MW capacity at Satara District of Maharashtra supplying to Electricity Boards.

#### ENGINEERED STONE PROJECT

We are extremely glad to inform you that we have successfully completed Engineered Stone project at Jaipur and waiting for improvement in the global situation to start accepting orders. This project at Mahindra World City, Jaipur, Rajasthan has a capacity of 6.50 million sq. ft. on approximately 7 acres of land. There are around only 50 units globally, that use this patented technology from Bretonstone, Italy and the ASI unit is the third of its kind in India. The most popular application is indoor flooring and walls while the quartz-based product is primarily used as an alternative to laminate or granite in the kitchen countertops. It is

also suitable for heavy commercial traffic flooring. It is the fastest growing market segment in the surface industry. We believe that this new asset will take the Company to the next level of growth.

#### DIVIDEND

Due to weak financial position during the year under review, Board of Director does not recommend any dividend for the financial year ended 31st March, 2020

#### AMALGAMATION

The Hon'ble National Company Law Tribunal Mumbai Bench had sanctioned the Scheme of Amalgamation of Deejay Mining and Exports Private Limited (DMEPL) with the Company vide its Order dated April 23, 2020. The said Scheme was made effective on May 18, 2020 post filing of the Order with Registrar of Companies. Pursuant to the Scheme, 4,79,35,009 Equity Shares have been allotted to Shareholders of DMEPL on July 06, 2020, and accordingly, 4,07,14,762 Equity Shares held by DMEPL in the Company were cancelled. Pursuant to this, DMEPL stands amalgamated with your Company. Post allotment / cancellation of Equity Shares, the Promoter Shareholding in the Company now stands at 72.51%.

#### SHARE CAPITAL

##### Authorized Share capital

The Authorized Share Capital of the Company as on 31<sup>st</sup> March, 2020 stood as Rs, 2500 Lacs, consist 2300 Lacs of equity share of Re.1/- each and 200000 Redeemable Preference Shares of ₹ 100/- each.

However, after merger of the Deejay Mining and Exports Private Limited (Transferor Co.) with the Company vide order of National Company Law Tribunal, Mumbai, dated 23<sup>rd</sup> April, 2020, the Authorized Share Capital of the Transferor Company has merged with the Authorized Share Capital of Transferee Co.

After merger the Authorized Share Capital of the Company stood ₹ 28,45,00,000/- consist 26,24,00,000 equity shares of Re.1/- each, 200000 Redeemable Preference Shares of ₹ 100/- each,

1000 12% Non-Cumulative Preference Shares of ₹ 100/-each and 200000 un classified shares of ₹ 10/-each.

### Paid Up Share Capital

The paid-up Equity Share Capital as at 31<sup>st</sup> March, 2020 stood at ₹ 828.55 Lacs. During the year under review, the Company has not issued shares or convertible securities or shares with differential voting rights nor has granted any stock options or sweat equity or warrants.

However, after merger of the DeeJay Mining and Exports Private Limited (Transferor Co.) with the Company vide order of National Company Law Tribunal, Mumbai, dated 23<sup>rd</sup> April, 2020, the Company has issued 4,79,35,009 no of fully paid up equity share of Re. 1/- each to the shareholders of the Transferor Co at the meeting of Board of Directors held on 6<sup>th</sup> July, 2020. After allotment the paid up share capital of the Company stood as ₹ 900.75 Lacs consist 90074910 fully paid up share of Re.1/-.

### TRANSFER TO RESERVE

There is no transfer into the general reserve during the year

### FINANCE AND ACCOUNTS

As mandated by the Ministry of Corporate Affairs, the financial statements for the year ended on 31<sup>st</sup> March, 2020 has been prepared in accordance with the Indian Accounting Standards (IND AS) notified under Section 133 of the Companies Act, 2013 (hereinafter referred to as "the Act") read with the Companies (Accounts) Rules, 2014 as amended from time to time. The estimates and judgments relating to the Financial Statements are made on a prudent basis, so as to reflect in a true and fair manner, the form and substance of transactions and reasonably present the Company's state of affairs, profits and cash flows for the year ended 31<sup>st</sup> March, 2020. The Notes to the Financial Statements adequately cover the standalone and consolidated Audited Statements and form an integral part of this Report.

### OUR SUNSIDIARIES AND ASSOCIATE

The Company has foreign subsidiaries viz: ASI Global Limited, Mauritius and Al Rawasi Rock & Aggregate LLC, Fujairah, UAE.

During the year Stone Masters (India) Private Limited (SMIPL) has become associate of the Company due to increase of shareholding of the Company in SMIPL on account of Amalgamation of DeeJay Mining and Exports Private Limited with the Company. The DeeJay Mining and Exports Private Limited hold 30.43% equity shares of Stone Masters (India) Private Limited which by virtue of Amalgamation transferred to the Company.

Your directors draw attention of the members to the Note No. 42 of Consolidated Financial Statements which set out salient features of Financial Statement of Subsidiary and Associate Companies.

### MATERIAL SUBSIDIARY

Al Rawasi Rock Aggregate LLC became a material subsidiary of the Company on the basis of 31<sup>st</sup> March, 2019 thresholds laid down under the Listing Regulations as amended. The Board of Directors of the Company has approved a Policy for determining material subsidiaries which is in line with the Listing Regulations as amended from time to time. The Policy was revised effective from April 1, 2019 in line with the amendments made to the Listing Regulations. The Policy has been uploaded on the Company's website at <http://www.asigroup.co.in>

### CONSOLIDATED FINANCIAL STATEMENT

The Consolidated Financial Statements of the Company are prepared in accordance with relevant Indian Accounting Standards issued by the Institute of Chartered Accountants of India and forms an integral part of this Report.

Pursuant to Section 129(3) of the Act read with Rule 5 of the Companies (Accounts) Rules, 2014, a statement containing salient features of the financial statements of Subsidiaries is given in Form AOC-1 which forms an integral part of this Report.

### MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The Management Discussion and Analysis Report on the operations of the Company, as required under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as "Listing Regulations") is provided in a separate section and forms an integral part of this Report.

### CORPORATE GOVERNANCE

As per Regulation 34(3) read with Schedule V of the Listing Regulations, a separate section on corporate governance practices followed by the Company, together with a certificate from the Company's Auditors confirming compliance forms an integral part of this Report.

### EXTRACT OF ANNUAL RETURN

The details forming part of the extract of the Annual Return in Form MGT-9, as required under Section 92 of the Act, is attached as **Annexure "A"** which forms an integral part of this Report and is also available on the Company's website viz. <http://www.asigroup.co.in>

### DIRECTORS

In accordance with the provisions of Section 152 of the Act and the Company's Articles of Association, Mr. Tushya Jatia, Director retires by rotation at the forthcoming Annual General Meeting and, being eligible offers himself for re-appointment. The Board recommends his re-appointment for the consideration of the Members of the Company at the forthcoming Annual General Meeting. Brief profile of Mr. Tushya Jatia has been given in the Notice convening the Annual General Meeting.

The tenure of Mrs. Anita Jatia, Whole Time Director has comes to an end on 31<sup>st</sup> August, 2020, after recommendation of



Nomination and Remuneration Committee the Board of Directors has approved her re-appointment as Whole Time Director for the further period of five years commence from 1<sup>st</sup> September, 2020 subject to the approval of Shareholders at the forthcoming Annual General Meeting.

All Independent Directors of the Company have given declarations that they meet the criteria of independence as

laid down under Section 149(6) of the Act and Regulation 16(1) (b) of the Listing Regulations. In the opinion of the Board, the Independent Directors, fulfil the conditions of independence specified in Section 149(6) of the Act and Regulation 16(1) (b) of the Listing Regulations. The Independent Directors have also confirmed that they have complied with the Company's Code of Business Conduct & Ethics.

Further, in compliance with Rule 6(1) of the Companies (Appointment and Qualification of Directors) Rules, 2014, all Independent Directors of the Company have registered themselves with the Indian Institute of Corporate Affairs.

#### **NUMBER OF MEETINGS OF THE BOARD**

The details of the number of meetings of the Board held during the Financial Year 2019-20 forms part of the Corporate Governance Report.

#### **KEY MANAGERIAL PERSONNEL**

Mr. Deepak Jatia- Chairman and Managing Director, Mr. S.R.Soni- Chief Executive officer, Mr. Pavan Soni- Chief Financial Officer and Mr. Manoj Jain- Company Secretary and Compliance Officer are the Key Managerial Personnel of the Company. During the year under review, no person were appointed/ceased as Key Managerial Personnel of the Company.

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

The Board of Directors have Audit Committee, Nomination and Remuneration Committee, Stakeholders' Relationship Committee and Corporate Social Responsibility Committee.

The details of the Committees along with their composition, number of meetings and attendance at the meetings are provided in the Corporate Governance Report.

#### **PERFORMANCE EVALUATION OF THE BOARD OF DIRECTORS, ITS INDIVIDUAL MEMBERS, AND ITS COMMITTEES**

In terms with the Policy for Evaluation of the Performance of the Board of Directors of the Company, we conducted a formal Board Effectiveness Review, as part of our efforts to evaluate the performance of our Board and identify areas that need improvement, in order to enhance the effectiveness of the Board its Committees, and Individual Directors. This was in line with the requirements of the Companies Act 2013 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements Regulations, 2015).

The criteria for Board processes included Board composition, strategic orientation and team dynamics Evaluation of each of the Board Committees covered whether they have well-defined objectives, the correct composition, and whether they achieved their objectives. The criteria for Individual Board Members included skills, experience, level of preparedness, attendance, extent of contribution to Board debates and discussion, and how each Director leveraged their expertise and networks to meaningfully contribute to the Company. The criteria for the Chairperson's evaluation included leadership style and conduct of Board Meetings.

Further, the performance evaluation criteria for Independent Directors included a check on their fulfilment of the independence criteria and their independence from the management

The performance evaluation of the Directors was completed during the year under review. The performance evaluation of the Chairman and the Non-Independent Directors was carried out by the Independent Directors and Non-Executive Director. The Board of Directors expressed their satisfaction with the evaluation process.

#### **PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS BY THE COMPANY**

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Act are given in the notes to Financial Statements forming a part of this Annual Report.

#### **VIGIL MECHANISM / WHISTLE BLOWER POLICY**

The Company has a Whistle Blower Policy to report genuine concerns or grievances and to provide adequate safeguards against victimization of persons who may use such mechanism. The Whistle Blower Policy has been posted on the website of the Company at <http://www.asigroup.co.in>

#### **NOMINATION, REMUNERATION AND BOARD DIVERSITY POLICY**

The Board of Directors has framed a policy which lays down a framework in relation to remuneration of Directors, Key Managerial Personnel and Senior Management of the Company. The Policy broadly lays down the guiding principles, philosophy and the basis for payment of remuneration to Executive and Non-executive Directors (by way of sitting fees and commission), Key Managerial Personnel, Senior Management and other employees. The policy also provides the criteria for determining qualifications, positive attributes and Independence of Director and criteria for appointment of Key Managerial Personnel / Senior Management and performance evaluation which are considered by the Nomination and Remuneration Committee and the Board of Directors while making selection of the candidates. The above policy has been posted on the website of the Company at <http://www.asigroup.co.in>

## RELATED PARTY TRANSACTIONS

All transactions entered with Related Parties for the year under review were on arm's length basis and thus a disclosure in Form AOC-2 in terms of Section 134 of the Act is not required. Further, there are no material related party transactions during the year under review with the Promoters, Directors or Key Managerial Personnel. All related party transactions are mentioned in the notes to the accounts. The Company has developed a framework through Standard Operating Procedures for the purpose of identification and monitoring of such Related Party Transactions.

All Related Party Transactions are placed before the Audit Committee for approval. Omnibus approval was obtained on a yearly basis for transactions which are of repetitive nature and a statement giving details of all Related Party Transactions are placed before the Audit Committee and the Board for review and approval on a quarterly basis.

The Policy on Related Party Transactions as approved by the Board of Directors has been uploaded on the website of the Company and can be seen at the link <http://www.asigroup.co.in>. None of the Directors has any pecuniary relationship or transactions vis-à-vis the Company except remuneration and sitting fees.

## SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

No significant and material order has been passed by the regulators, courts, tribunals impacting the going concern status and Company's operations in future.

## CREDIT RATING

The Company obtained Credit Rating from CRISIL Limited. The details of Credit Ratings held by the Company as on March 31, 2020 are as under:

Instrument	Amount	Rating
Long Term Borrowing	105.00 Crores	BB+
Short Term Borrowing	25.00 Crores	A4

During the CRISIL has revised the Rating for Long Term Borrowing from BBB to BB+ and for Short Term Borrowing from A3 to A4.

## DIRECTORS' RESPONSIBILITY STATEMENT

As stipulated in Section 134(5) of the Companies Act, 2013, your Directors subscribe to the "Directors' Responsibility Statement" and the Board of Directors of the Company confirm that:

- in the preparation of the annual accounts for the year ended 31<sup>st</sup> March, 2020, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- the Directors have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a

true and fair view of the state of affairs of the Company as at 31<sup>st</sup> March, 2020 and of the profit or loss of the Company for the year ended on that date;

- the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- the Directors have prepared annual accounts on a 'going concern' basis;
- the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and
- the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

## AUDITORS

### (a) STATUTORY AUDITOR

M/s S.C.Bandi & Co., Chartered Accountants (FRN-130850W) was appointed as Statutory Auditor of the Company for a period of five consecutive years at the Annual General Meeting of the Members held on 22<sup>nd</sup> September, 2017 on a remuneration mutually agreed upon by the Board of Directors and the Statutory Auditors.

There is no audit qualification, reservation or adverse remark for the year under review.

### (b) COST AUDITORS

As per the requirement of the Central Government and pursuant to Section 148 of the Companies Act, 2013 read with Companies (Cost Records and Audit) Rules, 2014 as amended from time to time, your Company has been carrying out audit of cost records. Accordingly, M/s. N.D. Birla & Co., a firm of Cost Accountants in practice was appointed to undertake the cost audit for the financial year ended 31<sup>st</sup> March, 2020. The Company has maintained Cost Record as specified by the Central Government under sub section (1) of Section 148 of the Companies Act, 2013.

Further, the Board of Directors, on the recommendation of the Audit Committee, have appointed M/s. N.D. Birla & Co., a firm of Cost Accountants to undertake the audit of cost records of the Company for the financial year ended 31<sup>st</sup> March, 2021.

### (c) SECRETARIAL AUDITORS

As required under Section 204 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board has appointed M/s. GMJ & Associates, Company Secretaries, as Secretarial Auditors of the Company in relation to the

financial year 2020-21. The Company has received their consent for such appointment. The Secretarial Audit Report for the year 2019-20 is attached as **Annexure-“B”**

There is no secretarial audit qualification for the year under review.

#### **INTERNAL FINANCIAL CONTROL SYSTEMS AND THEIR ADEQUACY**

Your Company has an effective internal control and risk-mitigation system, which are constantly assessed and strengthened with new/revised standard operating procedures. The Company's internal control system is commensurate with its size, scale and complexities of its operations. The internal and operational audit is entrusted to M/s L.B.Jha & Co Chartered Accountants, a firm of Chartered Accountants. The main thrust of internal audit is to test and review controls, appraisal of risks and business processes, besides benchmarking controls with best practices in the industry.

The Audit Committee of the Board of Directors actively reviews the adequacy and effectiveness of the internal control systems and suggests improvements to strengthen the same. The Company has a robust Management Information System, which is an integral part of the control mechanism.

#### **REPORTING OF FRAUD**

There was no instance of fraud during the year under review, which required the Statutory Auditors to report to the Audit Committee and / or Board under Section 143(12) of the Companies Act, 2013 and Rules framed thereunder.

#### **RISK MANAGEMENT**

Your Company recognizes that risk is an integral part of business and is committed to managing the risks in a proactive and efficient manner. Your Company periodically assesses risks in the internal and external environment, along with the cost of treating risks and incorporates risk management plans in its strategy, business and operational plans.

Your Company, through its risk management process, strive to contain impact and likelihood of the risks within the risk appetite as agreed from time to time with the Board of Directors.

There are no risks which in the opinion of the Board threaten the existence of your Company. However, some of the risks which may pose challenges are set out in the Management Discussion and Analysis which forms part of this Report.

#### **CORPORATE SOCIAL RESPONSIBILITY (CSR)**

As per provision of Section 135 read with Schedule VII of the Companies Act, 2013 along with the Companies (Corporate Social Responsibility Policy) Rules, 2014 and any other statutory amendment or modification thereof and the Company's CSR Policy in respect of Corporate Social Responsibility activity, a separate Report on CSR activities is attached as **Annexure “C”** to this Report. The CSR Policy has been posted on the website

of the Company at <http://www.asigroup.co.in> also refer Note No. 28(b) notes to accounts of standalone financial statement for CSR Expenditure.

#### **ENVIRONMENT, HEALTH AND SAFETY**

The Company is conscious of the importance of environmentally clean and safe operations. The Company's policy requires conduct of operations in such a manner so as to ensure safety of all concerned, compliances of environmental regulations and preservation of natural resources.

In order to comply with provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and Rules framed thereunder, the Company has formulated and implemented a policy on prevention, prohibition and redressal of complaints related to sexual harassment of women at the workplace. All women employees either permanent, temporary or contractual are covered under the above policy. The said policy has been uploaded on the internal portal of the Company for information of all employees. An Internal Complaint Committee has been set up in compliance with the said Act. During the year under review, no complaints pertaining to sexual harassment of women employees were reported to the Company.

#### **HUMAN RESOURCES AND INDUSTRIAL RELATIONS**

The Company takes pride in the commitment, competence and dedication of its employees in all areas of the business. The Company has a structured induction process at all locations objective appraisal systems based on Key Result Areas (KRAs) are in place for senior management staff.

#### **INVESTORS EDUCATION AND PROTECTION FUND (IEPF)**

Pursuant to the applicable provisions of the Companies Act, 2013, read with IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, all unpaid and unclaimed dividends are required to be transferred by the Company to IEPF established by the Central Government, after the completion of seven years. Further, according to the rules, the shares in respect of which dividend has not been paid or claimed by the shareholders for seven consecutive years or more shall also be transferred to the demat account created by the IEPF Authority, accordingly the Company has transferred unclaimed and unpaid dividend. Further, the corresponding shares were also transferred to the IEPF Authority as per the requirements of IEPF Rules, details of which are provided on Company's website at <http://www.asigroup.co.in>.

#### **STATUTORY INFORMATION AND OTHER DISCLOSURES**

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo pursuant to Section 134(3) (m) of the Act, read with the Rule 8(3) of the Companies (Accounts) Rules, 2014 is attached as **Annexure “D”** and forms an integral part of this Report.

The Disclosure required under Section 197(12) of the Act read with the Rule 5(1) of the Companies (Appointment and



Remuneration of Managerial Personnel) Rules, 2014, is attached as **Annexure “E”** and forms an integral part of this Report. `

A statement comprising the names of top 10 employees in terms of remuneration drawn and every persons employed throughout the year, who were in receipt of remuneration in terms of Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is attached as **Annexure “E”** and forms an integral part of this annual report.

In terms of Section 197(12) of the Companies Act, 2013 read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the statement showing the name of the employees drawing remuneration in excess of the limit specified in the Rules are not applicable on the Company as during the period, no employee of the Company was drawing salary in excess of the that drawn by the Managing Director or Whole Time Director or Manager.

The Company has not accepted any deposits, within the meaning of Section 73 of the Act, read with the Companies (Acceptance of Deposits) Rules, 2014.

The Company has complied with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India.

## CAUTIONARY STATEMENT

Statements in this Directors' Report and Management Discussion and Analysis Report describing the Company's objectives, projections, estimates, expectations or predictions may be "forward-looking statements" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make difference to the Company's operations include raw material availability and its prices, cyclical demand and pricing in the Company's principal markets, changes in Government regulations, Tax regimes, economic developments within India and the countries in which the Company conducts business and other ancillary factor.

## ACKNOWLEDGEMENT

Your Directors wish to place on record their appreciation, for the contribution made by the employees at all levels but for whose hard work, and support, your Company's achievements would not have been possible. Your Directors also wish to thank its customers, dealers, agents, suppliers, investors and bankers for their continued support and faith reposed in the Company.

**On behalf of the Board of Directors**

**Place: Mumbai**  
**Date: 6<sup>th</sup> July, 2020**

**Deepak Jatia**  
**Chairman & Managing Director**  
**DIN: 01068689**

**Form MGT-9**
**Extract from Annual Return**

 As on the financial year ended 31<sup>st</sup> March, 2020

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

**I. REGISTRATION AND OTHER DETAILS**

CIN	L14101MH1945PLC256122
Registered Date	17.01.1945
Name of Company	ASI Industries Limited
Category and Sub-category of the Company	Limited by Share/Public Limited
Registered Office and Contact Details	Marathon Innova, A wing, 7 <sup>th</sup> Floor, off. G.K.Marg, Lower Parel, Mumbai-400013, Maharashtra, India
Whether Listed or Not	Listed (BSE Limited)
Name of Register and Transfer Agent	Link Intime India Private Limited
Address	C-101,247 Park, L.B.S.Marg,Vikhroli (West) , Mumbai-400083.
Contact Details	Phone: 022-4918 6000, Fax: 022-4918 6060

**II. PRINCIPLE BUSINESS AND ACTIVITIES OF THE COMPANY**

All the business activities contributing 10% or more of the total turnover (consolidated) of the Company shall be stated.

SN	Name and Description of main Products/Services	NIC Code of the Product/Service	% to total turnover of the company
1	Kota Stone	08103	69%
2	Steel and Allied Product	46620	30%

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES**

SN	Name & Address of Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of Share Held	Applicable Section
1	ASI Global Limited, Mauritius Office No. 113, 2 <sup>nd</sup> Floor, Medine Mews, Chaussee Street Poer Louis, Mauritius	NA	Subsidiary	100	2(87)
2	AI Rawasi Rock & Aggregate LLC, UAE Post Box No. 2313, Fujairah UAE	NA	Subsidiary	100#	2(87)
3	Stone Masters (India) Private Limited Marathon Innova , A Wing, 7 <sup>th</sup> Floor, Off. G.K.Marg, Lower Parel, Mumbai-13	U67120MH1995PTC084212	Associates*	39.79	2(6)

# The Company's wholly owned subsidiary ASI Global Limited, Mauritius holds 99% shares (51% shares held by nominee as required by local law for beneficial interest of the Company) in AI Rawasi Rock & Aggregate LLC. UAE (RRA), having Limestone Quarry at Fujairah, UAE. The Company also holds 1% share in RRA accordingly RRA is also a Wholly Owned Subsidiary of the Company.

- Due to merger of the DeeJay Mining and Exports Private Limited, the shares held by the DeeJay Mining and Exports Private Limited in the Stone Masters (India) Private Limited transferred to ASI Industries Limited.

**IV. SHAREHOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)**
**i. Category wise shareholding**

SN	Category of Shareholders	No of share held on 01.04.2019				No of share held on 31.03.2020				% Change during the year
		Demat	Physical	Total	%	Demat	Physical	Total	%	
<b>A</b>	<b>Promoter and Group</b>									
<b>1</b>	<b>Indian</b>									
a	Individual/HUF	3419825	---	3419825	4.13	3419825	---	3419825	4.13	--
B	Central Government									---
C	State Government(s)									---
D	Bodies Corporate	54936224	---	54936224	66.30	54936224	---	54936224	66.30	---

SN	Category of Shareholders	No of share held on 01.04.2019				No of share held on 31.03.2020				% Change during the year
		Demat	Physical	Total	%	Demat	Physical	Total	%	
E	Bank/FI									---
F	Any other									---
	<b>Sub Total (A) (1):-</b>	<b>58356049</b>	<b>---</b>	<b>58356049</b>	<b>70.43</b>	<b>58356049</b>	<b>---</b>	<b>58356049</b>	<b>70.43</b>	<b>--</b>
<b>2</b>	<b>Foreign</b>									
a	NRI-Individuals									
B	Other-Individuals									
C	Bodies Corporates									
D	Banks/FI									
E	Any other									
F	NRI-Individuals									
	<b>Sub Total (A) (2):-</b>	<b>58356049</b>	<b>---</b>	<b>58356049</b>	<b>70.43</b>	<b>58356049</b>	<b>---</b>	<b>58356049</b>	<b>70.43</b>	<b>--</b>
	<b>Total Shareholding of Promoter (A) = (A) (1)+(A)(2)</b>									
<b>B</b>	<b>Public Shareholding</b>									
<b>1</b>	<b>Institutions</b>									
a	Mutual Funds									
b	Banks/FI	--	--	--	--	89	--	89	--	--
c	Central Government									
d	State Government(s)									
e	Venture Capital Funds									
f	Insurance Companies									
g	FIIS									
h	Foreign Venture Capital Funds									
i	IEPF	723963	---	723963	0.87	737038	--	737038	0.89	0.02
	<b>Sub Total (B) (1):-</b>	<b>723963</b>	<b>---</b>	<b>723963</b>	<b>0.87</b>	<b>737127</b>	<b>--</b>	<b>737127</b>	<b>0.89</b>	<b>0.02</b>
<b>2</b>	<b>Non- Institutional</b>									
a	Non-Institutions									
b	Bodies Corporate	4305954		4305954	5.20	4344759	--	4344759	5.24	0.04
c	Individuals									
e	Individual Shareholders holding nominal share capital upto Rs. 2 Lacs	11660888	1917071	13577959	16.39	11688978	1827623	13516601	16.31	(0.08)
f	Individual Shareholders holding nominal share capital in excess of Rs.2 lacs	2212425	1326699	3539124	4.27	2305415	1326699	3632114	4.38	0.11
g	<b>Other (Specify)</b>									
i	HUF	1036594	---	1036594	1.25	1049303	---	1049303	1.27	0.02
ii	NRI (rep)	454306	---	454306	0.58	429723	---	429723	0.52	(0.06)
iii	NRI (non-rep)	766030	--	766030	0.92	762180	---	762180	0.92	---
iv	Clearing Member	89484	---	89484	0.11	21607	---	21607	0.02	0.09
V	Trust	4264	---	4264	0.01	4264	---	4264	0.01	---
Vi	Director (other than promoter)	936	---	936	--	936	---	936	---	---
	<b>Sub - Total (B) (2):-</b>	<b>20530881</b>	<b>3243770</b>	<b>23774651</b>	<b>28.69</b>	<b>20607165</b>	<b>3154322</b>	<b>23761487</b>	<b>28.68</b>	<b>(0.01)</b>
	<b>Total Public Shareholding (B)=(B)(1)+B(2)</b>	<b>21254844</b>	<b>3243770</b>	<b>24498614</b>	<b>29.57</b>	<b>21344292</b>	<b>3154322</b>	<b>24498614</b>	<b>29.57</b>	<b>(0.30)</b>
	<b>Grand Total (A+B+C)</b>	<b>79610893</b>	<b>3243770</b>	<b>82854663</b>	<b>100</b>	<b>79700341</b>	<b>3154322</b>	<b>82854663</b>	<b>100</b>	

**ii. Shareholding of Promoters:**

SN	Name of Shareholders	No of share held on 01.04.2019			Transaction during The Year		Cumulative shareholding on 31.03.2020			% Change during the year
		No. of Shares	% of total shares of the company	% of Shares Pledged/ encumbered to total share	Date of Transaction	No of Share	No. of Shares	% of total shares of the company	% of Shares Pledged/ encumbered to total share	
1	Deepak Jatia	1408512	1.70	---	---	---	1408512	1.70	---	---
	At the end of Year						1408512	1.70	---	---
2	Deepak Jatia (HUF)	776387	0.94	---	---	---	776387	0.94	---	---
	At the end of Year						776387	0.94	---	---
3	Tushya Jatia	158164	0.19	---	---	---	158164	0.19	---	---
	At the end of Year						158164	0.19	---	---
4	Anita Jatia	961762	1.16	---	---	---	961762	1.16	---	---
	At the end of Year						961762	1.16	---	---
5	Prerna Agarwal	115000	0.14	---	---	---	115000	0.14	---	---
	At the end of Year						115000	0.14	---	---
6	Deejay Mining & Export Pvt Ltd	40714762	49.14	---	---	---	40714762	49.14	---	---
	At the end of Year						40714762	49.14	---	---
7	Stone Masters (India) Pvt Ltd	14221462	17.16	---	---	---	14221462	17.16	---	---
	At the end of Year						14221462	17.16	---	---
	<b>Total</b>	<b>58356049</b>	<b>70.43</b>	---	---	---	<b>58356049</b>	<b>70.43</b>	---	---

iii. **Change in the Promoters holding during the FY 2019-20-** No Change. However due to amalgamation of Deejay Mining and Exports Private Limited (Transferor Co.) with the ASI Industries Limited (Transferee Co.) 47935009 fully paid up equity shares was allotted to the shareholders of the Transferor Co on 6<sup>th</sup> July, 2020.

**iv. Shareholding Pattern of top ten Shareholders (Other than Directors, Promoters and Holder of SDR and ADRs):**

SN	Name of Shareholders	No of share held on 01.04.2019		Transaction during The Year		Cumulative shareholding on 31.03.2020	
		No. of Shares	% of total shares of the company	Date of Transaction	No. of Share	No. of Shares	% of total shares of the company
1	Halani Properties Pvt Ltd.	3812500	4.6014	---	---	3812500	4.6014
	<b>At the end of Year</b>					<b>3812500</b>	<b>4.6014</b>
2	Sangeetha S.	0.00	0.00				
	Transfer			08 Nov 2019	844900	844900	1.0197
	Transfer			22 Nov 2019	14130	859030	1.0368
	Transfer			29 Nov 2019	3100	862130	1.0405
	Transfer			06 Dec 2019	4550	866680	1.046
	Transfer			13 Dec 2019	1890	868570	1.0483
	Transfer			20 Dec 2019	2796	871366	1.0517
	Transfer			27 Dec 2019	3324	874690	1.0557
	Transfer			31 Dec 2019	8806	883496	1.0663
	Transfer			03 Jan 2020	4874	888370	1.0722
	Transfer			17 Jan 2020	6840	895210	1.0805
	Transfer			24 Jan 2020	5580	900790	1.0872
	Transfer			31 Jan 2020	3780	904570	1.0918
	Transfer			07 Feb 2020	990	905560	1.0929
	Transfer			14 Feb 2020	1800	907360	1.0951
	Transfer			27 Mar 2020	3330	910690	1.0991
	Transfer			31 Mar 2020	7200	917890	1.1078
	<b>At the end of the year</b>					<b>917890</b>	<b>1.1078</b>
3	Mita Deepak Shah	880000	1.0621	---	---	880000	1.0621
	Transfer			23 Aug 2019	20000	900000	1.0862
	<b>At the end of Year</b>					<b>900000</b>	<b>1.0862</b>
4	Satjit Singh	858075	1.036	---	---	858075	1.036

SN	Name of Shareholders	No of share held on 01.04.2019		Transaction during The Year		Cumulative shareholding on 31.03.2020	
		No. of Shares	% of total shares of the company	Date of Transaction	No. of Share	No. of Shares	% of total shares of the company
	<b>At the end of Year</b>					<b>858075</b>	<b>1.036</b>
5	Saravjeet Singh Anand	256525	0.3096	---	---	256525	0.3096
	<b>At the end of Year</b>					<b>256525</b>	<b>0.3096</b>
6	Gurnam Singh Anand	252337	0.305	---	---	252337	0.305
	<b>At the end of Year</b>					<b>252337</b>	<b>0.305</b>
7	Nitin Tondon	231000	0.2788	---	---	231000	0.2788
	<b>At the end of Year</b>					<b>231000</b>	<b>0.2788</b>
8	Agia Kaur Anand	216287	0.261	---	---	216287	0.261
	<b>At the end of Year</b>					<b>216287</b>	<b>0.261</b>
9	Bijal Suresh Dalal	193750	0.2388	---	---	193750	0.2388
	<b>At the end of Year</b>					<b>193750</b>	<b>0.2388</b>
10	Abhay Ratnaker Kantik	198645	0.2398			198645	0.2398
	Transfer			03 May, 2019	-8465	190180	0.2295
	<b>At the end of Year</b>					<b>190180</b>	<b>0.2295</b>
11	Subramanian P	844900	1.02	---	---	844900	1.02
	Transfer			08 Nov, 2019	-844900	0.00	0.00
	<b>At the end of Year</b>					<b>0.00</b>	<b>0.00</b>

#### v. Shareholding of Directors and Key Managerial Personnel

SN	Name of the Shareholders	Shareholding at the Beginning of the year		Shareholding at the end of the year	
		No of Shares	% of total shareholding of Company	No of Shares	% of total shareholding of Company
1	Deepak Jatia	1408512	1.70	1408512	1.70
2	Anita Jatia	961762	0.16	961762	1.16
3	Tushya Jatia	158164	0.19	158164	0.19
4	Gaurang Gandhi	---	---	---	---
5	Anshul Sonawala	---	---	---	---
6	Sanjay Seksaria	936	0.00	936	0.00
7	S.R.Soni	---	---	---	---
8	Pavan Soni	---	---	---	---
9	Manoj Jain	---	---	---	---

#### V. INDEBTEDNESS

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

(₹ in Lacs)

Particulars	Secured Loan excluding deposits	Unsecured Loans	Deposit	Total Indebtedness
<b>Indebtedness at the beginning of the Financial Year</b>				
i. Principle amount	15764.45	---	---	15764.45
ii. Interest due but not paid	---	---	---	---
iii. Interest accrued but not due	34.58	---	---	34.58
<b>Total (i+ii+iii)</b>	<b>15799.03</b>	---	---	<b>15799.03</b>
<b>Change in Indebtedness during the Financial Year</b>				
Addition	11306.66	984.30	---	12290.96
Reduction	4243.03	133.33	---	4376.36
<b>Net Changes</b>	<b>7063.63</b>	<b>850.97</b>	---	<b>7914.60</b>
<b>Indebtedness at the end of the Financial Year</b>				
i. Principle amount	22779.68	850.97	---	23630.65
ii. Interest due but not paid	--	--	--	--
iii. Interest accrued but not due	82.98	--	--	82.98
<b>Total (i+ii+iii)</b>	<b>22862.66</b>	<b>850.97</b>	--	<b>23713.63</b>



**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**
**a. Remuneration to Managing Director/Whole Time Director/Manager**

(₹ in Lacs)

SN	Particular of Remuneration	Deepak Jatia	Anita Jatia	Tushya Jatia	Total Amount
		Managing Director	Executive Director	Executive Director	
1	<b>Gross Salary</b>				
a	Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	180.00	51.00	120.00	351.00
b	Value of perquisites u/s. 17(2) of the Income-Tax Act,1961	27.00	---	18.00	45.00
c	Profits in lieu of salary under section 17(3) of the Income-Tax Act, 1961	---	---	---	---
d	Stock Option	---	---	---	---
e	Sweat Equity	---	---	---	---
f	Commission	---	---	---	---
g	Any other, Specify	---	---	---	---
	<b>Total</b>	<b>207.00</b>	<b>51.00</b>	<b>138.00</b>	<b>396.00</b>

**b. Remuneration to other Director:**

SN	Particular of Remuneration	Gaurang Gandhi	Anshul Sonawala	Sanjay Seksaria	Total Amount
		Independent	Independent	Independent	
1	Sitting fee to Independent Director to attend the Board Meeting	0.08	0.08	0.08	0.24
2	Commission	---	---	---	---
3	Any other, Specify				
	<b>Total-A</b>	<b>0.08</b>	<b>0.08</b>	<b>0.08</b>	<b>0.24</b>
4	Sitting fee to other NED to attend the Board Meeting	---	---	---	---
5	Commission				
6	Any other, Specify				
	<b>Total-B</b>	<b>--</b>	<b>---</b>	<b>---</b>	<b>---</b>
	<b>Total A+B</b>	<b>0.08</b>	<b>0.08</b>	<b>0.08</b>	<b>0.24</b>

**c. Remuneration to Key Managerial Person other than Managing and Whole Time Director:**

SN	Particular of Remuneration	S.R.Soni	Pavan Soni	Manoj Jain	Total Amount
		CEO	CFO	CS	
1	<b>Gross Salary</b>				
a	Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	15.61	17.75	18.71	52.07
b	Value of perquisites u/s. 17(2) of the Income-Tax Act,1961	---	0.86	---	0.86
c	Profits in lieu of salary under section 17(3) of the Income-Tax Act, 1961	---	---	---	---
2	Stock Option				
3	Sweat Equity				
4	Commission				
5	Any other, Specify				
	<b>Total</b>	<b>15.61</b>	<b>18.61</b>	<b>18.71</b>	<b>52.93</b>

**VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES:-**
**Company /Director or any other officer of the Company**

Type of Penalty	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment / Compounding fees imposed	Authority (RD/NCLT/ COURT)	Appeal made, if any (give Details)
Penalty					
Punishment					
Compounding					
			<b>Not Applicable</b>		

 On Behalf of Board of Director of  
**ASI Industries Limited**

 Date: 6<sup>th</sup> July, 2020  
 Place: Mumbai

 Deepak Jatia  
 Chairman & Managing Director  
 DIN: 01068689

**FORM NO. MR - 3**  
**SECRETARIAL AUDIT REPORT**  
**FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2020**

(Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014)

To,  
The Members,  
**ASI INDUSTRIES LIMITED**  
Marathon Innova, A Wing, 7th Floor,  
Off. Ganpatrao Kadam Marg,  
Lower Parel, Mumbai - 400 013

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

Based on our 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, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2020 complied with the statutory provisions of the applicable acts 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.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company, for the financial year ended on 31st March, 2020 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 Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018 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”), viz:
  - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 2011;
  - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - c) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
  - d) 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;
  - e) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; **[Not applicable during the period of audit]**.
  - f) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and SEBI (Share based Employee Benefits) Regulations, 2014; **[Not applicable during the period of audit]**.
  - g) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **[Not applicable during the period of audit]**.
  - h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **[Not applicable during the period of audit]**.
  - i) The Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 2018; **[Not applicable during the period of audit]**.

- vi. We 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 as follows:
- a) The Mines Act, 1952.
  - b) The Explosive Act, 1884.
  - c) The Noise Pollution (Regulation and Control) Rules, 2000.
  - d) The Environment (Protection) Act, 1986.
  - e) The Water (Prevention and Control of Pollution) Act, 1974.
  - f) The Air (Prevention and Control of Pollution) Act, 1981.
  - g) The Factories Act, 1948 and Rules made thereunder.
  - h) Mineral Conservation & Development Rules, 2017.
  - i) Labour laws and other incidental laws related to labour and employees appointed by the Company either on its payroll or on contractual basis as related to wages, gratuity, provident fund, ESIC, compensation etc.

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

- a) Secretarial Standards issued by The Institute of Company Secretaries of India;
- b) The Listing Agreement entered into by the Company with BSE Limited read with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

**We 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. There were no changes in the composition of the Board of Directors that took place during the period under review.

Adequate notice is given to all Directors to schedule the Board Meetings, Committee Meetings, agenda and detailed notes on agenda were sent well 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. As per the minutes of the meetings duly recorded and signed by the Chairman, the decisions of the Board were unanimous and no dissenting views have been recorded.

We further report that based on the information provided and the representation made by the Chief Financial Officer/Company Secretary and taken on record by the Board of Directors of the Company, in our opinion 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.

We further report that the Company has paid remuneration in excess of the limits prescribed under Section 197 read with Schedule V of the Companies Act, 2013, to the Managing Director and one of the Whole Time Director of the Company for the Financial Year 2019-20, and the same is subject to approval of Shareholders at the ensuing Annual General Meeting of the Company.

We further report that during the audit period under review, there were following event/action(s) which had bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc.

- a) The Company had on 28th November 2019, received directions ("Closure Direction") from Department of Mining and Geology, Ramganjmandi, Kota, Rajasthan for closure of mining activity of the Company, alleging irregularities of Environmental Rules by the Company. The Company had sought legal advice to represent and/or appeal before the Competent Authority or a Court of Competent Jurisdiction for challenging and setting aside the closure direction. The Company had been granted permission to resume mining operations at Ramganjmandi, Kota, Rajasthan vide the order of Rajasthan State Pollution Control Board dated 29th April, 2020 with immediate effect.
- b) As per the rating rationale dated 9th March, 2020, the credit rating of the company had been downgraded by CRISIL Limited due to closure of mining activity owing to alleged irregularities of Environmental Rules by the Company. However the same has also been upgraded as per the rating rationale dated 17th June, 2020.
- c) Subject to the requisite approvals of SEBI and BSE Limited, the Company had filed an application with National Company Law Tribunal ("NCLT"), Mumbai Bench for approval of the Scheme of Amalgamation of the Company with DeeJay Mining and Exports Private Limited (DMEPL) in consideration of issue of equity Shares of the Company to the Shareholders of DMEPL. The Hon'ble

National Company Law Tribunal (NCLT), Mumbai bench vide its order dated 23rd April, 2020, through video call, had sanctioned the Scheme of Amalgamation of Deejay Mining and Exports Private Limited ('Transferor Company') with ASI Industries Limited ('Transferee Company') and its shareholders and creditors pursuant to sections 230 to 232 read with section 234 and other relevant provisions Companies Act, 2013. The Scheme became effective from 18th May, 2020.

- d) SEBI had issued a Show Cause Notice dated 19th July, 2016 read with its Corrigendum dated 8th August, 2018 for alleged violation of the provisions of Regulation 29(1) read with Regulation 29(3) of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 by the two promoter group entities namely Deejay Mining and Exports Private Limited and Stone Master (India) Private Limited. The Promoter Group entities ("the Applicants") along with other Noticee's on a suo-moto basis filed a settlement application, under the SEBI (Settlement Proceedings) Regulations, 2018. The High Powered Advisory Committee ('HPAC') considered the settlement terms proposed and recommended the application for settlement upon payment of Rs.19,68,457/- jointly and/or severally by all the Applicants as settlement amount. On 24th April, 2019, vide a settlement order issued by SEBI, it had stated that settlement charges had been paid by the Applicants and it is hereby ordered that this Settlement Order disposes of the aforesaid adjudication proceedings initiated against the Applicants.

**For GMJ & ASSOCIATES  
Company Secretaries**

*Sd/-*

**[CS PRABHAT MAHESHWARI]  
PARTNER**

**M. No. : FCS 2405**

**COP No.: 1432**

**UDIN:F002405B000419602**

**PLACE: MUMBAI**

**DATE: 6<sup>TH</sup> July, 2020**

**Note:** This report is to be read with our letter of even date that is annexed as Annexure I and forms an integral part of this report.

**'ANNEXURE I' to Secretarial Audit Report**

To,  
The Members,  
**ASI INDUSTRIES LIMITED**  
Marathon Innova, A Wing, 7th Floor,  
Off. Ganpatrao Kadam Marg,  
Lower Parel, Mumbai-400 013

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

1. Maintenance of secretarial records is the responsibility of management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We 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. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
4. Wherever required, we have obtained the Management Representation about the compliance of laws, rules, regulations and happening of events, etc.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations and standards is the responsibility of the management. Our 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.

**For GMJ & ASSOCIATES  
Company Secretaries**

*Sd/-*

**[CS PRABHAT MAHESHWARI]  
PARTNER**

**M. No. : FCS 2405**

**COP No.: 1432**

**UDIN: F002405B000419602**

**PLACE: MUMBAI**

**DATE: 6<sup>TH</sup> July, 2020**

## ANNUAL REPORT ON THE CSR ACTIVITIES

### Report on Corporate Social Responsibility as per Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014

1. A brief outline of the Company's CSR policy, including overview of projects or programmes proposed to be undertaken by the Company has been given on the website of the Company. A brief area of CSR activities are given below:
  - eradicating hunger, poverty and malnutrition, promoting preventive health care and sanitation and making available safe drinking water;
  - promoting education, including special education and employment enhancing vacation skills especially among children, women, elderly and the differently abled people and livelihood enhancement projects;
  - promoting gender equality, empowering women, setting up homes and hostels for women and orphans; setting up old age homes, day care centres and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups;
  - ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agro forestry, conservation of natural resources and maintaining quality of soil, air and water;
  - rural development projects, etc. web link: [www.asigroup.co.in](http://www.asigroup.co.in)

2. Composition of CSR Committee:

Sr. No.	Name	Category	Designation
1	Mr. Anshul M. Sonawala	Independent Director	Chairman
2	Mr. Gaurang Gandhi	Independent Director	Member
3	Mr. Tushya Jatia	Executive Director	Member

3. Average Net profit for last three Financial Years:

Net Profit	For the Financial Year ended 31 <sup>st</sup> March (Rs. in Lacs)		
	2019	2018	2017
	2763.53	2450.02	2108.31
Average Net Profit for the preceding three Financial Years	2440.62		

4. Prescribed CSR expenditure (2% of Average Net Profit) : **Rs. 48.81 Lacs**
5. Amount unspent during previous year : **Rs. 17.21 Lacs**
6. Total eligible fund for expenditure : **Rs. 66.02 Lacs**
7. **Details of CSR spend & Unspent for the financial year**
  - a. Total amount spent for the financial year : **Rs. 15.92 Lacs**
  - b. Amount unspent, if any : **Rs. 50.10 Lacs**

8. Manner in which the amount spend during the financial year is detailed below:

Sr. No.	CSR project or activity identified	Sector in which the project is covered	Projects or programs (1)Local area or other (2) Specify the state and district where projects or programs was undertaken	Amount outlay (budget) project or programs wise	Amount spent on the projects or programs Sub heads: (1) Direct expenditure on projects or programs (2)Overheads (Rs. In Lacs)	Cumulative expenditure upto the reporting period (Rs. In Lacs)	Amount spent: Direct or through implementing agency
1	Donation to Old Age Home for welfare of the Old People	Old Age Home	Mumbai , Maharashtra	10	1.11	1.11	Amount spent Directly

Sr. No.	CSR project or activity identified	Sector in which the project is covered	Projects or programs (1)Local area or other (2) Specify the state and district where projects or programs was undertaken	Amount outlay (budget) project or programs wise	Amount spent on the projects or programs Sub heads: (1) Direct expenditure on projects or programs (2)Overheads (Rs. In Lacs)	Cumulative expenditure upto the reporting period (Rs. In Lacs)	Amount spent: Direct or through implementing agency
2.	Providing Foods, Cloths and other essential goods during flood and COVID-19 situation	Natural Calamity	Local Area, Ramganjmandi, Dist: Kota, Rajasthan	15	5.41	6.52	Amount spent Directly
3.	Provides fresh water for drinking into village during summer time	Safe Drinking Water	Local Area, Ramganjmandi, Dist: Kota, Rajasthan	15	4.17	10.69	Amount spent Directly
4.	1. To providing bus facilities for school children 2. Paid School fee for poor and needy student 3. Construction of roof of School	Promoting Education	Local Area, Ramganjmandi, Dist: Kota, Rajasthan and Mumbai	30	5.23	15.92	Amount spent Directly
<b>Total</b>				<b>70.00</b>		<b>15.92</b>	

#### 9. Reason for not spending the prescribed amount

The Company through its Board and CSR Committee is determined to beef up its efforts to meet the targeted CSR expenditure. The Company needs to spend Rs. 66.02 Lacs (including previous unspent amount of Rs.17.21 Lacs) during the year under review, CSR expenditure was short by Rs. 50.10 Lacs on account of closure of operation of Company from December to March at Ramganjmandi, Rajasthan and pending of finalization of certain projects which were under process and could not finalized within the timeframe, therefore, amount remain unspent. With the strong foundation which has been established during the year along with the proposed scaling up of a number of its CSR Projects, the Company believes that it has made meaningful progress towards reaching the target in the coming financial years.

#### 10. Responsibility statement of the CSR Committee

We hereby declare that implementation and monitoring of projects and programmes, are in compliance with CSR objectives and CSR policy of the Company.

**Anshul M. Sonawala**  
Chairman – CSR Committee  
DIN: 00133376

**Deepak Jatia**  
Managing Director  
DIN: 01068689

Place: Mumbai

Date: 6<sup>th</sup> July,2020

## Annexure “D”

### The Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo pursuant to the provisions of Section 134 (3)(m) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014:

#### A. CONSERVATION OF ENERGY:

In line with Company's commitment towards conservation of energy, all areas of operation continue with efforts aimed at improving energy efficiency through improved operational and maintenance practices.

The steps taken in this direction at Mining areas is as under:

- Most of the conventional lighting in Mining areas and offices were replaced with suitable capacity of LED thereby Company has drastically reduced energy consumption.
- The Company has started using electricity based compressors for drilling activity at the Mining areas by replacing compressors running on High Speed Diesel. This is at initial stage but looking to expected cost savings, the Company intends to induct some more compressors running on electricity.
- Replaced old inefficient motor of JHIRI cutting machine with new motors to save energy to improve operational efficiency.

#### B. TECHNOLOGY ABSORPTION:

- The efforts made towards technology absorption: **Nil**
- The benefits derived like product improvement, cost reduction, product development or import substitution: **Nil**
- Details of technology imported during the past 3 years: No technology has been imported during the past 3 years.
- The expenditure incurred on Research and Development: **Nil**

#### C. FOREIGN EXCHANGE EARNINGS AND OUT GO:

Foreign Exchange Earning : Rs. 3330.12 Lakhs

Foreign Exchange Outgo : Rs. 1738.30 Lakhs

For and Behalf of Board

**Deepak Jatia**  
Chairman and Managing Director  
DIN 01068689

Date: 6<sup>th</sup> July ,2020

Place: Mumbai

## ANNEXURE “E”

### Information required under Section 197 of Companies Act, 2013 read with Rule 5 of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014

1. The Ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year 2019-20:

Sr. No	Name of the Directors	Ratio to Median Remuneration
1.	Mr. Deepak Jatia	108
2.	Mrs. Anita Jatia	26
3.	Mr. Tushya Jatia	71
4.	Mr. Anshul Sonawala (only sitting fee)	NA
5.	Mr. Sanjay Seksaria (only sitting fee)	NA
6.	Mr. Gaurang Gandhi (only Sitting fee)	NA

2. The percentage increase in remuneration of each Director, Chief Executive Officer, Chief Finance Officer, Company Secretary or Manager, if any, in the financial year 2019-20 compared to financial year 2018-19:

Sr. No	Name of the Directors	% of Increase
1.	Mr. Deepak Jatia, Chairman & Managing Director	NA
2.	Mrs. Anita Jatia, Executive Director	NA
3.	Mr. Tushya Jatia, Executive Director	NA
4.	Mr. S.R.Soni, Chief Executive Officer	NA
5.	Mr. Pavan Kumar Soni, Chief Financial Officer	NA
6.	Mr. Manoj Jain , Company Secretary	11%

3. The Median Remuneration of Employee (MRE) excluding Executive Director was Rs. 190183 and Rs. 178610 in fiscal year 2020 and 2019 respectively. The decrease in MRE in fiscal year is 6% as compared to fiscal year 2018.
4. Number of permanent employees on the rolls of the Company: 969 employees as on 31.03.2020.
5. Explanation on the relationship between average increase in remuneration and the Company performance: - The Company's reward principle is influenced by individual performance as well as various factors operating in competitive market practice and cost considerations. The salary increase that were made during the year were based on the individual performance as well as the Company's market competitiveness.
6. Key parameters for any variable component of remuneration availed by the Directors: - Considered by the Board of Directors based on the recommendations of the Nomination and Remuneration Committee as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.

#### Remuneration of Top 10 Employees of the Company

(Rs. In Lacs)

Employees Name	Designation	Education Qualification	Experience in Year	Remuneration	Previous employment and designation
Mr. Deepak Jatia	CMD	Graduate	33 Years	207.00	NA
Mr. Tushya Jatia	WTD	Master in Finance and Investment	13 Years	138.00	NA
Mrs. Anita Jatia	WTD	Graduate	18 Years	51.00	NA
Mr. Mallikarjun Nidoni	Operational Head	Diploma in Civil Engineering	33 Years	23.12	Asian Grantio (I) Ltd as GM (Operation)
Mr. Manoj Jain	Company Secretary	F.C.S. and JAIIB	15 Years	18.71	Ess Dee Aluminum Limited as Company Secretary



Employees Name	Designation	Education Qualification	Experience in Year	Remuneration	Previous employment and designation
Mr. Pavan Kumar Soni	CFO	F.C. A.	27 Years	18.61	Kesari Vanspati Limited as Finance Controller
Mr. S.R.Soni	CEO	F.C.A. & F.C.S.	36 Years	15.61	Orbit Corporation as Company Secretary
Mr. Kundan Vijayvergiya	DGM (F & A)	A.C.A.	15 Years	13.80	HDFC Bank Ltd as Branch Manager
Mr. Savarmal Meena	GM (Operation)	Mining Engineer	25 Years	12.90	NA
Mr. Govind K Gupta	Sr. DGM (Sales)	M.Com	33 Years	12.45	S.B.B.J Bank

**For and Behalf of Board**

**Date: 6<sup>th</sup> July 2020**  
**Place: Mumbai**

**Deepak Jatia**  
**Chairman and Managing Director**  
**DIN 01068689**

## CORPORATE GOVERNANCE REPORT

The Directors present the Company's Report on Corporate Governance for the year ended 31<sup>st</sup> March, 2020, in terms of Regulation 34(3) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (The "Listing Regulations").

### COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE

ASI Industries Limited ("the Company") governance philosophy is based on trusteeship, transparency and accountability. As a corporate citizen, our business fosters a culture of ethical behavior and disclosures aimed at building trust of our stakeholders.

The Company continues to focus its resources, strengths and strategies to achieve the vision of becoming a leader in Stone Industries while upholding the core values of Quality, Trust, Leadership and Excellence.

The Company's governance framework is based on the following principles:

- Appropriate composition and size of the Board, with each member bringing in expertise in their respective domains;
- Availability of information to the members of the Board and Board Committees to enable them to discharge their fiduciary duties;
- Timely disclosure of material operational and financial information to the stakeholders.

### BOARD OF DIRECTORS

#### Governance Structure

**Board of Director** –The Board is entrusted with an ultimate responsibility of the Management, directions and performance of the Company. As its primary role is fiduciary in nature, the Board provides leadership, strategic guidance, objective and independent view to the Company's management while discharging its responsibilities, thus ensuring that the management adheres to ethics, transparency and disclosures.

**Committees of the Board**-The Board has constituted the following Committees viz, Audit Committee, Nomination and Remuneration Committee, Corporate Social Responsibility (CSR) Committee and Stakeholders Relationship Committee. Each of the said Committee has been mandated to operate within a given framework.

#### Composition and category of Directors

The Board is broad-based and consists of eminent individuals from Industrial, Managerial, Technical, Financial and Marketing background. The Company is managed by the Board of Directors in co-ordination with the Senior Management team.

As on 31<sup>st</sup> March, 2020, the Company's Board consists of six Directors. The Board comprises of Two Executive Promoter Director, one Executive Promoter Woman Director and three

Non-Executive Independent Directors. The Chairman and Managing Director of the Board is an Executive Director.

The number of Directorships, Committee Membership(s)/ the Chairmanship(s) of all Directors is within respective limits prescribed under the Companies Act, 2013 ("Act") and Listing Regulations.

#### Directors' Directorships/Committee Memberships

In accordance with Regulation 26 of the Listing Regulations, none of the Directors are members in more than 10 committees excluding private limited companies, foreign companies and companies under Section 8 of the Act or act as Chairperson of more than 5 committees across all listed entities in which he/she is a Director. The Audit Committee and Stakeholders' Relationship Committee are only considered in computation of limits. Further all Directors have informed about their Directorships, Committee Memberships/Chairmanships including any changes in their positions. Relevant details of the Board of Directors as on 31<sup>st</sup> March, 2020 are given below

Name of the Directors	Category of Directorship	Directorship in other Indian Public Limited Company excluding ASI	No. of Board Committees in which Chairman / Member (excluding ASI)		List of Directorship held in Other Listed Companies and Category of Directorship
			Chairman	Member	
Mr. Deepak Jatia (DIN 01068689)	Promoter/ Executive Chairman	NIL	NIL	NIL	NIL
Mrs. Anita Jatia (DIN 01068774)	Promoter/ Executive	NIL	NIL	NIL	NIL
Mr. Tushya Jatia (DIN 02228722)	Promoter/ Executive	NIL	NIL	NIL	NIL
Mr. Gaurang Gandhi Din 00008057)	Independent Director	4	NIL	2	Pioneer Investcorp Ltd Executive Director
Mr. Anshul M. Sonawala (DIN 00111096)	Independent Director	NIL	NIL	NIL	NIL
Mr. Sanjay Seksaria (DIN 00133376)	Independent Director	1	NIL	NIL	NIL

#### Notes:

1. Directorships exclude Private Limited Companies, Foreign Companies and Section 8 Companies.
2. Membership of Committee only includes Audit Committee and Stakeholders Relationship Committee in Indian Public Limited companies other than ASI Industries Limited.

Members of the Board of the Company do not have membership of more than ten Board-level Committees or Chairman of more than five such Committees.

3. Mr. Deepak Jatia, Mrs. Anita Jatia and Mr. Tushya Jatia are related to each other. None of the other Directors are related inter-se.
4. Details of Director(s) retiring or being re-appointed are given in notice to Annual General Meeting.
5. Maximum tenure of Independent Directors is in accordance with the Companies Act, 2013 and rules made thereunder.
6. None of the directors hold directorships in more than 20 companies of which directorships in public companies does not exceed 10 in line with the provisions of Section 165 of the Act
7. No director holds directorships in more than 7 listed entities.
8. None of the Director has been appointed as Alternate Director for Independent Director.
9. Company's Independent Directors meet at least once in every Financial Year without the attendance of Non – Independent Directors and Management Personnel. One meeting of the Independent Directors was held during the financial year on February 14, 2020.
10. Mr. Sanjay Seksaria and Mr. Anshul Sonawala were re-appointed as Independent Director for second term by special resolution passed through postal ballot w.e.f. 1<sup>st</sup> April, 2019 to 31<sup>st</sup> March, 2024.

#### Independent Directors confirmation by the Board

All Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and Regulation 16(1) (b) of the Listing Regulations. In the opinion of the Board, the Independent Directors, fulfil the conditions of independence specified in Section 149(6) of the Act and Regulation 16(1) (b) of the Listing Regulations.

#### Number of Independent Directorships

As per Regulation 17A of the Listing Regulations, Independent Directors of the Company do not serve as Independent Director in more than seven listed companies. Further, the Managing Director and whole time Directors of the Company does not serve as an Independent Director in any listed entity.

#### Core Skills / Expertise / Competencies available with the Board

The board comprises of highly qualified members who possess required skills, expertise and competence that allow them to make effective contributions to the Board and its Committees

The core skills / expertise / competencies required in the Board in the context of the Company's Businesses and sectors functioning

effectively as identified by the Board of Directors of the Company are tabulated below

Core skills / competencies / expertise	Name of Directors					
	Deepak Jatia	Gaurang Gandhi	Sanjay Seksaria	Anshul Sonawala	Anita Jatia	Tushya Jatia
Leadership / Operational experience	√	√	√	√	√	√
Strategic Planning	√	√	√	√		√
Sector / Industry Knowledge & Experience, Research & Development and Innovation	√	√	√		√	√
Technology	√	√		√		√
Financial, Regulatory / Legal & Risk Management	√	√	√	√		√
Corporate Governance	√	√	√	√	√	√

#### Board Meetings

The Board meets at regular intervals to discuss and decide on business strategies/policies and review the financial performance of the Company and its subsidiaries.

The notice and detailed agenda along with the relevant notes and other material information are sent in advance separately to each Director and in exceptional cases tabled at the Meeting with the approval of the Board. This ensures timely and informed decisions by the Board.

Minimum four prescheduled Board meetings are held every year (one meeting in every calendar quarter). Additional meetings are held to address specific needs, if any, of the Company. During the Financial Year 2019-20, the Board of Directors met four times i.e. on 22<sup>nd</sup> May, 2019, 12<sup>th</sup> August, 2019, 13<sup>th</sup> November, 2019 and 14<sup>th</sup> February, 2020. The maximum gap between any two consecutive meetings was less than one hundred and twenty days, as stipulated under Section 173(1) of the Act, and Regulation 17(2) of the Listing Regulations and the Secretarial Standard by the Institute of Company Secretaries of India.

Attendance of Directors at the Board Meetings and at the last Annual General Meeting (AGM)

Name of the Directors	No. of Board Meetings Attended	Attendance at last AGM held on 20 <sup>th</sup> September, 2019
Mr. Deepak Jatia	4 of 4	Present
Mrs. Anita Jatia	4 of 4	Absent
Mr. Tushya Jatia	4 of 4	Present
Mr. Gaurang Gandhi	4 of 4	Leave Sought
Mr. Anshul M. Sonawala	4 of 4	Present
Mr. Sanjay Seksaria	4 of 4	Present

**Shares held by Directors:**

Name of the Directors	Category	Number of shares having face value of Re.1/- each	
		As on 31st March, 2020	As on 31st March, 2019
Mr. Deepak Jatia	Executive Director	1408512	1408512
Mrs. Anita Jatia	Executive Director	961762	961762
Mr. Tushya Jatia	Executive Director	158164	158164
Mr. Sanjay Seksaria	Independent Director	936	936
Mr. Gaurang Gandhi	Independent Director	Nil	Nil
Mr. Anshul M. Sonawala	Independent Director	Nil	Nil

**FAMILIARISATION PROGRAMME FOR DIRECTORS**

At the time of appointing a Director, a formal letter of appointment is given to him, which inter alia explains the role, function, duties and responsibilities expected from him as a Director of the Company. The Director is also explained in detail the Compliance required from him under Companies Act, 2013, the Listing Regulations and other various statutes and an affirmation is obtained. The Chairman and Managing Director also have a one to one discussion with Director to familiarize him with the Company's operations. Further, on an ongoing basis as a part of Agenda of Board /Committee Meetings, presentations are regularly made to the Independent Directors on various matters inter-alia covering the Company's and its subsidiaries businesses and operations, industry and regulatory updates, strategy, finance, , role, rights, responsibilities of the Independent Directors under various statutes and other relevant matters. The details of the familiarization programme for Directors are available on the Company's website <http://www.asigroup.co.in>

**INSURANCE COVERAGE**

The Company has obtained Directors and Officers liability insurance coverage in respect of any legal action that might be initiated against Directors/ Officers of the Company and its subsidiary and associate Companies.

**COMMITTEES OF THE BOARD**

The Board of Directors have constituted Board Committees to deal with specific areas and activities which concern the Company and requires a closer review. The Board Committees are formed with approval of the Board and function under their respective Charters. These Committees play an important role in the overall Management of day-to-day affairs and governance of the Company. The Board Committees meet at regular intervals and take necessary steps to perform its duties entrusted by the Board. The Minutes of the Committee Meetings are placed before the Board for noting.

The Company has four Board Level Committees:

A) Audit Committee,

B) Nomination and Remuneration Committee,

C) Stakeholders' Relationship Committee

D) Corporate Social Responsibility Committee

**AUDIT COMMITTEE****Composition and Category:**

The Company has a qualified and independent Audit Committee comprising of three Directors. The broad terms of reference of the Audit Committee are in consonance with the provisions of Section 177 of the Companies Act, 2013 and Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. All the members have financial and accounting knowledge.

The Committee acts as a link between the Management, the Statutory Auditors and the Board of Directors of the Company. The Committee focuses its attention on monitoring the financial reporting system within the Company, considering Quarterly & Annual Financial Results of the Company and submitting its observations to the Board of Directors before its adoption by the Board, review of the internal audit report and internal control system, audit methodology and process, major accounting policies and practice, compliance with accounting standards.

**Attendance at the meeting of Audit Committee:**

During the financial year ended 31<sup>st</sup> March, 2020, four Audit Committee Meetings were held on 22<sup>nd</sup> May, 2019, 12<sup>th</sup> August, 2019, 13<sup>th</sup> November, 2019 and 14<sup>th</sup> February, 2020 .

The composition of the Audit Committee and attendance at each meeting is as under:-

Name of the Directors	Position	Category	No. of Meetings Attended
Mr. Gaurang Gandhi	Chairman	Independent Director	4 of 4
Mr. Anshul M. Sonawala	Member	Independent Director	4 of 4
Mr. Sanjay Seksaria	Member	Independent Director	4 of 4

The Company Secretary acts as Secretary to the Committee.

**The terms of reference**

The Board has framed the Audit Committee Charter for the purpose of effective compliance of provisions of section 177 of the Companies Act, 2013 and Regulation 18 of the Listing Regulations. The Audit Committee inter alia performs the functions of approving Annual Internal Audit Plan, review of financial reporting system, internal controls system, discussion on financial results, interaction with Statutory , recommendation for the appointment of Statutory, Internal and Cost Auditors and their remuneration, Review of Forex policy, Management Discussions and Analysis, Review of Internal Audit Reports and significant related party transactions. In fulfilling the above role, the Audit Committee has powers to investigate any activity within its terms of reference, to seek information from employees and to obtain outside legal and professional advice.

### Functions of Audit Committee

The Audit Committee, while reviewing the Annual Financial Statements also reviews the applicability of various Accounting Standards (AS) referred to in Section 133 of the Companies Act, 2013. The compliance of the Accounting Standards as applicable to the Company has been ensured in the preparation of the Financial Statements for the year ended 31<sup>st</sup> March, 2020.

Besides the above, Chief Executive Officer and Chief Financial Officer of the Company's, the representatives of the Statutory Auditors are permanent invitees to the Audit Committee Meetings. The Company Secretary acts as a Secretary to the Committee as required by Regulation 18(1)(e) of the Listing Regulations.

The Company follows best practices in financial reporting. The Company has been reporting on quarterly basis, the Un-audited Consolidated Financial Statements as required by the Regulation 33 of the Listing Regulations. The Company's quarterly Un-audited Standalone and Consolidated Financial Statements are made available on the website <http://www.asigroup.co.in> and are also sent to the BSE Limited where the Company's Equity Shares are listed for display.

### NOMINATION AND REMUNERATION COMMITTEE

#### Composition

The Nomination and Remuneration Committee comprises of Three Directors. Mr. Sanjay Seksaria, Independent Director, is the Chairman of the Committee. The other members of the Nomination and Remuneration Committee include Mr. Gaurang Gandhi and Mr. Anshul Sonawala, Independent Directors. The Composition of Nomination and Remuneration Committee is in accordance with the provisions of Section 178(1) of the Companies Act, 2013 and Regulation 19 of the Listing Regulations.

#### Meeting and Attendance

The Nomination and Remuneration Committee met on 22<sup>nd</sup> May, 2019 and 14<sup>th</sup> February 2020. The requisite quorum were present at the Meetings. The Chairman of the Nomination and Remuneration Committee was present at the last Annual General Meeting of the Company. The table below provides the attendance of the Nomination and Remuneration Committee members:

Name of the Directors	Position	Category	Number of Meetings Attended
Mr. Sanjay Seksaria	Chairman	Independent Director	2 of 2
Mr. Anshul M. Sonawala	Member	Independent Director	2 of 2
Mr. Gaurang Gandhi	Member	Independent Director	2 of 2

#### Terms of Reference

The broad terms of reference of the Nomination and Remuneration Committee, as approved by the Board, are in compliance with Section 178 of the Companies Act, 2013 and Regulation 19 of the Listing Regulations, which are as follows

- to help the Board in determining the appropriate size, diversity and composition of the Board;
- to recommend to the Board appointment/re-appointment and removal of Directors and Senior Management;
- to frame criteria for determining qualifications, positive attributes and independence of Directors;
- to recommend to the Board remuneration payable to the Directors and Senior Management (while fixing the remuneration to Executive Directors the restrictions contained in the Act is to be considered);
- to create an evaluation framework for Independent Directors and the Board;
- to provide necessary reports to the Chairman after the evaluation process is completed by the Directors;
- to assist in developing a succession plan for the Board and Senior Management;
- to assist the Board in fulfilling responsibilities entrusted from time-to-time;
- to delegation of any of its powers to any Member of the Committee or the Compliance Officer.

#### Remuneration Policy

##### A. Remuneration to Non-Executive Directors (including Independent Directors)

The Non-Executive Directors are paid Sitting Fees for each Meeting of the Board as attended by them. The Non-Executive Director/Independent Directors do not have any material pecuniary relationship or transactions with the Company.

##### B. Remuneration to Executive Director

The appointment and remuneration of Executive Directors is governed by the recommendation of the Nomination and Remuneration Committee, Resolutions passed by the Board of Directors and Shareholders of the Company and Agreement executed between them and the Company. The remuneration package of Executive Directors comprises of salary, perquisites and allowances, and contributions to Provident and other Retirement Benefit Funds as approved by the shareholders at the General Meetings. Annual increments are decided by the Nomination and Remuneration Committee and recommended to the Board for approval thereof. The Nomination and Remuneration Policy is displayed on the Company's website viz. <http://www.asigroup.co.in>. Presently, the Company does not have a stock options scheme for its Directors.

**DETAILS OF REMUNERATION PAID TO DIRECTORS FOR  
THE YEAR ENDED 31ST MARCH, 2020**

(Rs. in Lacs)

Name of the Directors	Salary & Allowances	Perquisites	Contribution to PF	Sitting Fee	Total
Mr. Deepak Jatia (Chairman & Managing Director)	180.00	27.00	21.60	-	228.60
Mr. Tushya Jatia (Executive Director)	120.00	18.00	14.40	-	152.40
Mrs. Anita Jatia Executive Director	51.00	-	6.12	-	57.12
Mr. Sanjay Seksaria (Independent Director)	-	-	-	0.08	0.08
Mr. Anshul M. Sonawala (Independent Director)	-	-	-	0.08	0.08
Mr. Gaurang Gandhi (Independent Director)	-	-	-	0.08	0.08
<b>Total</b>	<b>351.00</b>	<b>45.00</b>	<b>42.12</b>	<b>0.24</b>	<b>438.36</b>

**Notes**

- There were no other pecuniary relationships or transactions of non-executive directors vis-à-vis the Company.
- Pursuant to the limits approved by the Board, all nonexecutive directors were paid sitting fees of Rs. 2000/- (excluding taxes as applicable) for attending each meeting of the Board.
- The Company did not pay any amount to the nonexecutive directors by way of salary, perquisites commission, pension and bonuses.
- The Company has so far not issued any stock options to its directors.

**Performance Evaluation**

Pursuant to the provisions of the Companies Act, 2013 and the Listing Regulations, the Board has carried out the annual evaluation of its own performance, its Committees and Directors individually. A structured questionnaire was prepared after circulating the draft forms, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance. A consolidated summary of the ratings given by each Director was then prepared. The report of performance evaluation was then discussed and noted by the Board.

The performance evaluation of the Chairman and Managing Director and the Non Independent Directors was carried out by the Independent Directors. The Directors expressed their satisfaction with the evaluation process.

**STAKEHOLDERS RELATIONSHIP COMMITTEE**

Pursuant to provisions of Section 178(5) of the Companies Act, 2013 read with Regulation 20 of the Listing Regulations,

Stakeholders Relationship Committee has been constituted. This Committee comprise of three Directors. Mr. Anshul Sonawala, Independent Director is the Chairman of this Committee. The other members of the Stakeholders Relationship Committee include Mr. Sanjay Seksaria and Mr. Gaurang Gandhi, Independent Directors.

During the financial year ended 31<sup>st</sup> March, 2020, Four Committee Meetings were held on 22<sup>nd</sup> May, 2019, 12<sup>th</sup> August, 2019, 13<sup>th</sup> November, 2019 and 14<sup>th</sup> February, 2020 .The table below highlights the composition and attendance of the Members of the Committee. The requisite quorum was present at all the Meetings.

Name of the Directors	Position	Category	Number of Meetings Attended
Mr. Anshul M. Sonawala	Chairman	Independent Director	4 of 4
Mr. Sanjay Seksaria	Member	Independent Director	4 of 4
Mr. Gaurang Gandhi	Member	Independent Director	4 of 4

Mr. Manoj Jain Company Secretary of the Company is the Compliance Officer.

**Terms of Reference:**

This Committee generally meets once in quarter. The Committee looks into the matters of Shareholders/ Investors grievances along with other matters listed below:

- to consider and resolve the grievances of security holders of the Company including complaints related to transfer/ transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.;
- consider and approve demat/ remat of shares/split/ consolidation/sub-division of share.;
- to consider and approve issue of share certificates (including issue of renewed or duplicate share certificates), transfer and transmission of securities, etc.
- to oversee and review all matters connected with the transfer of the Company's securities;
- to review measures taken for effective exercise of voting rights by shareholders;
- to review adherence to the standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent.
- to review of the measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company;
- to carry out any other function as prescribed under the Listing Regulations, the Companies Act, 2013 and other Applicable Law as amended from time to time.

- to carry out any other duties that may be delegated to the Committee by the Board of Directors from time-to-time

The Secretarial Department of the Company and the Registrar and Share Transfer Agent, Link Intime India Private Limited attend to all grievances of the shareholders received directly or through SEBI, Stock Exchange, Ministry of Corporate Affairs, Registrar of Companies, etc. The Minutes of the Stakeholders Relationship Committee Meetings are circulated to the Board and noted by the Board of Directors.

Continuous efforts are made to ensure that grievances are more expeditiously redressed to the complete satisfaction of the investors. Shareholders are requested to furnish their updated telephone numbers and e-mail addresses to facilitate prompt action.

The total number of complaints received and resolved during the financial year ended 31<sup>st</sup> March, 2020 were two. There were no complaints outstanding as on 31<sup>st</sup> March, 2020.

#### CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The Corporate Social Responsibility (CSR) Committee comprises of three Directors. Mr. Anshul Sonawal Independent Director, is the Chairman of the Committee. The other members of the CSR Committee include Mr. Gaurang Gandhi, Independent Director and Mr. Tushya Jatia, Promoter cum Executive Director. The Composition of CSR Committee is in accordance with the provisions of Section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014. As per Section 135 of the Companies Act, 2013, the Company had spent Rs. 15.95 Lakh for the Financial Year 2019-20.

The Company has formulated CSR Policy, which is uploaded on the website of the Company viz. <http://www.asigroup.co.in>

#### Terms of Reference

- To review the existing CSR Policy and to make it more comprehensive so as to indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013;
- To provide guidance on various CSR activities to be undertaken by the Company and to monitor process.

#### Composition, Meeting and Attendance

During the financial year ended 31<sup>st</sup> March, 2020, one Committee meeting was held on 22<sup>nd</sup> May, 2019.

Name of the Directors	Position	Category	Number of Meeting Attended
Mr. Anshul M. Sonawala	Chairman	Independent Director	1 of 1
Mr. Tushya Jatia	Member	Independent Director	1 of 1
Mr. Gaurang Gandhi	Member	Independent Director	1 of 1

#### INDEPENDENT DIRECTOR MEETING

During the year under review, the Independent Directors met on 14<sup>th</sup> February, 2020, inter alia, to:

- Evaluate performance of Non-Independent Directors and the Board of Directors as a whole;
- Evaluate performance of the Chairman of the Company, taking into account the views of the Executive and Non-Executive Directors;
- Evaluation of the quality, content and timeliness of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

All the Independent Directors were present at this Meeting.

#### GENERAL BODY MEETINGS

##### DETAILS OF LAST THREE ANNUAL GENERAL MEETINGS HELD

AGM	Financial Year	Date & Time	Location of the Meeting	Details of Special Resolution Passed
71 <sup>st</sup>	2016-17	22 <sup>nd</sup> September, 2017 at 10.00 am	419-B, Kalbadevi Road, Joshiwadi 2 <sup>nd</sup> Floor, Mumbai 400 002	No Special Resolution was passed
72 <sup>nd</sup>	2017-18	24 <sup>th</sup> September, 2018 at 10.00 am	419-B, Kalbadevi Road, Joshiwadi 2 <sup>nd</sup> Floor, Mumbai 400 002	No Special Resolution was passed
73 <sup>rd</sup>	2018-19	20 <sup>th</sup> September, 2019 at 10.00 am	419-B, Kalbadevi Road, Joshiwadi 2 <sup>nd</sup> Floor, Mumbai 400 002	No Special Resolution was passed

#### POSTAL BALLOT

During the year under review, the Company approached the shareholders through Postal Ballot for approval of Scheme of Amalgamation of DeeJay Mining and Exports Private Limited with the Company as per the Order of the Hon'ble NCLT, Mumbai Bench dated 11<sup>th</sup> October, 2019. The details of the postal ballots in previous year are as follow:

Date of Postal Ballot Notice : 11<sup>th</sup> October, 2019

Voting Period : From 19<sup>th</sup> Oct. 2019 to 17<sup>th</sup> Nov, 2019

Date of Declaration of Result : 18<sup>th</sup> Nov, 2019

Date of Approval : 17<sup>th</sup> Nov 2019

Name of Resolution	Type of Resolution	No of Vote Polled	Vote Cast in Favour		Vote Cast in Against	
			No of Vote	%	No of Vote	%
Approval of Scheme of Amalgamation	Special	62272261	62272261	100	Nil	Nil
Approval of Scheme of Amalgamation	Ordinary	3916212	3916212	100	Nil	Nil

## PROCEDURE FOR POSTAL BALLOT

In Compliance of the section 108 and 110 and other applicable provisions of the Companies Act, 2013 read with related Rules, the Company provides electronic voting (e-voting) facility, in addition to physical ballot, to all its members. For the purpose, the Company has engaged the service of CDSL.

Mr. Prabhat Maheshwari, partner of GMG & Associates, Practicing Company Secretary, was appointed as Scrutinizer for conducting postal ballot in a fair and transparent manner.

Postal ballot notice and forms are dispatched, along with postage –prepaid business reply envelopes to registered members/beneficiaries. The same notice is sent by email to members who have opted to receiving communication through electronic mode. The Company also publish a notice in the newspaper declaring the details and requirements as mandate by the Act and applicable Rules.

Voting right are reckoned on the paid up value of shares registered in the name of members as on the cut-off date. The members who want to exercise their vote by physical postal ballot are requested to return the forms, duly completed and signed to the scrutinizer on or before the close of voting period. Those using the e-voting option are requested to vote before the close of business hour on the last date e-voting.

The Scrutinizer complete his scrutiny and submit his report to the Chairman and consolidated results of the voting are announced by the Chairman or any authorised person. The results are display on Company's website besides being communicated to the Stock Exchange and Registrar and Transfer Agent. The last date for the receipts of postal ballot forms or e-voting shall be the date on which the resolution shall be deemed to be passed, if approved by the requisite majority.

- None of the businesses proposed to be transacted in the ensuing Annual General Meeting require passing of a Special Resolution through Postal Ballot.

## MEANS OF COMMUNICATION TO THE SHAREHODERS

- The Un-audited quarterly/ half yearly results are announced within forty-five days of the close of the quarter. The audited annual results are announced within sixty days from the closure of the financial year as per the requirement of the Listing Regulations.
- The approved financial results are forthwith sent to the Stock Exchange and are published in Business Standard (English newspaper) and Mumbai Laksyadeep (local language (Marathi) newspaper), within forty-eight hours of approval thereof. Presently the same are not sent to the shareholders separately.

The Company's financial results and official press releases are displayed on the Company's Website- <http://www.asigroup.co.in>

Management Discussion and Analysis report forms part of the Annual Report, which is sent to the shareholders of the Company.

The quarterly results, shareholding pattern, quarterly compliances and all other corporate communication to the Stock Exchange viz. BSE Limited are filed electronically. The Company has complied with filing submissions through BSE's BSE Listing Centre.

A separate dedicated section under "Investors Relation", on the Company's website gives information on unclaimed dividends, shareholding pattern, quarterly/half yearly results and other relevant information of interest to the investors / public.

SEBI processes investor complaints in a centralized web based complaints redressal system i.e. SCORES. Through this system a shareholder can lodge complaint against a company for his grievance. The Company uploads the action taken on the complaint which can be viewed by the shareholder. The Company and shareholder can seek and provide clarifications online through SEBI.

The Company has designated the email id: [investors@asigroup.co.in](mailto:investors@asigroup.co.in) exclusively for investor relation, and the same is prominently displayed on the Company's website <http://www.asigroup.co.in>

## GENERAL SHAREHOLDERS INFORMATION

### ANNUAL GENERAL MEETING F OR THE FINANCIAL YEAR 2019-20

Day and Date	<b>Tuesday, 29<sup>th</sup> September, 2020</b>
Time	11.00 am
Deemed Venue	Marathon Innova, A Wing, 7 <sup>th</sup> Floor, Off G.K.Marg, Lower Parel, Mumai-400013
Financial Year	2019-20
Book Closure/Record date for AGM	23 <sup>rd</sup> September, 2020 to 29 <sup>th</sup> September, 2020 (both days inclusive)
Last Date of Receipt of Proxy Forms	NA
Stock Exchange	BSE Limited
Stock Code	502015

### Tentative Calendar for Financial Year ending 31<sup>st</sup> March, 2021

SN	Particulars of Quarter	Tentative dates
1	First Quarter Results	On or before the 14 <sup>th</sup> August 2020 or within any time limit provides by the Regulator)
2	Second Quarter & Half Yearly Results	On or before the 14 <sup>th</sup> November 2020
3	Third Quarter & Nine-months ended Results	On or before the 14 <sup>th</sup> February 2021
4	Fourth Quarter & Annual Results	On or before the 30 <sup>th</sup> May 2021

### Share Price Data

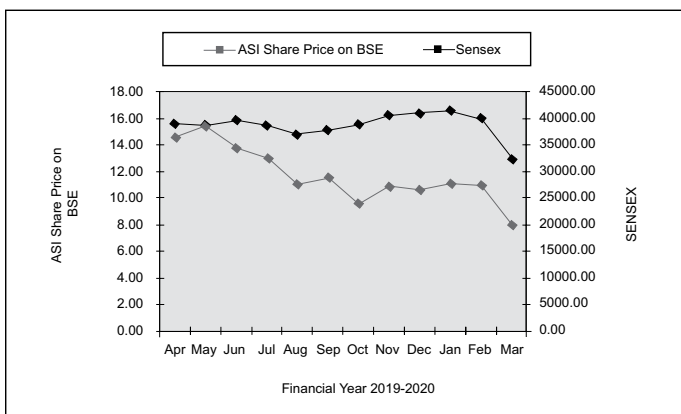
MONTH	HIGH	LOW	No of Share Traded	BSE Sensex	
				High	Low
April, 2019	16.39	12.80	194361	39,487.45	38,460.25
May, 2019	18.80	12.00	355187	40,124.96	36,956.10
June, 2019	16.15	11.30	170765	40,312.07	38,870.96
July, 2019	14.90	11.31	134090	40,032.41	37,128.26



MONTH	HIGH	LOW	No of Share Traded	BSE Sensex	
				High	Low
August, 2019	12.99	9.21	198752	37,807.55	36,102.35
September, 2019	12.50	10.50	154369	39,441.12	35,987.80
October, 2019	10.98	8.20	279278	40,392.22	37,415.83
November, 2019	12.70	9.14	419207	41,163.79	40,014.23
December, 2019	11.95	9.25	141413	41,809.96	40,135.37
January, 2020	13.10	9.10	310688	42,273.87	40,476.55
February, 2020	12.87	9.11	141251	41,709.30	38,219.97
March, 2020	10.55	5.32	371422	39,083.17	25,638.90

The equity shares of the Company are listed on Bombay Stock Exchange (BSE) having Script Code 502015 and ISIN No. INE443A01030. The Annual Listing and Custodian Fees as prescribed has been paid to the Stock Exchange and Depositories for the year 2020-21

### ASI Equity Share performance vis-à-vis Index



### Registrar to an Issue and Share Transfer Agent

The Company has appointed Link Intime India (Private) Limited as Registrar to an Issue and Share Transfer Agent to conduct all activities related to shares transfer and other related matter as per Regulation 7 of SEBI (LODR) Regulation, 2015. The address of Unit: ASI Industries Limited C-101, 247 Park, L.B.S Marg, Vikhroli (West), Mumbai – 400 083, Tel : 022-49186000, 022-49186200/ 49186270 Fax : 022-49186060 Email: nayna.wakle@linkintime.co.in

### Share Transfer System

The shares sent for transfer in physical form are transferred expeditiously, provided the documents are complete and valid in all respects and the shares under transfer are not under any dispute. The share certificates duly endorsed are returned immediately to shareholders. Confirmation in respect of requests for dematerialisation of shares is sent to respective depositories i.e. NSDL and CDSL expeditiously. In compliance with the Listing Regulations, a Practicing Company Secretary carries out audit of the System of Transfer and a certificate to that effect is issued.

However, as per SEBI Notification No. SEBI/LAD-NRO/GN/2018/24 dated June 8, 2018 and further amendment vide

Notification No. SEBI/LAD-NRO/GN/2018/49 dated November 30, 2018, requests for effecting transfer of securities (except in case of transmission or transposition of securities) shall not be processed from April 1, 2019 unless the securities are held in the dematerialised form with the depositories. Therefore, Shareholders are requested to take action to dematerialize the Equity Shares of the Company, promptly.

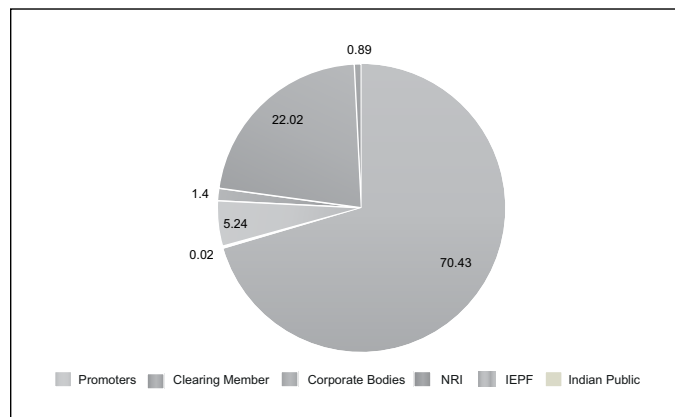
### Nomination

Individual shareholders holding shares singly or jointly in physical form can nominate a person in whose name the shares shall be transferable in case of death of the registered shareholder(s). Nomination facility in respect of shares held in electronic form is also available with the Depository Participants as per the bye-laws and business rules applicable to NSDL and CDSL. Nomination forms can be obtained from the Company's Registrar and Share Transfer Agent.

### Distribution of Shareholding as on 31<sup>st</sup> March, 2020

No. of Equity Shares held	No. of Shareholders	Percentage of Shareholders	No. of Shares held	Percentage of Shareholding
Upto 500	3198	52.4434	642431	0.7754
501 to 1000	877	14.3818	716783	0.8651
1001 to 2000	795	13.0371	1167181	1.4087
2001 to 3000	323	5.2968	826754	0.9987
3001 to 4000	181	2.9682	643881	0.7771
4001 to 5000	137	2.2466	642626	0.7756
5001 to 10000	289	4.7393	1967688	2.3749
10001 and above	298	4.8868	76247319	92.0254
<b>Grand Total</b>	<b>6098</b>	<b>100.00</b>	<b>82854663</b>	<b>100.00</b>

### Shareholding Pattern as on 31<sup>st</sup> March, 2020



### DEMATERIALISATION OF SHARES AND LIQUIDITY

As on 31<sup>st</sup> March, 2020, 79700341 equity shares representing 96.19% of the total equity share capital of the Company, were held in dematerialised form with National Securities Depository Limited (18.36%) and Central Depository Services (India) Limited (77.83%). Rest of the Share (3.81) held in physical form.

The Company has entered into agreements with National Securities Depository Limited (NSDL) and Central Depository



Services (India) Limited (CDSL) whereby shareholders have an option to dematerialise their shares with either of the Depositories.

#### Dematerialization of Shares – Process

Shareholders who continue to hold shares in physical form are requested to dematerialize their shares at the earliest and avail the benefits of dealing in shares in demat form. For convenience of shareholders, the process of getting the shares dematerialized is given hereunder:-

- Demat account should be opened with a Depository Participant (DP).
- Shareholders should submit the Dematerialization Request Form (DRF) along with share certificates in original, to their DP.
- DP will process the DRF and will generate a Dematerialization Request Number (DRN).
- DP will submit the DRF and original share certificates to the Registrar and Transfer Agents (RTA), which is Link Intime India Private Limited.
- RTA will process the DRF and confirm or reject the request to DP/ depositories
- Upon confirmation of request, the shareholder will get credit of the equivalent number of shares in his demat account maintained with the DP.

The Promoters hold their entire equity shareholding in the Company in dematerialized form. The Company's equity shares are regularly traded on the BSE. The Annual Custodian fees for the year 2019-20 have been paid to the Depositories.

#### CONSOLIDATION OF FOLIOS AND AVOIDANCE OF MULTIPLE MAILING

In order to enable the Company to reduce costs and duplicity of efforts for providing services to investors, members who have more than one folio in the same order of names, are requested to consolidate their holdings under one folio. Members may write to the Registrars & Transfer Agents indicating the folio numbers to be consolidated along with the original shares certificates to be consolidated.

#### RECONCILIATION OF SHARE CAPITAL AUDIT REPORT

As stipulated by SEBI, a qualified Practicing Company Secretary carries out Secretarial Audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. This audit is carried out every quarter and the report thereon is submitted to the Stock Exchange where the Company's shares are listed. The audit confirms that the total Listed and Paid-up Capital is in agreement with the aggregate of the total number of shares in dematerialised form (held with NSDL and CDSL) and total number of shares in physical form.

#### COMPLIANCE WITH SECRETARIAL STANDARDS

The Institute of Company Secretaries of India, a Statutory Body, has issued Secretarial Standards on various aspects of corporate law and practices. The Company has complied with each one of them.

#### Outstanding GDRs/ Warrants and Convertible Bonds, conversion date and likely impact on equity

As on 31st March, 2020, the Company does not have any outstanding GDR/ADR/Warrants or any other convertible instruments pending conversion or any instruments likely to impact the equity share capital of the Company.

#### Address for Correspondence:

Compliance Officer	Link Intime India Pvt Ltd	Correspondence with the Company
Mr. Manoj Jain Company Secretary & Compliance Officer Phone: 022-4089 6100 Email: manoj@asigroup.co.in investors@asigroup.co.in	Unit: ASI Industries Limited C-101, 247 Park, L.B.S Marg, Vikhroli (West), Mumbai – 400 083 Tel : 022-49186000 022-49186200/ 49186270 Fax : 022-49186060 Email: nayna.wakle@linkintime.co.in	Marathon Innova, A wing, 7th Floor, Off. G.K.Marg, Lower Parel ,Mumbai-400013 Ph 022-4089 6100 Fax: 022-4089 6119 Email: cs@asigroup.co.in

#### Plant Locations:

<b>Mining :</b>	Ramganjmandi Dist. Kota, Rajasthan
<b>Wind Power:</b>	1) Beladadi Village, Taluk & Dist. Gadag, Karnataka 2) Rameshwar Village, Taluk Khatau, Dist. Satara, Maharashtra
<b>Engineering Stone</b>	Mahindra World City , SEZ, Sanganer, Jaipur-302037

#### AFFIRMATION AND DISCLOSURES

##### a. Compliance with governance framework

The Company is in compliance with all mandatory requirements under the Listing Regulations

##### b. Related party transactions

All transactions entered into with the Related Parties as defined under the Companies Act, 2013 and Regulation 23 of the Listing Regulations during the financial year were on arm's length basis and do not attract the provisions of Section 188 of the Companies Act, 2013. There were no materially significant transactions with Related Parties during the financial year. Related party transactions have been disclosed under significant accounting policies and notes forming part of the Financial Statements in accordance with "IND AS". A statement in summary form of transactions with Related Parties in ordinary course of business and arm's length basis is periodically placed before the Audit committee for review and recommendation to the Board for their approval.

**c. Details of non-compliance by the Company, penalties, and strictures imposed on the Company by Stock Exchanges or SEBI or any statutory authority, on any matter related to capital markets, during last three Financial Years.**

The Company has complied with all requirements specified under the Listing Regulations as well as other regulations and guidelines of SEBI. Consequently, there were no strictures or penalties imposed by either SEBI or Stock Exchange or any statutory authority for non-compliance of any matter related to the capital markets during the last three Financial years.

**d. Vigil Mechanism / Whistle Blower Policy**

Pursuant to Section 177(9) and (10) of the Companies Act, 2013, and Regulation 22 of the Listing Regulations, the Company has formulated Whistle Blower Policy for vigil mechanism of Directors and employees to report to the management about the unethical behavior, fraud or violation of Company's code of conduct.

The Whistle Blower Policy is displayed on the Company's website viz. <http://www.asigroup.co.in>

**e. Disclosure of Accounting Treatment**

In the preparation of the financial statements, the Company has followed the Accounting Standards referred to in Section 133 of the Companies Act, 2013. The significant accounting policies which are consistently applied are set out in the Notes to the Financial Statements.

**f. Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A). Not Applicable.**

**g. A certificate from a Company Secretary in practice that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/ Ministry of Corporate Affairs or any such statutory authority.**

The Certificate of Company Secretary in practice is annexed herewith as a part of the report

**h. Where the board had not accepted any recommendation of any committee of the board which is mandatorily required, in the relevant financial year. Not Applicable.**

**i. Total fees for all services paid by the listed entity and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part.**

Details relating to fees paid to the Statutory Auditors are given in Note 28 (a) to the Standalone Financial Statements and the Consolidated Financial Statements

**j. Commodity price risk and Commodity hedging activities-**

The Company has adequate risk assessment and minimization system in place including for commodities. The Company does not have material exposure of any commodity and accordingly, no hedging activities for the same are carried out. Therefore, there is no disclosure to offer in terms of SEBI circular no. SEBI/HO/CFD/CMD1/CIR/P/2018/000000141 dated November 15, 2018

**k. Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.**

The details of number of complaints filed and disposed of during the year and pending as on 31<sup>st</sup> March, 2020 is given in the Directors' report.

**l. Non-mandatory requirements**

Adoption of non-mandatory requirements of the Listing Regulations is being reviewed by the Board from time-to time.

**DETAILS OF ADOPTION OF NON-MANDATORY (DISCRETIONARY) REQUIREMENTS**

Non-mandatory (discretionary) requirements under Regulation 27 of the Listing Regulations. The status of compliance with the non-mandatory requirements of the Listing Regulations is provided below:

- **The Board-** The requirement relating to maintenance of office and reimbursement of expenses of Non-Executive Chairman is not applicable to the Company since the Chairman of the Company is an Executive Director.
- **Shareholders rights-** The Company has not adopted the practice of sending out half-yearly declaration of financial performance to shareholders. Quarterly results as approved by the Board are disseminated to Stock Exchange and updated on the website of the Company.
- **Modified opinion(s) in audit report-** There are no modified opinions in audit report.
- **Reporting of Internal Auditor-** In accordance with the provisions of Section 138 of the Companies Act, 2013, the Company has appointed an Internal Auditor who reports to the Audit Committee. Quarterly internal audit reports are submitted to the Audit Committee which reviews the audit reports and suggests necessary action.

**THE DISCLOSURES OF THE COMPLIANCE WITH CORPORATE GOVERNANCE REQUIREMENTS SPECIFIED IN REGULATION 17 TO 27 AND REGULATION 46(2)**

SN	Particulars	Regulations	Brief Descriptions of the Regulations	Compliance Status (Yes/No/N.A.)
1.	Board of Directors	17(1)	Composition of Board	Yes
		17(2)	Meeting of Board of Directors	Yes
		17(3)	Review of Compliance Reports	Yes
		17(4)	Plans for orderly succession for appointments	Yes, as and when applicable
		17(5)	Code of Conduct	Yes
		17(6)	Fees/Compensation	Yes
		7(7)	Minimum Information to be placed before the Board	Yes
		17(8)	Compliance Certificate	Yes
		17(9)	Risk Assessment & Management	Yes
		17(10)	Performance Evaluation	Yes
2.	Audit Committee	18(1)	Composition of Audit Committee & Presence of the Chairman of the Committee at the Annual General Meeting	Yes
		18(2)	Meeting of Audit Committee	Yes
		18(3)	Role of the Committee and Review of information by the Committee	Yes
3.	Nomination and Remuneration Committee	19(1) & (2)	Composition of NRC	Yes
		19 (2A)	Quorum of NRC	Yes
		19(3)	Presence of the Chairman of the Committee at the Annual General Meeting	Yes
		19 (3A)	Meeting of NRC	Yes
		19(4)	Role of Committee	Yes
4.	Stakeholders Relationship Committee	20(1)(2) & (3)	Composition of Stakeholder Relationship Committee	Yes
		20(3A)	Meeting of the SRC	Yes
		20(4)	Role of Committee	Yes
5.	Risk Management Committee	21(1)(2) & (3)	Composition of Risk Management Committee	NA
		21(4)	Role of the Committee	NA
6.	Vigil Mechanism	22	Formulation of Vigil Mechanism for Directors and Employee	Yes
7.	Related Party Transaction	23(1), (5), (6), (7) & (8)	Policy on Related Party Transaction	Yes
		23 (2) & (3)	Prior or Omnibus approval of Audit Committee	Yes
		23 (4)	Approval of Material Related Party Transaction	Yes
		23(9)	Disclosure of RTP on Consolidated Basis	Yes
8	Subsidiaries of the Company	24(1)	Composition of Board of Directors of Unlisted Material Subsidiary	Yes
		24(2),(3),(4),(5) & (6)	Other Corporate Governance requirements with respect to Subsidiary including Material Subsidiary of listed entity	Yes
		24(A)	Annual Secretarial Compliance Report	Yes

<b>9</b>	Obligations with respect to Independent Directors	25(1)	Alternate Director to Independent Director	Not Applicable
		25(1)&(2)	Maximum Directorship & Tenure	
		25(3)	Meeting of Independent Directors	Yes
		25(4)	Review of Performance by the Independent Directors	Yes
		25(7)	Familiarisation of Independent Directors	Yes
		25 (8) & (9)	Declaration from Independent Director	Yes
		25 (10)	D&O Insurance Policy for Independent Director	Yes
<b>10</b>	Obligations with respect to Directors and Senior Management	26(1)&(2)	Memberships & Chairmanship in Committees	Yes
		26(3)	Affirmation with compliance to code of conduct from members of Board of Directors and Senior Management Personnel	Yes
		26(4)	Disclosure of Shareholding by Non- Executive Directors	Yes
		26(5)	Disclosures by Senior Management about potential conflicts of Interest	Yes
<b>11</b>	Other Corporate Governance Requirements	27(1)	Compliance of Discretionary Requirements	Yes
		27(2)	Filing of Quarterly Compliance Report on Corporate Governance	Yes
<b>12</b>	Disclosures On Website of the Company	46(2)(a)	Details of Business	Yes
		46(2)(b)	Terms and conditions of appointment of Independent Directors	Yes
		46(2)(c)	Composition of various committees of Board of Directors	Yes
		46(2)(d)	Code of Conduct of Board of Directors and Senior Management Personnel	Yes
		46(2)(e)	Details of establishment of Vigil Mechanism / Whistle Blower policy	Yes
		46(2)(f)	Criteria of making payments to Non-Executive Directors	Not Applicable
		46(2)(g)	Policy on dealing with Related Party Transactions	Yes
		46(2)(h)	Policy for determining Material Subsidiaries	Yes
		46(2)(i)	Details of familiarization programmes imparted to Independent Directors	Yes
		46(2)(j)	The email address for grievances redressal	Yes
		46(2)(k)	Contact information of the designated officials of the listed entity who are responsible for assisting and handling investor grievances	Yes
		46(2)(l)	Financial Results	Yes
		46(2)(m)	Shareholding Pattern	Yes
		46(2)(n)	Details of agreement entered into media companies	Not Applicable
		46(2)(o)	Schedule of Analyst or institutional investor meet and presentation made by the listed entity to analyst or institutional investors simultaneously with submission to the Stock Exchange	Not Applicable
		46(2)(p)	New Name and Old Name	Yes
		46(2)(q)	Advertisement as per regulation 47(1)	Yes
46(2)(r)	Credit rating and revision	Yes		
46(2)(s)	Separate audited financial of each subsidiary of the Company in respect of relevant financial year	Yes		



### Unclaimed Dividend/Share

Pursuant to the provisions of Section 124(5) of the Companies Act, 2013, if the dividend transferred to the Unpaid Dividend Account of the Company remains unpaid or unclaimed for a period of seven years from the date of such transfer then such unclaimed or unpaid dividend shall be transferred by the Company along with interest accrued, if any to the Investor Education and Protection Fund ('the IEPF'), a fund established under sub-section (1) of section 125 of the Act. The details of unclaimed/unpaid dividend are available on the website of the Company <http://www.asigroup.co.in>

### Mandatory Transfer of Shares to Demat Account of Investors Education and Protection Fund Authority (IEPFA) in case of unpaid/ unclaimed dividend on shares for a consecutive period of seven years.

In terms of Section 124(6) of the Companies Act, 2013 read with Rule 6 of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, (as amended from time to time) (IEPF Rules) shares on which dividend has not been paid or claimed by a shareholder for a period of seven consecutive years or more shall be credited to the Demat Account of Investor Education and Protection Fund Authority (IEPFA) within a period of thirty days of such shares becoming due to be so transferred. Upon transfer of such shares, all benefits (like bonus, etc.), if any, accruing on such shares shall also be credited to such Demat Account and the voting rights on such shares shall remain frozen till the rightful owner claims the shares.

Shares which are transferred to the Demat Account of IEPFA can be claimed back by the shareholders from IEPFA by following the procedure prescribed under the aforesaid rules.

The Company has sent out notice through newspaper to the concerned Members whose shares are liable to be transferred to IEPFA to send their request on or before 24<sup>th</sup> August, 2020, to take immediate action in the matter. As required under the IEPF Rules, the Company has also published a Notice informing

the Members' who have not claimed their dividend for a period of 7 years to claim the same from the Company before they are transferred to IEPFA.

Therefore, it is in the interest of shareholders to regularly claim the dividends declared by the Company.

Details of Unclaimed Dividend /Fraction of Sale of Bonus Shares as on 31<sup>st</sup> March, 2020 and due dates for transfer are as follows.

SN	Financial Year	Date of Declaration of Dividend	Unclaimed Amt.	Due Date for transfer to IEPF Account
1	2012-13	23 <sup>rd</sup> August, 2013	444,674.25	22 <sup>nd</sup> September, 2020
2	2013-14	26 <sup>th</sup> September, 2014	298,487.50	25 <sup>th</sup> October, 2021
3	2014-15	25 <sup>th</sup> September, 2015	554,782.50	24 <sup>th</sup> October, 2022
4	2015-16	23 <sup>rd</sup> September, 2016	579,278.40	22 <sup>nd</sup> October, 2023
5	2016-17	22 <sup>nd</sup> September, 2017	957,147.60	21 <sup>st</sup> October, 2024
6	2017-18	24 <sup>th</sup> September, 2018	811,725.30	23 <sup>rd</sup> October, 2025
7	2018-19	20 <sup>th</sup> September, 2019	751,695.60	20 <sup>th</sup> October, 2026

During the year under review, the Company has transferred Unclaimed Dividend of Rs. 374582/- to Investor Education and Protection Fund which was declared in FY 2011-12

As per Regulation 34(3) read with Schedule V of the Listing Regulations, no shares of the Company is lying in the Suspense Account.

### DECLARATION

Compliance with the Code of Business Conduct and Ethic

As provided under Regulation 26 (3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, all Board Members and Senior Management Personnel have affirmed compliance with ASI Industries Limited Code of Business Conduct and Ethics for the year ended 31<sup>ST</sup> March, 2020.

For ASI Industries Limited

Date: 6<sup>th</sup> July, 2020

Place: Mumbai

Deepak Jatia  
Chairman & Managing Director

### 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  
ASI Industries Limited  
Marathon Innova,  
A Wing, 7<sup>th</sup> Floor, Off G.K.Marg,  
Lower Parel, Mumbai-400013

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of ASI Industries Limited having CIN L14101MH1945PLC256122 and having registered office at Marathon Innova, A Wing, 7<sup>th</sup> Floor, Off G.K.Marg, Lower Parel, Mumbai-400013 (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 and 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 31<sup>st</sup> March, 2020 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 other Statutory Authority

SN	Name of Director	DIN No	Date of Appointment	Date of Cessation
1	Deepak Jatia	01068689	31.12.1987	NA
2	Tushya Jatia	02228722	25.07.2011	NA
3	Anita Jatia	01068774	05.08.2014	NA
4	Gaurang Gandhi	00008087	04.07.2016	NA
5	Anshul Sonawala	00133376	02.12.2009	NA
6	Sanjay Seksaria	00111096	05.08.2014	NA

Ensuring the eligibility for 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.

For Jaisal Mohatta & Associates  
Company Secretaries

Place: Mumbai  
Date: 6<sup>th</sup> July, 2020  
UDIN A035017B000378833

Jaisal Mohatta  
Proprietor  
ACS-35017, COP-16090

### CEO AND CFO CERTIFICATION

We have reviewed the Audited Financial Statements (Standalone & Consolidated) for the year ended **31<sup>st</sup> March, 2020** and that to the best of our knowledge and belief:

- (1) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
- (2) These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
  - A. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year ended 31<sup>st</sup> March, 2020 which are fraudulent, illegal or violate of the Company's code of conduct.
  - B. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
  - C. We have indicated to the Auditors and the Audit committee that:-
    - (1) No significant changes have been made in internal control over financial reporting during the year;
    - (2) No significant changes in accounting policies has been made during the year and that therefore the same was not required to be disclosed in the notes to the financial statements; and
    - (3) No instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting has been noticed.

**S. R. Soni**  
Chief Executive Officer

**Pavan Kumar Soni**  
Chief Financial Officer

Place: Mumbai  
Date: 6<sup>th</sup> July, 2020



## AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To the Members,

**ASI Industries Limited,**

1. We have examined the compliance of conditions of Corporate Governance by ASI Industries Ltd., for the year ended on 31<sup>st</sup> March, 2020, as per Regulation 17-27, clause (b) to clause (i) of Regulation 46(2) and in Para C, D and E of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

### Management Responsibility

2. The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to procedures and implementations thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

### Auditors' Responsibility

3. Pursuant to the requirements of the Listing Regulations, our responsibility is to express a reasonable assurance in the form of an opinion as to whether the Company has complied with the conditions of corporate governance as stated in paragraph 1 above. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring the compliance with

the conditions of corporate governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

### Opinion

4. Based on the procedures performed by us and to the best of our information and according to the explanations provided to us, in our opinion, the Company has complied, in all material respects, with the conditions of corporate governance as stipulated in the Listing Regulations during the year ended 31<sup>st</sup> March 2020.
5. We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

### Restriction on use

6. This certificate is issued solely for the purpose of complying with the aforesaid regulations and may not be suitable for any other purpose.

For S. C. Bandi & Co.  
Chartered Accountants  
(FRN:130850W)

Place: Mumbai  
Date: 6<sup>th</sup> July, 2020  
UDIN:20016932AAAES2539

S.C.Bandi  
Proprietor  
Membership. No. 16932



## INDEPENDENT AUDITORS' REPORT

To The Members of

**ASI INDUSTRIES LIMITED**

**Report on the Audit of the Standalone Financial Statements**

### Opinion

We have audited the accompanying standalone financial statements of **ASI INDUSTRIES LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2020, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

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 the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, the loss 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 statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Standalone 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 (ICAI) together with the independence requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made 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 audit 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 of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming 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 be communicated in our report.

### Information Other than the Standalone 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 Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the standalone financial statements and our auditor's report thereon.

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

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

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act 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 the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making 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 statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone 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 Company or to cease operations, or has no realistic alternative but to do so.

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

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

Our objectives are to obtain reasonable assurance about whether the standalone 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 standalone 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 standalone 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 Company's ability 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 standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone 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 standalone 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), Statement of Changes in Equity and the Statement of Cash Flow 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 Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - e) On the basis of the written representations received from the directors as on March 31, 2020 and taken on record by the Board of Directors, none of the directors are disqualified as on March 31, 2020 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 Company has paid remuneration in excess of the limits prescribed under Section 197 read with Schedule V of the Companies Act, 2013, to the Managing Director and one of the Whole Time Director of the Company for the Financial Year 2019-20, and the same is subject to approval of Shareholders at the ensuing Annual General Meeting of the Company.
- 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. There were no pending litigation which would impact the financial position of the Company.
  - 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 by the Company.
2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "**Annexure B**" a statement on the matters specified in paragraphs 3 and 4 of the Order.

**For S.C. Bandi & Co.**  
Chartered Accountants  
(FRN: 130850W)

**(S.C. Bandi)**  
Proprietor

Place: Mumbai  
Date: 6<sup>th</sup> July, 2020

Mem. No. - 16932  
UDIN: 20016932AAAAEV7953

## ANNEXURE “A” TO THE INDEPENDENT AUDITOR’S REPORT

(Referred to in paragraph 1(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the Members of ASI INDUSTRIES LIMITED of even date)

### Report on the Internal Financial Controls Over Financial Reporting 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 **ASI INDUSTRIES LIMITED** (“the Company”) as of March 31, 2020 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 Board of Directors of the Company 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. 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 respective 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.

#### Auditor’s Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company 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”) issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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 judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Company.

#### 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 unauthorised acquisition, use, or disposition of the company’s assets that could have a material effect on the financial statements.

#### 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 controls 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, to the best of our information and according to the explanations given to us, 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 March 31, 2020, 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 S.C. Bandi & Co.**  
Chartered Accountants  
(FRN: 130850W)

**(S.C. Bandi)**  
Proprietor

Place: Mumbai  
Date: 6<sup>th</sup> July, 2020

Mem. No. - 16932  
UDIN: 20016932AAAAEV7953

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

### Referred to in paragraph 2 of Report on other Legal and Regulatory Requirements of the Independent Auditors' Report of even date to the Members of ASI INDUSTRIES LIMITED ("the Company"), on the financial statements for the year ended March 31, 2020

- (i) a) The Company is maintaining proper records showing full particulars including quantitative details and situation of fixed assets.
- b) The Company has a procedure for physical verification of fixed assets at reasonable intervals and in accordance with that the fixed assets have been physically verified by the management during the year. This procedure is reasonable having regard to the size of the company and nature of its assets. No material discrepancies have been noticed on such verification.
- c) According to the information & explanation given to us and on the basis of our examination of the records of the company, the title deeds of immovable properties are held in the name of the company.
- (ii) The management has conducted physical verification of inventory at reasonable intervals during the year and no material discrepancies were noticed on such physical verification.

- (iii) As informed to us, the Company has not granted any loans, secured or unsecured except advances and payments for goods and services not in the nature of loans, to companies, firms or other parties listed in the register maintained under section 189 of the Companies Act, 2013, during the year under audit.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, in respect of grant of loans, making investments and providing guarantees and securities.
- (v) According to the information & explanation given to us, the Company has not accepted any deposits from the public. Therefore, the provisions of clause (v) of Paragraph 3 of the order are not applicable to the company.
- (vi) We have broadly reviewed the cost records maintained by the company pursuant to Companies (Cost records and Audit) Rules, 2014 prescribed by the Central Government under section 148(1) (d) of the Companies Act, 2013 and are of the opinion that, prima facie, the prescribed accounts and cost records have been maintained. We have however not, made a detailed examination of cost records with a view to determine whether they are accurate or complete.
- (vii) a) As per information and explanations given to us and the records of the company examined by us, in our opinion, undisputed statutory dues including Provident Fund, Income Tax, Sales Tax, Value Added Tax, GST, Service Tax, Custom Duty, Excise Duty, Cess and other material statutory dues, to the extent applicable to it, have generally been regularly deposited with the appropriate authorities and there are no undisputed dues outstanding as on March 31, 2020 for a period of more than six months from the date they became payable.
- b) According to the information and explanations given to us and necessary audit procedures performed by us, statutory dues which have not been deposited on account of any dispute, are as follows:

Name of the Statute	Nature of Dues	Amount (Rs. in Lacs)	Period to which the amount relates	Forum where the dispute is pending
Cess Matters	Land Tax Royalty	35.22 2.31	2006-2013 1991-92 & 1993-94	Revenue Dept. Mining Dept./High Court



- (viii) According to the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings to financial institutions, banks and Government. The Company did not have any outstanding debentures during the year.
- (ix) The company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year. Term Loans taken by the company have been utilized for the purposes for which they were obtained.
- (x) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.
- (xi) According to the information and explanations given to us, the company has paid /provided managerial remuneration in excess of the limits prescribed under Section 197 read with Schedule V of the Companies Act, 2013, to the Managing Director and one of the Whole Time Director of the Company for the Financial Year 2019-20, and the same is subject to approval of Shareholders at the ensuing Annual General Meeting of the Company in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Companies Act, 2013.
- (xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause (xii) of paragraph 3 of the Order is not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with the Sections 177 and 188 of the Companies Act, 2013, where applicable and details of transactions with the related parties have been disclosed in the Standalone financial statements as required by applicable Accounting Standard.
- (xiv) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Therefore clause (xiv) of Paragraph 3 of the order is not applicable to the company.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with them. Accordingly, clause (xv) of Paragraph 3 of the order is not applicable to the company.
- (xvi) According to the information and explanations given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

**For S.C. Bandi & Co.**  
Chartered Accountants  
(FRN: 130850W)

**(S.C. Bandi)**  
Proprietor

Place: Mumbai  
Date: 6<sup>th</sup> July, 2020

Mem. No. - 16932  
UDIN: 20016932AAAAEV7953

## BALANCE SHEET AS AT MARCH 31, 2020

(₹ in Lacs)

Particulars	Notes	March 31, 2020	March 31, 2019
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
(a) Property, Plant and Equipment	4	18,478.59	16,967.16
(b) Capital Work-in-Progress	4	19,282.96	1,245.52
(c) Intangible Assets	5	149.59	19.36
(d) Financial Assets			
(i) Investments	6(A)	5,451.55	3,472.76
(ii) Loans	6(B)	-	3,287.28
(e) Other Non-Current Assets	11	562.50	5,643.43
		43,925.19	30,635.51
<b>Current assets</b>			
(a) Inventories	7	1,919.24	1,985.50
(b) Financial Assets			
(i) Investments	6(A)	60.58	6.84
(ii) Trade Receivables	8	6,760.04	8,415.97
(iii) Cash and Cash Equivalents	9	72.58	124.64
(iv) Bank Balances Other than (iii) above	10	1,250.86	622.65
(v) Loans	6(B)	10.28	11.21
(vi) Other Financial Assets	6(C)	310.29	192.79
(c) Other Current Assets	11	1,501.63	1,218.05
		11,885.50	12,577.65
<b>TOTAL</b>		55,810.69	43,213.16
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity Share capital	12	900.75	828.55
(b) Other Equity	13	27,835.17	24,379.25
		28,735.92	25,207.80
<b>Liabilities</b>			
<b>Non Current Liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	14	9,439.37	8,264.58
(b) Deferred Tax liabilities (Net)	15	378.92	419.61
(c) Provisions	19	5.06	-
		9,823.35	8,684.19
<b>Current Liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	14	12,628.25	6,122.64
(ii) Trade Payables	16	-	-
Micro, Small and Medium Enterprises			
Others		326.94	64.97
(iii) Other Financial Liabilities	17	2,706.23	2,041.53
(b) Other Current Liabilities	18	1,331.31	970.15
(c) Provisions	19	258.69	121.88
(d) Current Tax Liabilities (Net)	20	-	-
		17,251.42	9,321.17
<b>TOTAL</b>		55,810.69	43,213.16
Significant Accounting Policies and Notes on Accounts form an integral part of the financial statements.	1 to 40		

**As per our report of even date**  
**For S.C. Bandi & Co.**  
**Chartered Accountants**  
**Firm Registration Number: 130850W**

**S.C. Bandi**  
**Proprietor**  
**Membership No. 16932**

**Place: Mumbai**  
**Date: July 6, 2020**

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

**S. R. Soni**  
**Chief Executive Officer**

**Pavan Kumar Soni**  
**Chief Financial Officer**

**Manoj Jain**  
**Company Secretary**

**Deepak Jatia**  
**Chairman & Managing Director**  
**(DIN : 01068689)**

**Tushya Jatia**  
**Executive Director**  
**(DIN: 02228722)**

**Place: Mumbai**  
**Date: July 6, 2020**

## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2020

Particulars	Notes	2019-20	2018-19
<b>(₹ in Lacs)</b>			
<b>REVENUE</b>			
Revenue from operations (net)	21	14,347.45	18,097.90
Other income	22	493.08	739.65
<b>Total Revenue (I)</b>		<b>14,840.53</b>	<b>18,837.55</b>
<b>EXPENSES</b>			
Purchases of stock-in-trade	23	4,331.42	4,234.45
Changes in inventories of finished goods and work-in-process	24	196.03	(90.88)
Employee benefits expense	25	2,994.84	3,244.74
Finance costs	26	783.96	736.63
Depreciation and amortization expense	27	627.15	565.68
Other expenses	28	6,372.37	7,448.20
<b>Total Expenses (II)</b>		<b>15,305.77</b>	<b>16,138.82</b>
<b>Profit/(Loss) before exceptional items and tax (I-II)</b>		<b>(465.24)</b>	<b>2,698.73</b>
Exceptional Items		-	-
<b>Profit/ (Loss) before tax</b>		<b>(465.24)</b>	<b>2,698.73</b>
<b>Tax expense:</b>			
Current tax		-	760.69
Adjustment of tax relating to earlier periods		18.59	33.23
Deferred tax		(173.52)	(4.10)
<b>Profit/ (Loss) for the period</b>		<b>(310.31)</b>	<b>1,908.91</b>
<b>OTHER COMPREHENSIVE INCOME</b>			
<b>A. Other Comprehensive income not to be reclassified to profit and loss in subsequent periods:</b>			
Remeasurement of gains (losses) on defined benefit plans		(126.02)	(38.38)
Income tax effect		36.70	11.18
Equity Instruments through Other Comprehensive Income		901.00	(146.94)
Income tax effect		(209.49)	33.74
<b>B. Other Comprehensive income to be reclassified to profit and loss in subsequent periods:</b>			
		-	-
<b>Other Comprehensive income for the year, net of tax</b>		<b>602.19</b>	<b>(140.40)</b>
<b>Total Comprehensive Income for the period, Net of Tax</b>		<b>291.88</b>	<b>1,768.51</b>
<b>Earnings per share for profit attributable to equity shareholders</b>	29		
Basic and Diluted		(0.34)	2.30
Significant Accounting Policies and Notes on Accounts form an integral part of the financial statements. 1 to 40			

As per our report of even date  
For S.C. Bandi & Co.  
Chartered Accountants  
Firm Registration Number: 130850W

S.C. Bandi  
Proprietor  
Membership No. 16932

Place: Mumbai  
Date: July 6, 2020

For and on behalf of the Board of Directors

S. R. Soni  
Chief Executive Officer

Pavan Kumar Soni  
Chief Financial Officer

Manoj Jain  
Company Secretary

Deepak Jatia  
Chairman & Managing Director  
(DIN : 01068689)

Tushya Jatia  
Executive Director  
(DIN: 02228722)

Place: Mumbai  
Date: July 6, 2020



## STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2020

### A. Equity Share Capital

(₹ in Lacs)

Particulars	Balance at the Beginning of the year	Changes in Equity share capital during the year	Balance at the end of the year
<b>March 31, 2019</b>			
Numbers	82,854,663	-	82,854,663
Amount	828.55	-	828.55
<b>March 31, 2020</b>			
Numbers	82,854,663	7,220,247	90,074,910
Amount	828.55	72.20	900.75

### B. Other Equity

(₹ in Lacs)

Particulars	Reserves and Surplus				Equity Instrument through OCI	Total
	General Reserve	Retained Earnings	Property, Plant and Equipment Reserve	Amalgamation Adjustment Surplus Account		
<b>As at April 1, 2018</b>	3,074.81	10,471.22	8,748.49	-	617.79	22,912.31
Profit for the period	-	1,908.91	-	-	-	1,908.91
Other comprehensive income	-	(27.20)	-	-	(113.20)	(140.40)
<b>Total comprehensive income for the year</b>	-	1,881.71	-	-	(113.20)	1,768.51
Transfer from retained earnings	200.00	(200.00)	-	-	-	-
Transfer on sale of revalued assets	50.52	-	(52.44)	-	-	(1.92)
Issue of Bonus shares	-	-	-	-	-	-
Equity dividend paid	-	(248.56)	-	-	-	(248.56)
Tax on equity dividend paid	-	(51.09)	-	-	-	(51.09)
<b>As at March 31, 2019</b>	3,325.33	11,853.28	8,696.05	-	504.59	24,379.25
Profit for the period	-	(310.31)	-	-	-	(310.31)
Other comprehensive income	-	(89.33)	-	-	691.52	602.19
<b>Total comprehensive income for the year</b>	-	(399.64)	-	-	691.52	291.88
Transfer from retained earnings	-	-	-	-	-	-
Transfer on sale of revalued assets	1.20	-	(4.83)	-	-	(3.63)
Equity Dividend Paid	-	(248.56)	-	-	-	(248.56)
Tax on equity dividend paid	-	(51.09)	-	-	-	(51.09)
Additions pursuant to amalgamation of DMEPL with the Company (Refer Note 33 )	-	849.19	-	2,618.13	-	3,467.32
<b>As at March 31, 2020</b>	3,326.53	12,003.18	8,691.22	2,618.13	1,196.11	27,835.17
Significant Accounting Policies and Notes on Accounts form an integral part of the financial statements.	1 to 40					

As per our report of even date  
For S.C. Bandi & Co.  
Chartered Accountants  
Firm Registration Number: 130850W

S.C. Bandi  
Proprietor  
Membership No. 16932

Place: Mumbai  
Date: July 6, 2020

For and on behalf of the Board of Directors

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Chief Executive Officer

Pavan Kumar Soni  
Chief Financial Officer

Manoj Jain  
Company Secretary

Deepak Jatia  
Chairman & Managing Director  
(DIN : 01068689)

Tushya Jatia  
Executive Director  
(DIN: 02228722)

Place: Mumbai  
Date: July 6, 2020

## STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2020

Particulars	2019-20	2018-19
	(₹ in Lacs)	
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
<b>Profit before income tax:</b>	(465.24)	2,698.73
<b>Adjustments for:</b>		
Depreciation and amortisation expense	627.15	565.68
Net Loss (Gain) on disposal of property, plant and equipments	1.26	(34.25)
Allowance for loss on trade receivables	107.72	102.58
Profit on sale of investments	-	-
Dividend Income	(122.17)	-
Interest income classified as investing cash flows	(86.08)	(394.03)
Finance Costs	783.96	736.63
Other Miscellaneous	(7.13)	-
<b>Change in operating assets and liabilities:</b>		
(Increase)/Decrease in trade receivables	1,646.38	(656.06)
(Increase)/Decrease in inventories	109.83	(87.88)
(Increase)/Decrease in other financial assets	(78.07)	(30.64)
(Increase)/Decrease in other assets	(133.75)	(210.47)
(Increase)/Decrease in other bank balances	(605.51)	(22.83)
Increase/(Decrease) in provisions	14.44	(8.87)
Increase/(Decrease) in trade payables	253.54	17.42
Increase/(Decrease) in other financial liabilities	392.79	(312.96)
Increase/(Decrease) in other liabilities	252.63	37.49
<b>Cash generated from operations</b>	<b>2,691.75</b>	<b>2,400.54</b>
Less: Income taxes paid	(417.23)	(754.24)
<b>Net cash inflow from operating activities</b>	<b>2,274.52</b>	<b>1,646.30</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Payments for property, plant and equipment	(12,561.75)	(6,892.68)
Proceeds from sale of investments	-	-
Payments for purchase of investments	-	-
(Increase)/decrease in loans	3,293.63	1,963.54
Proceeds from sale of property, plant and equipment	36.35	89.99
Dividend Income	122.17	-
Interest received	48.82	393.91
<b>Net cash outflow from investing activities</b>	<b>(9,060.78)</b>	<b>(4,445.24)</b>

## STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2020

	(₹ in Lacs)	
Particulars	2019-20	2018-19
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>		
Proceeds from borrowings	12,207.99	7,082.20
Repayment of borrowings	(4,441.79)	(3,246.12)
Finance costs paid	(735.55)	(737.35)
Dividends paid	(248.56)	(248.56)
Dividend distribution tax paid	(51.09)	(51.09)
<b>Net cash inflow (outflow) from financing activities</b>	<b>6,731.00</b>	<b>2,799.08</b>
Net increase (decrease) in cash and cash equivalents	(55.26)	0.14
Cash and Cash Equivalents at the beginning of the financial year	124.64	124.50
Increase in Cash & Cash Equivalent on account of Amalgamation (Refer Note 33)	3.20	-
<b>Cash and Cash Equivalents at end of the year</b>	<b>72.58</b>	<b>124.64</b>
 <b>Reconciliation of cash and cash equivalents as per the cash flow statement:</b>		
Cash and cash equivalents as per above comprise of the following:		
Balances with banks on current accounts	56.89	113.74
Cash on hand	15.69	10.90
<b>Balances per statement of cash flows</b>	<b>72.58</b>	<b>124.64</b>
Significant Accounting Policies and Notes on Accounts form an integral part of the financial statements.	1 to 40	

As per our report of even date  
For S.C. Bandi & Co.  
Chartered Accountants  
Firm Registration Number: 130850W

S.C. Bandi  
Proprietor  
Membership No. 16932

Place: Mumbai  
Date: July 6, 2020

For and on behalf of the Board of Directors

S. R. Soni  
Chief Executive Officer

Pavan Kumar Soni  
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Manoj Jain  
Company Secretary

Deepak Jatia  
Chairman & Managing Director  
(DIN : 01068689)

Tushya Jatia  
Executive Director  
(DIN: 02228722)

Place: Mumbai  
Date: July 6, 2020

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

### 1 Corporate Information

These statements comprise financial statements of ASI Industries Limited (L14101MH1945PLC256122) for the year ended March 31, 2020. The company is a public company domiciled in India and is incorporated on January 17, 1945 under the provisions of the Companies Act applicable in India. Its shares are listed on Bombay Stock Exchange (BSE) in India. The registered office of the company is located at Marathon Innova, A Wing, 7th Floor, Off: Ganpatrao Kadam Marg, Lower Parel, Mumbai - 400 013.

The Company is principally engaged in the mining, windpower and trading activities.

The financial statements were authorised for issue in accordance with a resolution of the directors on July 6, 2020.

### 2 Significant Accounting Policies

#### 2.1 Basis of preparation

The financial statements of the company have been prepared and presented in accordance with the Indian Accounting Standards (Ind AS) as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 ("the Act") read with the Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Act.

The financial statements have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value or revalued amount:

- Certain financial assets and liabilities measured at fair value or at amortised cost depending on the classification (refer accounting policy regarding financial instruments),
- Employee defined benefit assets/(obligations) are recognised as the net total of the fair value of plan assets, plus actuarial losses, less actuarial gains and the present value of the defined benefit obligations,

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

#### 2.2 Summary of significant accounting policies

##### (a) Property, plant and equipment

Property, plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Freehold land are stated at cost. The cost comprises purchase price, borrowing costs if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in profit or loss as incurred.

Subsequent expenditure related to an item of property, plant and equipment is added to its book value only if it increases the future benefits from its previously assessed standard of performance. All other expenses on existing property, plant and equipment, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred.

Borrowing costs directly attributable to acquisition of property, plant and equipment which take substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use.

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances under other non-current assets.

An item of property, plant and equipment and any significant part initially recognized is de-recognized 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 statement of profit and loss when the Property, plant and equipment is de-recognized.

Expenditure directly relating to construction activity is capitalized. Indirect expenditure incurred during construction period is capitalized to the extent to which the expenditure is indirectly related to construction or is incidental thereto. Other indirect expenditure (including borrowing costs) incurred during the construction period which is neither related to the construction activity nor is incidental thereto is charged to the statement of profit and loss.

Costs of assets not ready for use at the balance sheet date are disclosed under capital work-in-progress.

##### Depreciation methods, estimated useful lives and residual value

Depreciation is calculated on straight line basis using the useful lives as prescribed under Schedule II to the Companies Act, 2013. If the management's estimate of the useful life of a item of property, plant and equipment at the time of acquisition or the remaining useful life on a subsequent review is shorter than the envisaged in the aforesaid schedule, depreciation is provided at a higher

rate based on the management's estimate of the useful life/ remaining useful life.

The property, plant and equipment acquired under finance leases is depreciated over the asset's useful life or over the shorter of the asset's useful life and the lease term if there is no reasonable certainty that the company will obtain ownership at the end of the lease term. Leasehold assets are amortised on a straight line basis over the balance period of lease.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

#### **(b) Intangible assets**

Intangible assets that are acquired by the Company are measured initially at cost. After initial recognition, an intangible asset is carried at its cost less any accumulated amortization and accumulated impairment loss.

Subsequent expenditure is capitalized only when it increases the future economic benefits from the specific asset to which it relates. An intangible asset is derecognized on disposal or when no future economic benefits are expected from its use and disposal.

Losses arising from retirement and gains or losses arising from disposal of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss.

#### **Amortisation methods and periods**

Intangible assets are amortized on a straight line basis over the useful life of ten years which is estimated by the management.

The estimated useful lives of intangible assets and the amortisation period are reviewed at the end of each financial year and the amortisation method is revised to reflect the changed pattern, if any.

#### **(c) Research and development**

Revenue expenditure pertaining to research is charged to the Statement of Profit and Loss. Development costs of products are also charged to the Statement of Profit and Loss in the year it is incurred, unless a product's technological feasibility has been established, in which case such expenditure is capitalised. These costs are charged to the respective heads in the Statement of Profit and Loss in the year it is incurred. The amount capitalised comprises of expenditure that can be directly attributed or allocated on a reasonable and consistent basis for creating, producing and making the asset ready for its intended use. Fixed assets utilised for research and development are capitalised and depreciated in accordance with the policies stated for Tangible Fixed Assets and Intangible Assets.

#### **(d) Impairment of non financial assets**

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

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. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used.

Impairment losses are recognized in the statement of profit and loss. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

When there is indication that an impairment loss recognised for an asset (other than a revalued asset) in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the Statement of Profit and Loss, to the extent the amount was previously charged to the Statement of Profit and Loss.

#### **(e) Foreign currency translation**

##### **(i) Functional and presentation currency**

Items included in the financial statements of the entity are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Indian rupee (INR), which is entity's functional and presentation currency.

##### **(ii) Transactions and balances**

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are recognised in statement of profit or loss. Non monetary assets and liabilities are carried at cost.

#### **(f) 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.

**(i) Amortised Cost**

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

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

**(ii) Fair Value through other comprehensive income**

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

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

**(iii) Fair Value through Profit or Loss**

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

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

**Classification and Subsequent Measurement: Financial liabilities**

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

**(i) 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.

**(ii) 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.

#### **Derecognition of financial liabilities**

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit or loss.

#### **Equity investment in subsidiaries and Associate**

Investment in subsidiaries are carried at cost. Impairment recognized, if any, is reduced from the carrying value.

Investment in associate are measured at fair value, with value changes recognised in Other Comprehensive Income.

#### **Offsetting of financial instruments**

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

### **(g) Financial liabilities and equity instruments**

#### **Classification as debt or equity**

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

#### **Equity instruments**

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by a Company are recognised at the proceeds received.

### **(h) Taxes**

#### **(i) Current income tax**

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the company operates and generates taxable income.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

#### **(ii) Deferred tax**

Deferred income tax is recognized using the balance sheet approach, deferred tax is recognized on temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes, except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction.

Deferred income tax assets are recognized for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.

The carrying amount of deferred income tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance sheet date.

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.

#### **(i) Inventories**

Inventories are valued at the lower of cost and net realisable value.

Costs incurred in bringing each product to its present location and condition are accounted for as follows:

**Raw materials:** cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis.

**Finished goods and work in progress:** cost includes cost of direct materials and labour and a proportion of direct overheads. Cost is determined on weighted average basis.

**Traded goods:** cost includes cost of purchase and other costs incurred in bringing the inventories to their present



location and condition. Cost is determined on weighted average basis.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale. The net realizable value of work-in-progress is determined with reference to the selling prices of related finished products. Raw materials and other supplies held for use in production of finished products are not written down below cost except in cases where material prices have declined and it is estimated that the cost of the finished products will exceed their net realizable value.

#### (j) Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of returns, trade allowances, rebates, value added taxes and amounts collected on behalf of third parties. The company recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the company's activities as described below. The company bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

#### Recognising revenue from major business activities

##### (i) Sale of goods

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed 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.

##### (ii) Interest income

For all debt instruments measured either at amortised cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR).

##### (iii) Dividend income

Revenue is recognised when the company's right to receive the payment is established, which is generally when shareholders approve the dividend.

#### (k) Employee benefits

##### (i) 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.

##### (ii) Other long-term employee benefit obligations

The earned leave obligations are presented as current liabilities in the balance sheet as the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

##### (iii) Post-employment obligations

The company operates the following post-employment schemes:

- (a) defined benefit plans viz gratuity,
- (b) defined contribution plans viz provident fund.

#### Gratuity obligation

The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method. The plan assets are administered by the approved gratuity fund trust.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

#### Defined contribution plans

The company pays provident fund contributions to approved provident fund trust and publicly administered provident funds. The company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.



### Termination benefits

Termination benefits are payable when employment is terminated by the company before the normal retirement date, or when an employee accepts voluntary redundancy in exchange for these benefits.

#### (I) Leases

The determination of whether an arrangement is, or contains, a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfillment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

#### (i) Finance Lease

Leases where the Company has substantially all the risks and rewards of ownership of the related assets are classified as finance leases. Assets under finance lease are capitalised at the commencement of the lease at the lower of the fair value or the present value of minimum lease payments and a liability is created for an equivalent amount.

Each lease rental paid is allocated between the liability and the interest cost, so as to obtain a constant periodic rate of interest on the outstanding liability for each period.

Assets given under a finance lease are recognized as a receivable at an amount equal to the net investment in the lease. Lease income is recognized over the period of the lease so as to yield a constant rate of return on the net investment in the lease.

#### (ii) Company under Operating Leases

The leases which are not classified as finance lease are operating leases.

The Company as a lessee accounts for each lease component within the contract as a lease separately from non-lease components of the contract and allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

The Company recognises right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located. The right of use assets is measured at an amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognized in the balance sheet immediately before the date of initial application.

The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate. For leases with reasonably similar characteristics, the Company, on a lease by lease basis, may adopt either the incremental borrowing rate specific to the lease or the incremental borrowing rate for the portfolio as a whole. The lease payments shall include fixed payments, variable lease payments, residual value guarantees, exercise price of a purchase option where the Company is reasonably certain to exercise that option and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised substance fixed lease payments. The Company recognises the amount of the re-measurement of lease liability due to modification as an adjustment to the right-of-use asset and statement of profit and loss depending upon the nature of modification. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognizes any remaining amount of the re-measurement in statement of profit and loss.

The Company has elected not to apply the requirements of Ind AS 116 Leases to short-term leases of all assets that have a lease term of 12 months or less and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognized as an expense on a straight-line basis over the lease term.

#### (iii) Transaction to Ind AS 116

Ministry of Corporate Affairs ("MCA") through Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, has notified Ind AS 116 Leases which replaces the existing lease standard, Ind AS 17 leases and other interpretations. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both lessees and lessors. It introduces a single balance sheet lease accounting model for lessees.

The Company has elected not to apply the requirements of Ind AS 116 Leases to short-term leases of all assets that have a lease term of 12 months or less and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognized as an expense on a straight-line basis over the lease term.

### (m) Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources, that can be reliably estimated, will be required to settle such an obligation.

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows to net present value using an appropriate pre-tax discount rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. Unwinding of the discount is recognised in the Statement of Profit and Loss as a finance cost. Provisions are reviewed at each reporting date and are adjusted to reflect the current best estimate.

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.

Claims against the Company where the possibility of any outflow of resources in settlement is remote, are not disclosed as contingent liabilities.

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.

### (n) Borrowing costs

Borrowing costs are interest and other costs that the Company incurs in connection with the borrowing of funds and is measured with reference to the effective interest rate (EIR) applicable to the respective borrowing.

Borrowing costs, allocated to qualifying assets, pertaining to the period from commencement of activities relating to construction / development of the qualifying asset up to the date of capitalisation of such asset are added to the cost of the assets. Capitalisation of borrowing costs is suspended and charged to the Statement of Profit and Loss during extended periods when active development activity on the qualifying assets is interrupted.

All other borrowing costs are recognised as an expense in the period which they are incurred.

### (o) Segment Reporting - Identification of Segments

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.

### (p) Earnings per share

#### Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the company
- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year

#### Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

### (q) Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

### (r) Events after reporting date

Where events occurring after the balance sheet date provide evidence of conditions existed at the end of the reporting period, the impact of such events is adjusted within financial statements. Otherwise, events after the balance sheet date of material size or nature are only disclosed

### (s) Current/non-current classification

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

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

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The company classifies all other liabilities as non-current.

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

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

**(t) Dividends**

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

**(u) Rounding of amounts**

All amounts disclosed in the financial statements and notes have been rounded off to the nearest Lakh as per the requirement of Schedule III, unless otherwise stated.

**3 Significant accounting judgements, estimates and assumptions**

The preparation of these financial statements in conformity with the recognition and measurement principles of Ind AS requires the management of the Company to make estimates and assumptions that affect the reported balances of assets and liabilities, disclosures relating to contingent liabilities as at the date of the financial statements and the reported amounts of income and expense for the periods presented.

This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

**Critical estimates and judgements**

**(i) Estimation of net realizable value for inventory**

Inventory is stated at the lower of cost and net realizable value (NRV).

NRV for completed inventory is assessed by reference to market conditions and prices existing at the reporting date and is determined by the Company, based on comparable transactions identified.

**(ii) Impairment of non - financial assets**

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

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. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used.

**(iii) Recoverability of trade receivables**

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.

**(iv) Useful lives of property, plant and equipment/intangible assets**

The Company reviews the useful life of property, plant and equipment/intangible assets at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods.

**(v) Valuation of deferred tax assets**

The Company reviews the carrying amount of deferred tax assets at the end of each reporting period. The policy for the same has been explained under Note above.

**(vi) Defined benefit plans**

The cost of the defined benefit gratuity plan and other post-employment medical benefits and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

**4. PROPERTY, PLANT AND EQUIPMENT**

(₹ in Lacs)

Particulars	Land	Buildings	Plant and Equipments	Furniture and Fixtures	Vehicles	Office Equipments	Computer Hardwares	Electric Installations	Total
<b>GROSS CARRYING VALUE</b>									
<b>As at April 1, 2018</b>	9,771.34	4,029.73	1,696.99	617.88	1,799.34	5.77	27.10	329.84	18,277.99
Additions	36.50	16.07	318.09	3.58	1.84	1.46	1.77	24.38	403.69
Disposals	(52.63)	-	(62.83)	-	(5.78)	-	-	-	(121.24)
Other Adjustments	-	-	-	-	-	-	-	-	-
<b>As at March 31, 2019</b>	<b>9,755.21</b>	<b>4,045.80</b>	<b>1,952.25</b>	<b>621.46</b>	<b>1,795.40</b>	<b>7.23</b>	<b>28.87</b>	<b>354.22</b>	<b>18,560.44</b>
Additions pursuant to amalgamation of DMEPL with the Company (Refer Note 33)	1,956.84	13.29	85.34	-	29.81	-	0.04	-	2,085.32
Additions	-	10.12	14.02	1.22	0.51	8.42	9.33	37.38	81.00
Disposals	(5.23)	(13.29)	(10.76)	-	(27.72)	-	-	(3.20)	(60.20)
Other Adjustments	-	-	-	-	-	-	-	-	-
<b>As at March 31, 2020</b>	<b>11,706.82</b>	<b>4,055.92</b>	<b>2,040.85</b>	<b>622.68</b>	<b>1,798.00</b>	<b>15.65</b>	<b>38.24</b>	<b>388.40</b>	<b>20,666.56</b>
<b>ACCUMULATED DEPRECIATION/IMPAIRMENT</b>									
<b>As at April 1, 2018</b>	-	151.71	341.65	69.87	451.68	2.91	8.90	67.64	1,094.36
Depreciation for the year	-	79.80	153.12	65.88	213.40	1.05	6.22	43.02	562.49
Deductions/Adjustments during the period	-	-	(61.72)	-	(1.85)	-	-	-	(63.57)
<b>As at March 31, 2019</b>	-	231.51	433.05	135.75	663.23	3.96	15.12	110.66	1,593.28
Depreciation for the year	-	79.86	189.34	64.70	216.06	1.87	5.87	45.94	603.64
Deductions/Adjustments during the period	-	(0.02)	(1.37)	-	(5.76)	-	-	(1.80)	(8.95)
<b>As at March 31, 2020</b>	-	<b>311.35</b>	<b>621.02</b>	<b>200.45</b>	<b>873.53</b>	<b>5.83</b>	<b>20.99</b>	<b>154.80</b>	<b>2,187.97</b>
<b>Net Carrying value as at March 31, 2020</b>	<b>11,706.82</b>	<b>3,744.57</b>	<b>1,419.83</b>	<b>422.23</b>	<b>924.47</b>	<b>9.82</b>	<b>17.25</b>	<b>233.60</b>	<b>18,478.59</b>
<b>Net Carrying value as at March 31, 2019</b>	<b>9,755.21</b>	<b>3,814.29</b>	<b>1,519.20</b>	<b>485.71</b>	<b>1,132.17</b>	<b>3.27</b>	<b>13.75</b>	<b>243.56</b>	<b>16,967.16</b>

**Notes:**
**i. Assets under Construction**

Capital work in progress comprises building being constructed and new equipments installed at Kota, Rajasthan site, assets acquired at Jaipur sites for new Engineering Stone Project etc.

**Capital Work-in-Progress**

(₹ in Lacs)

**Particulars**
**As at April 1, 2018**

Additions

Amount Capitalised

Other Adjustments

**As at March 31, 2019**

Additions pursuant to amalgamation of DMEPL with the Company (Refer Note 33)

Additions

Amount Capitalised

Other Adjustments

**As at March 31, 2020**
**Amount**

17.10

1,256.10

(27.68)

-

1,245.52

44.91

18,001.19

(8.11)

(0.55)

19,282.96

**ii. Contractual Obligations**

Refer to Note 30 for disclosure of contractual commitments for the acquisition of property, plant and equipment.

## 5. INTANGIBLE ASSETS

Particulars	(₹ in Lacs)
	Amount
<b>GROSS CARRYING VALUE</b>	
<b>As at April 1, 2018</b>	29.05
Additions	-
Other Adjustments	-
<b>As at March 31, 2019</b>	29.05
Additions pursuant to amalgamation of DMEPL with the Company (Refer Note 33)	153.74
Additions	-
Other Adjustments	-
<b>As at March 31, 2020</b>	182.79
<b>ACCUMULATED AMORTISATION AND IMPAIRMENT</b>	
<b>As at April 1, 2018</b>	6.50
Amortisation for the year	3.19
Deductions\Adjustments during the period	-
<b>As at March 31, 2019</b>	9.69
Amortisation for the year	23.51
Deductions\Adjustments during the period	-
<b>As at March 31, 2020</b>	33.20
<b>Net Carrying value as at March 31, 2020</b>	149.59
<b>Net Carrying value as at March 31, 2019</b>	19.36

## 6. FINANCIAL ASSETS

Particulars	(₹ in Lacs)	
	March 31, 2020	March 31, 2019
<b>(A) INVESTMENTS</b>		
<b>Non Current</b>		
<b>(1) Investments carried at fair value through Other Comprehensive Income</b>		
<b>Unquoted</b>		
<b>Investments in Equity Instruments of Associate</b>		
17,42,500 Equity Shares of Rs. 10/- each fully paid up in Stone Masters (India) Pvt. Ltd. (March 31, 2019: 4,10,000)	2,648.88	670.46
	2,648.88	670.46
<b>Investments in Equity Instruments of Others</b>		
100 Equity Shares of Rs. 25/- each fully paid up in Sarvodaya Sahakari Samiti Limited (March 31, 2019: 100)	0.03	0.03
7,000 Equity Shares of Rs. 10/- each fully paid up in Chempoint (India) Private Limited (March 31, 2019: Nil )	0.37	-
	0.40	0.03
	2,649.28	670.49
<b>(2) Investments carried at Cost</b>		
<b>Unquoted</b>		
<b>Investments in Equity Instruments of Subsidiaries</b>		
41,50,000 Equity Shares of USD 1 each fully paid up in ASI Global Limited, Mauritius (March 31, 2019: 41,50,000)	2,756.42	2,756.42
100 Equity Shares of AED 1000 each fully paid up in AL-Rawasi Rock and Aggregate LLC, UAE (March 31, 2019: 100 )	45.85	45.85
	2,802.27	2,802.27
<b>Total</b>	<b>5,451.55</b>	<b>3,472.76</b>

Particulars	(₹ in Lacs)	
	March 31, 2020	March 31, 2019
Aggregate amount of quoted investments	-	-
Market value of quoted investments	-	-
Aggregate amount of unquoted investments	5,451.55	3,472.76
<b>Current</b>		
<b>Investments carried at fair value through Other Comprehensive Income</b>		
<b>Quoted</b>		
<b>Investments in Equity Instruments</b>		
7,000 Equity Shares of Rs. 10/- each fully paid up in Aditya Birla Capital Limited (March 31, 2019: 7,000)	2.95	6.84
590 Equity Shares of Rs.10/- each fully paid in JSW Steel Limited (March 31, 2019: Nil)	0.86	-
63,044 Equity share of Re.1/- each fully paid up in Thacker & Co.Limited. (March 31, 2019: Nil)	56.77	-
<b>Total</b>	<b>60.58</b>	<b>6.84</b>
Aggregate amount of quoted investments	60.58	6.84
Market value of quoted investments	60.58	6.84
Aggregate amount of unquoted investments	-	-
<b>(B) LOANS</b>		
<b>Non Current</b>		
<b>Unsecured and Considered Good</b>		
Loans to Subsidiary (Refer Note 32)	-	3,287.28
<b>Total</b>	<b>-</b>	<b>3,287.28</b>
<b>Current</b>		
<b>Unsecured and Considered Good</b>		
Loans to Employees	10.28	11.21
Loans to Others	-	-
<b>Total</b>	<b>10.28</b>	<b>11.21</b>
<b>(C) OTHER FINANCIAL ASSETS</b>		
<b>Current</b>		
<b>Financial assets carried at amortised cost</b>		
Security Deposits	269.70	189.59
Interest Accrued on Fixed Deposits	40.59	3.20
<b>Total</b>	<b>310.29</b>	<b>192.79</b>

## 7. INVENTORIES

Particulars	(₹ in Lacs)	
	March 31, 2020	March 31, 2019
<b>(Valued at lower of Cost and Net Realisable value)</b>		
Raw Materials	120.20	-
Work-in-process	507.19	874.09
Finished goods	1,128.78	914.47
Stores and Spares including Goods in Transit INR 2.08 Lakhs (March 31, 2019: INR 14.58 Lakhs)	163.07	196.94
<b>Total</b>	<b>1,919.24</b>	<b>1,985.50</b>

## 8. TRADE RECEIVABLES

(₹ in Lacs)

Particulars	March 31, 2020	March 31, 2019
<b>Current</b>		
Trade Receivables from customers	6,760.04	8,415.97
	<u>6,760.04</u>	<u>8,415.97</u>
<b>Breakup of Security details</b>		
Secured, considered good	-	-
Unsecured, considered good	7,081.92	8,630.13
Doubtful	-	-
	<u>7,081.92</u>	<u>8,630.13</u>
<b>Loss Allowance (allowance for bad and doubtful debts)</b>		
Unsecured, considered good	321.88	214.16
Doubtful	-	-
	<u>321.88</u>	<u>214.16</u>
	<u>6,760.04</u>	<u>8,415.97</u>

## 9. CASH AND CASH EQUIVALENTS

(₹ in Lacs)

Particulars	March 31, 2020	March 31, 2019
Balances with banks on current accounts	56.89	113.74
Cash on hand	15.69	10.90
<b>Total</b>	<u>72.58</u>	<u>124.64</u>

## 10. OTHER BANK BALANCES

(₹ in Lacs)

Particulars	March 31, 2020	March 31, 2019
Deposits with banks to the extent held as margin money *	391.50	295.54
Unclaimed Dividend Accounts	43.98	40.28
Unclaimed sales proceeds of Fractional Bonus Shares	0.02	0.02
Other Deposits with banks **	815.36	286.81
<b>Total</b>	<u>1,250.86</u>	<u>622.65</u>

\* Pledged with the Bank towards Letter of Credit and Bank Guarantee availed by the Company. Deposits having maturity period of more than twelve months amounting INR 94.75 Lakhs (March 31, 2019: INR 0.60 Lakhs)

\*\* Pledged with Government Department as security INR 302.49 Lakhs (March 31, 2019: INR 279.80 Lakhs). Deposits having maturity period of more than twelve months amounting INR 148.20 Lakhs (March 31, 2019: INR 157.85 lakhs)

## 11. OTHER ASSETS

(₹ in Lacs)

Particulars	March 31, 2020	March 31, 2019
<b>Non Current</b>		
Capital Advances	25.46	5,537.78
Advances other than Capital advances		
- Prepaid expenses	12.64	15.44
- Payment of Taxes (Net of Provisions)	524.40	90.21
<b>Total</b>	<u>562.50</u>	<u>5,643.43</u>
<b>Current</b>		
Advance against purchases and expenses	118.11	214.52
Prepaid expenses	98.49	55.42
Balances with Statutory, Government Authorities	456.26	419.57
Other current assets	828.77	528.54
<b>Total</b>	<u>1,501.63</u>	<u>1,218.05</u>

## 12. SHARE CAPITAL

### i. Authorised Share Capital

(₹ in Lacs)

Particulars	As At March 31, 2020		As At March 31, 2019	
	Numbers	Amount	Numbers	Amount
<b>Equity Share of Rs. 1 Each</b>				
At the beginning of the year	230,000,000	2,300.00	230,000,000	2,300.00
Increase/(decrease) during the year *	32,400,000	324.00	-	-
<b>At the end of the year</b>	<b>262,400,000</b>	<b>2,624.00</b>	<b>230,000,000</b>	<b>2,300.00</b>
<b>Redeemable Preference Share of Rs. 100 Each</b>				
At the beginning of the year	200,000	200.00	200,000	200.00
Increase/(decrease) during the year	-	-	-	-
<b>At the end of the year</b>	<b>200,000</b>	<b>200.00</b>	<b>200,000</b>	<b>200.00</b>
<b>12% Non-Convertible Preference Share of Rs. 100 Each</b>				
At the beginning of the year	-	-	-	-
Increase/(decrease) during the year *	1,000	1.00	-	-
At the end of the year	1,000	1.00	-	-
<b>Unclassified Shares of Rs. 10 Each</b>				
At the beginning of the year	-	-	-	-
Increase/(decrease) during the year *	200,000	20.00	-	-
At the end of the year	200,000	20.00	-	-

\*Pursuant to Scheme of Amalgamation of DeeJay Mining & Exports Private Limited (DMEPL) with the Company as sanctioned by the Hon'ble NCLT, Mumbai Bench, vide order dated 23<sup>rd</sup> April, 2020, authorised share capital Rs. 345 Lakhs of DMEPL (Transferor Company) stand transferred and merged with authorised share capital of the Company (Refer Note 33).

### i. Reconciliation of number of shares outstanding

(₹ in Lacs)

Particulars	As At March 31, 2020		As At March 31, 2019	
	Numbers	Amount	Numbers	Amount
<b>Equity shares of Rs. 1 each issued, subscribed and fully paid up</b>				
Equity shares outstanding at the beginning of the year	82,854,663	828.55	82,854,663	828.55
Cancelled pursuant to amalgamation of DMEPL with the Company held in Suspense Account (Refer Note 33) *	40,714,762	407.15	-	-
Issued pursuant to amalgamation of DMEPL with the Company held in Suspense Account (Refer Note 33) *	47,935,009	479.35	-	-
<b>Equity shares outstanding at the end of the year</b>	<b>90,074,910</b>	<b>900.75</b>	<b>82,854,663</b>	<b>828.55</b>

\* Pursuant to the Scheme of Amalgamation of DeeJay Mining & Exports Private Limited (DMEPL) with the Company as sanctioned by the Hon'ble NCLT, Mumbai Bench, vide order dated 23.04.2020, 4,07,14,762 equity shares of ASI held by DMEPL were cancelled and 4,79,35,009 equity shares were issued afresh to shareholders of DMEPL without payment being received in cash in the ratio of 17,484 equity shares of the Transferee Company of Re. 1 each fully paid up for every 1000 equity shares held in the Transferor Company of Rs. 10 each fully paid up. These abovesaid equity shares are pending for cancellation and issue at the end of year as the order of the Scheme was received after the Balance Sheet date and hence the same is shown under Suspense Account as on 31<sup>st</sup> March, 2020. (Refer Note 33)



**ii. Terms/ rights attached to issued, subscribed and paid up equity shares**

- The Company has only one class of equity share having a par value of INR 1 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian Rupees. During the year ended March 31, 2020, the amount of per share dividend recognized as distributions to equity shareholders was Rs. 0.30 per share (Previous year Rs. 0.30 per share) (Refer Note 31).
- 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. The distribution will be in proportion to the number of equity shares held by the shareholders.

**iii. Details of shareholders holding more than 5% shares in the company**

Name of the Shareholder	As At March 31, 2020		As At March 31, 2019	
	Numbers	% of holding	Numbers	% of holding
<b>Equity shares of INR 1 each fully paid</b>				
Deepak Jatia HUF	27,502,779	30.53%	-	-
Stone Masters (India) Private Limited	24,508,174	27.21%	14,221,462	17.15%
Deejay Mining & Exports Private Limited	-	-	40,714,762	49.14%

As per records of the Company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

**iv. Aggregate number of equity shares issued as bonus, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date:**

Particulars	March 31, 2020 Numbers	March 31, 2019 Numbers	March 31, 2018 Numbers	March 31, 2017 Number	March 31, 2016 Numbers
Shares have been issued as fully paid Bonus	-	-	-	1,65,70,933	-
Shares by capitalisation of General Reserve	-	-	-	-	-

**v. None of the above shares are reserved for issue under options/contract/commitments for sale of shares or disinvestment.**
**13. OTHER EQUITY**
**i. Reserves and Surplus**

Particulars	₹ in Lacs)	
	March 31, 2020	March 31, 2019
(a) General Reserve	3,326.53	3,325.33
(b) Retained Earnings	12,003.18	11,853.28
(c) Property, Plant and Equipment Reserve	8,691.22	8,696.05
(d) Amalgamation Adjustment Surplus Account	2,618.13	-
	<u>26,639.06</u>	<u>23,874.66</u>
<b>(a) General Reserve</b>		
Opening balance	3,325.33	3,074.81
Add/(Less):		
Transfer from Retained Earnings	-	200.00
Transfer on sale of revalued assets	1.20	50.52
Issue of Bonus shares	-	-
<b>Closing Balance</b>	<u>3,326.53</u>	<u>3,325.33</u>

General reserve is created from time to time by way of transfer from free reserve for appropriation purpose. General reserve is created by transfer from one component of equity to another.

Particulars	(₹ in Lacs)	
	March 31, 2020	March 31, 2019
<b>(b) Retained Earnings</b>		
Opening balance	11,853.28	10,471.22
Net Profit/(Loss) for the period	(310.31)	1,908.91
Add/(Less):		
Transfer to General Reserve	-	(200.00)
Equity Dividend Paid	(248.56)	(248.56)
Tax on equity dividend paid	(51.09)	(51.09)
Additions pursuant to amalgamation of DMEPL with the Company (Refer Note 33)	849.19	-
<b>Items of Other Comprehensive Income directly recognised in Retained Earnings</b>		
Remeasurement of post employment benefit obligation, net of tax	(89.33)	(27.20)
<b>Closing balance</b>	<u>12,003.18</u>	<u>11,853.28</u>
<b>(c) Property, Plant and Equipment Reserve</b>		
Opening balance	8,696.05	8,748.49
Add/(Less): Transfer on sale of revalued assets	(4.83)	(52.44)
<b>Closing balance</b>	<u>8,691.22</u>	<u>8,696.05</u>
Property, plant and equipment reserve represents reserve created on revaluation of freehold land in the year 2006-07. It is a non distributable reserve.		
<b>(d) Amalgamation Adjustment Surplus Account</b>		
Opening balance	-	-
Add/(Less): Pursuant to amalgamation of DMEPL with the Company (Refer Note 33)	2,618.13	-
<b>Closing balance</b>	<u>2,618.13</u>	<u>-</u>
<b>ii. Components of Other Comprehensive Income</b>		
<b>Particulars</b>	<b>March 31, 2020</b>	<b>March 31, 2019</b>
Equity Instruments through OCI	1,196.11	504.59
	<u>1,196.11</u>	<u>504.59</u>
<b>Equity Instruments through OCI</b>		
Opening balance	504.59	617.79
Changes in the Fair Valuation	691.52	(113.20)
<b>Closing balance</b>	<u>1,196.11</u>	<u>504.59</u>

## 14. BORROWINGS

Particulars	(₹ in Lacs)	
	March 31, 2020	March 31, 2019
<b>Non Current Borrowings</b>		
<b>Secured</b>		
Term Loans		
From Banks	9,949.80	9,641.81
From Others	201.63	-

(₹ in Lacs)

March 31, 2019

Particulars	March 31, 2020	March 31, 2019
<b>Unsecured</b>		
From Directors	653.22	-
From Others	197.75	-
(A)	<b>11,002.40</b>	<b>9,641.81</b>
<b>Current Maturity of Non Current Borrowings</b>		
<b>Secured</b>		
Term Loans		
From Banks	1,244.73	1,377.23
From Others	201.63	-
<b>Unsecured</b>		
From Directors	-	-
From Others	116.67	-
(B)	<b>1,563.03</b>	<b>1,377.23</b>
<b>Total (A)-(B)</b>	<b>9,439.37</b>	<b>8,264.58</b>

### Nature of Security and Terms of Repayment

- Term loan from Bank, balance outstanding amounting to INR 310.07 lakhs (March 31, 2019: INR 566.14 Lakhs ) is secured by first charge on the specific immovable property and guaranteed by Directors. Repayable in 115 EMI of INR 24.94 lakhs starting from November 2011. Last installment due in May, 2021 (Current Rate of Interest as on 31.03.2020 is 9.40% p.a.)
- Term loan from Bank, balance outstanding amounting to INR 798.53 lakhs (March 31, 2019: INR 943.52 Lakhs ) is secured by first charge on the specific immovable property and guaranteed by Directors. Repayable in 116 EMI of INR 20.09 lakhs starting from December, 2014. Last installment due in June, 2024 (Current Rate of Interest as on 31.03.2020 is 10.75% p.a.)
- Equipment and vehicle loan balance outstanding amounting to INR 231.30 lakhs (March 31, 2019: INR 349.66 lakhs) is secured by hypothecation of specific assets and guaranteed by Directors. Repayable in 36 EMI of INR 11.84 lakhs starting from Jan, 2018. Last installment due in Dec., 2021 (Current Rate of Interest as on 31.03.2020 is 8% p.a.)
- Equipment and vehicle loan balance outstanding amounting to INR 74.21 lakhs (March 31,2019: INR 110.34 Lakhs) is secured by hypothecation of specific assets and guaranteed by Directors. Repayable in 36 EMI of INR 3.64 lakhs starting from Feb., 2018. Last installment due in Jan., 2022 (Current Rate of Interest as on 31.03.2020 is 8% p.a.)
- Vehicle loans balance outstanding amounting to INR 120.12 lakhs (March 31, 2019: INR 252.06 Lakhs) is secured by hypothecation of specific vehicle and guaranteed by Directors. Repayable on various payment dates starting from Mar, 2016 and last installment due in June, 2021. (Rate of Interest ranging from 7.99% to 9.36% p.a.)
- ECB Loan from Bank, balance outstanding amounting to INR 2897.80 lakhs (March 31, 2019: INR 3272.27 Lakhs ) is secured by first charge on the specific immovable property and guaranteed by Directors. Repayable in 26 quarterly installment starting from February, 2017. Last installment due in May, 2023 (Current Rate of Interest as on 31.03.2019 is 5.16% p.a.)
- Equipment and vehicle loan balance outstanding amounting to INR 64.15 lakhs (March 31,2019: INR 84.52 lakhs) is secured by hypothecation of specific assets and guaranteed by Directors. Repayable in 47 EMI of INR 2.26 lakhs starting from Jan.,2019. Last installment due in Nov., 2022 (Current Rate of Interest as on 31.03.2020 is 9% p.a.)
- Equipment and vehicle loan balance outstanding amounting to INR 165.32 lakhs (March 31,2019: INR 219.69 lakhs) is secured by hypothecation of specific assets and guaranteed by Directors. Repayable in 47 EMI of INR 6.00 lakhs starting from Dec.,2018. Last installment due in Oct., 2022 (Current Rate of Interest as on 31.03.2020 is 9% p.a.)
- Equipment and vehicle loan balance outstanding amounting to INR 52.22 lakhs (March 31,2019: INR 99.75 lakhs) is secured by hypothecation of specific assets and guaranteed by Directors. Repayable in 36 EMI of INR 4.58 lakhs starting from April, 2018. Last installment due in March, 2021 (Current Rate of Interest as on 31.03.2020 is 9.50% p.a.)
- Equipment and vehicle loan balance outstanding amounting to INR 201.63 lakhs (March 31,2019: INR NIL) is secured by hypothecation of various assets and guaranteed by Directors. Repayable in 18 EMI of INR 29.82 lakhs starting from April, 2019. Last installment due in October, 2020 (Current Rate of Interest as on 31.03.2020 is 10.50% p.a.)

- k. Term Loan from Bank, balance outstanding amounting to INR 5236.08 lakhs (March 31, 2019: INR 3743.86 lakhs) is secured by first charge on some specific immovable properties alongwith all the assets of new engineered stone project and guaranteed by Directors/Group Company. Repayable in 10 years including moratorium period of two years and quarterly installment starting from June 2021. Last installment due in March, 2029 (Current Rate of Interest as on 31.03.2020 is 6.05% to 6.73% p.a.).
- l. Unsecured loan from others balance outstanding amounting to INR 166.66 lakhs (March 31,2019: INR NIL). Repayable in 18 EMI of INR 16.67 lakhs (excluding interest) starting from June, 2019. Last installment due in December, 2020 (Current Rate of Interest as on 31.03.2020 is 12% p.a.)
- m. Unsecured loan from others balance outstanding amounting to INR 31.09 lakhs (March 31,2019: INR NIL). Repayable on completion of 2 years (Rate of Interest 6% p.a.)
- n. Unsecured loan from Directors balance outstanding amounting to INR 653.22 lakhs (March 31,2019: INR NIL). Repayable on completion of 2 years (Rate of Interest 6% p.a.)

Particulars	(₹ in Lacs)	
	March 31, 2020	March 31, 2019
<b>Current Borrowings</b>		
<b>Secured</b>		
(a) Cash Credit / WCDL / Overdraft from Bank	3,411.91	3,624.79
(b) Bills Payable	9,216.34	2,497.85
<b>Unsecured</b>		
(c) Loans from Others	-	-
<b>Total</b>	<u>12,628.25</u>	<u>6,122.64</u>

#### Nature of Security

- (a) Cash Credit/ WCDL from bank is secured by first charge by way of hypothecation of mining and stone related business stock, book debts, etc. and equitable mortgage on specific immovable property and guaranteed by Directors.
- (b) Bills Payable balance outstanding amounting to INR 2496.76 lakhs (March 31,2019: INR 2497.85 lakhs) is secured by first charge by way of hypothecation of trading business related stock, book debts etc. and equitable mortgage on specific immovable properties and guaranteed by Directors.
- (c) Bills Payable (CAPEX LC) balance outstanding amounting to INR 6719.58 lakhs (March 31,2019: INR NIL) is secured by first charge on some specific immovable properties alongwith all the assets of new engineered stone project and guaranteed by Directors/Group Company.

#### Net Debt Reconciliation

Particulars	(₹ in Lacs)		
	Liabilities from financing activities		
	Non Current Borrowings	Current Borrowings	Total
<b>Net Debt as at April 1, 2018</b>	6,497.54	5,466.13	11,963.67
Cash Inflows	4,215.54	2,866.66	7,082.20
Cash Outflows	(1,035.97)	(2,210.15)	(3,246.12)
Interest Expense	455.20	272.47	727.67
Interest Paid	(455.92)	(272.47)	(728.39)
<b>Net Debt as at March 31, 2019</b>	9,676.39	6,122.64	15,799.03
Cash Inflows	3,204.53	9,003.46	12,207.99
Cash Outflows	(1,843.94)	(2,497.85)	(4,341.79)
Interest Expense	476.67	296.38	773.05
Interest Paid	(428.27)	(296.38)	(724.65)
<b>Net Debt as at March 31, 2020</b>	11,085.38	12,628.25	23,713.63

**15. INCOME TAX**  
**Deferred Tax**

(₹ in Lacs)

Particulars	March 31, 2020	March 31, 2019
<b>Deferred tax relates to the following:</b>		
Accelerated Depreciation for Tax purpose	(432.62)	(389.67)
Revaluation of FVTOCI investments to fair value	(339.61)	(130.12)
Carry forward of unused Business Losses	100.53	-
Disallowances u/s 35DD, 35E & 43B of Income Tax Act, 1961	199.05	37.82
Impairment on Financial Assets	93.73	62.36
<b>Net Deferred Tax Assets / (Liabilities)</b>	<b>(378.92)</b>	<b>(419.61)</b>
<b>Movement in deferred tax liabilities/assets</b>		
<b>Opening balance as of April 1</b>	<b>(419.61)</b>	<b>(457.45)</b>
Pursuant to amalgamation of DMEPL with the Company (Refer Note 33)	39.96	-
Tax income/(expense) during the period recognised in Statement of Profit and Loss	173.52	4.10
Tax income/(expense) during the period recognised in Other Comprehensive Income	(172.79)	33.74
<b>Closing balance as at March 31</b>	<b>(378.92)</b>	<b>(419.61)</b>

The Company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority

**Major Components of income tax expense for the years ended March 31, 2020 and March 31, 2019 are as follows:**

**i. Income tax recognised in profit or loss**

(₹ in Lacs)

Particulars	2019-20	2018-19
Current income tax charge	-	760.69
Adjustment in respect of current income tax of previous year	18.59	33.23
<b>Deferred tax</b>		
Relating to origination and reversal of temporary differences	(173.52)	(4.10)
<b>Income tax expense recognised in profit or loss</b>	<b>(154.93)</b>	<b>789.82</b>

**ii. Income tax recognised in OCI**

(₹ in Lacs)

Particulars	2019-20	2018-19
Unrealised (gain)/loss on FVTOCI equity securities	209.49	(33.74)
Net loss/(gain) on remeasurements of defined benefit plans	(36.70)	(11.18)
<b>Income tax expense recognised in OCI</b>	<b>172.79</b>	<b>(44.92)</b>

**Reconciliation of tax expense and accounting profit multiplied by income tax rate for March 31, 2020 and March 31, 2019**

(₹ in Lacs)

Particulars	2019-20	2018-19
Profit before tax	(465.24)	2,698.73
Enacted tax rate in India	29.120%	29.120%
<b>Income tax on accounting profits</b>	<b>-</b>	<b>785.87</b>
<b>Tax Effect of</b>		
Expenses not allowable or considered separately under Income Tax	109.90	41.47
Capital Gain	-	10.47
Expenses allowable and others	(109.90)	(77.12)
Deferred Tax relating to origination and reversal of temporary differences	(173.52)	(4.10)
Tax relating to earlier years	18.59	33.23
<b>Tax at effective income tax rate</b>	<b>(154.93)</b>	<b>789.82</b>

## 16. TRADE PAYABLES

Particulars	(₹ in Lacs)	
	March 31, 2020	March 31, 2019
<b>Current</b>		
Trade Payables to Micro, Small and Medium Enterprises	-	-
Trade Payables to Others	326.94	64.97
<b>Total</b>	<b>326.94</b>	<b>64.97</b>

Note: Based on the information and explanation available with management there are no amounts due to the suppliers covered under the Micro, Small and Medium Enterprises Development Act, 2006.

## 17. OTHER FINANCIAL LIABILITIES

Particulars	(₹ in Lacs)	
	March 31, 2020	March 31, 2019
<b>Current</b>		
<b>Financial Liabilities at amortised cost</b>		
Current maturities of long term debts	1,563.03	1,377.23
Interest accrued but not due on borrowings	82.98	34.58
Unclaimed Dividend	43.98	40.28
Unclaimed amount of sale proceeds of fractional coupons of bonus shares issued *	0.02	0.02
Unclaimed Matured Public Deposits *	0.50	0.50
Retention Money and Other Deposits	93.59	5.63
Creditors for Capital goods	261.60	-
Dues to employees	354.61	373.00
Other Payables	305.92	210.29
<b>Total</b>	<b>2,706.23</b>	<b>2,041.53</b>

\* These figures do not include any amounts, due and outstanding, to be credited to Investor Education and Protection Fund.

## 18. OTHER LIABILITIES

Particulars	(₹ in Lacs)	
	March 31, 2020	March 31, 2019
<b>Current</b>		
Advance received from Customers	907.00	733.08
Advance received for sale of property, plant and equipment	47.18	28.91
Statutory Liabilities	377.13	208.16
<b>Total</b>	<b>1,331.31</b>	<b>970.15</b>

## 19. PROVISIONS

Particulars	(₹ in Lacs)	
	March 31, 2020	March 31, 2019
<b>Non Current</b>		
Provision for employee benefits	5.06	-
<b>Total</b>	<b>5.06</b>	<b>-</b>
<b>Current</b>		
Provision for employee benefits	258.69	121.88
<b>Total</b>	<b>258.69</b>	<b>121.88</b>

## 20. CURRENT TAX LIABILITY(NET)

Particulars	(₹ in Lacs)	
	March 31, 2020	March 31, 2019
Opening balance	-	-
Add: Current tax payable for the year	-	760.69
Less: Taxes paid	-	(760.69)
<b>Closing Balance</b>	<b>-</b>	<b>-</b>

## 21. REVENUE FROM OPERATIONS

Particulars	(₹ in Lacs)	
	2019-20	2018-19
<b>Sale of Products</b>		
- Stones	9,863.04	13,716.50
- Wind Power	83.54	96.69
- Traded Goods Sold	4,400.87	4,284.71
<b>Total</b>	<b>14,347.45</b>	<b>18,097.90</b>

## 22. OTHER INCOME

Particulars	(₹ in Lacs)	
	2019-20	2018-19
Interest income on		
- Bank deposits	37.92	37.98
- Loans to Subsidiary (Refer Note 32)	13.41	189.24
- Loans to others	34.75	166.81
<b>Other Non Operating Income</b>		
Net gain on disposal of property, plant and equipment	-	34.25
Insurance Claim Received	13.41	13.86
Miscellaneous Income	393.59	297.51
<b>Total</b>	<b>493.08</b>	<b>739.65</b>

## 23. PURCHASES OF STOCK-IN-TRADE

Particulars	(₹ in Lacs)	
	2019-20	2018-19
Purchase of Traded Goods	4,331.42	4,234.45
<b>Total</b>	<b>4,331.42</b>	<b>4,234.45</b>

## 24. CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK-IN-PROGRESS

Particulars	(₹ in Lacs)	
	2019-20	2018-19
<b>Inventories as at the beginning of the year</b>		
Work - in - process	874.09	671.38
Finished goods	914.47	1,026.30
Additions pursuant to amalgamation of DMEPL with the Company (Refer Note 33)	43.44	-
<b>Total</b>	<b>1,832.00</b>	<b>1,697.68</b>
<b>Less : Inventories as at the end of the year</b>		
Work - in - process	507.19	874.09
Finished goods	1,128.78	914.47
<b>Total</b>	<b>1,635.97</b>	<b>1,788.56</b>
<b>Net decrease / (increase) in inventories</b>	<b>196.03</b>	<b>(90.88)</b>

**25. EMPLOYEE BENEFITS EXPENSE**

Particulars	(₹ in Lacs)	
	2019-20	2018-19
Salaries, wages and bonus	2,296.62	2,537.24
Directors Remuneration	351.00	351.00
Contribution to provident and other funds	314.21	327.70
Staff welfare expenses	33.01	28.80
<b>Total</b>	<b>2,994.84</b>	<b>3,244.74</b>

**26. FINANCE COST**

Particulars	(₹ in Lacs)	
	2019-20	2018-19
Interest expense on debts and borrowings	773.05	727.67
Bank Charges	10.91	8.96
<b>Total</b>	<b>783.96</b>	<b>736.63</b>

**27. DEPRECIATION AND AMORTISATION EXPENSE**

Particulars	(₹ in Lacs)	
	2019-20	2018-19
Depreciation on Property, Plant and Equipment	603.64	562.49
Amortisation on Intangible Assets	23.51	3.19
<b>Total</b>	<b>627.15</b>	<b>565.68</b>

**28. OTHER EXPENSES**

Particulars	(₹ in Lacs)	
	2019-20	2018-19
<b>Mining and Production Expenses</b>		
Purchase	105.46	170.40
Stores and Spare parts consumed	316.95	386.22
Raising and Mining Expenses	197.80	462.32
Power and Fuel	2,423.44	2,949.84
Royalty and DMFT Contribution on stone	1,416.46	1,864.10
Repairs to Machinery	160.70	147.37
Other Manufacturing expenses	426.55	321.83
<b>(A)</b>	<b>5,047.36</b>	<b>6,302.08</b>
<b>Selling and Distribution Expenses</b>		
Commission on sales	186.71	256.20
Other Selling and Distribution Expenses	19.29	77.31
<b>(B)</b>	<b>206.00</b>	<b>333.51</b>
<b>Establishment Expenses</b>		
Payment to Auditors (Refer Note (a) below)	7.35	8.17
Insurance	48.40	40.94
Legal and professional fees	94.70	72.85
Rates and taxes	18.16	31.42
Rent	90.41	87.26
Repairs to Building and Others	79.09	62.19
Travelling and conveyance expenses	106.88	92.91
Net loss on disposal of property, plant and equipment	1.26	-
Allowance for doubtful debts and advances	107.72	102.58
Corporate social responsibility expenditure (Refer Note (b) below)	15.92	36.75
Director Fees	0.24	0.28
Charity and Donations	0.15	2.55
General Expense	548.73	274.71
<b>(C)</b>	<b>1,119.01</b>	<b>812.61</b>
<b>Total (A+B+C)</b>	<b>6,372.37</b>	<b>7,448.20</b>



**(a) Details of Payments to auditors**

Particulars	(₹ in Lacs)	
	2019-20	2018-19
Audit Fee	5.10	5.00
Tax audit fee	0.90	0.75
Limited review fee	0.75	0.75
Reimbursement of expenses	0.60	1.67
<b>Total</b>	<b>7.35</b>	<b>8.17</b>

**(b) Corporate social responsibility expenditure**

- (i) CSR amount required to be spent as per Section 135 of the Companies Act, 2013 by the Company during the year is INR 66.02 Lakhs including previous unspent amount of INR 17.21 Lakhs (Previous Year INR 53.96 Lakhs including previous unspent amount of INR 10.36 Lakhs).
- (ii) During the year, expenditure related to Corporate Social Responsibility is INR 15.92 Lakhs (Previous Year INR 36.75 Lakhs). Details of Amount Spent towards CSR given below:

Particulars	(₹ in Lacs)	
	2019-20	2018-19
Education Projects	5.23	1.12
Safe Drinking Water Projects	4.17	12.07
Healthcare Projects	-	4.86
Swachh Bharat Abhiyan Projects	-	0.47
Rural Development Projects	-	13.45
Natural Calamities Relief Projects	5.41	-
Other Projects	1.11	4.78
<b>Total</b>	<b>15.92</b>	<b>36.75</b>

**29. EARNINGS PER SHARE**

Particulars	(₹ in Lacs)	
	March 31, 2020	March 31, 2019
<b>(a) Basic earnings per share</b>	<b>(0.34)</b>	<b>2.30</b>
<b>(b) Diluted earnings per share</b>	<b>(0.34)</b>	<b>2.30</b>
<b>(c) Reconciliations of earnings used in calculating earnings per share</b>		
Profit attributable to the equity holders of the company used in calculating basic earnings per share	(310.31)	1,908.91
Adjustemnt for calculating diluted earnings per share	-	-
<b>Profit attributable to the equity holders of the company used in calculating dilluted earnings per share</b>	<b>(310.31)</b>	<b>1,908.91</b>
<b>(d) Weighted average number of shares used as the denominator</b>		
Weighted average number of equity shares used as the denominator in calculating basic earnings per share	90,074,910	82,854,663
Adjustemnt for calculating diluted earnings per share	-	-
<b>Weighted average number of equity shares used as the denominator in calculating dilluted earnings per share</b>	<b>90,074,910</b>	<b>82,854,663</b>

### 30. COMMITMENTS AND CONTINGENCIES

	(₹ in Lacs)	
	March 31, 2020	March 31, 2019
<b>A. Commitments</b>		
<b>Capital Commitments</b>		
Estimated amount of contracts remaining to be executed on capital account not provided for (net of advances)	72.13	7,686.75
<b>B. Contingent Liabilities</b>		
<b>i. Claim against the company not acknowledged as debt - Labour cases and others</b>	70.37	79.37
<b>ii. Guarantees excluding financial guarantees</b>		
Counter guarantees given by the Company in respect of guarantees given by the Bank to Government authorities and others	252.02	252.02
<b>iii. Liabilities disputed for which no provision has been made in the accounts as same is contested in appeal by the Company</b>		
Cess matter and others	170.62	108.96
<b>C. Financial Guarantees</b>		
Corporate Guarantee in favour of Foreign Bank for Working Capital and Term Loan facility sanctioned to Subsidiary/JV	<u>6,209.44</u>	<u>5,697.14</u>

### 31. DISTRIBUTION MADE AND PROPOSED

	(₹ in Lacs)	
	March 31, 2020	March 31, 2019
<b>Cash dividends</b>		
<b>Particulars</b>		
<b>Cash dividends on equity shares declared and paid:</b>		
Final dividend for the year ended on March 31, 2020: INR 0.30 per share (March 31 2019: INR 0.30 per share)	248.56	248.56
DDT on final dividend	51.09	51.09
	<u>299.65</u>	<u>299.65</u>
<b>Proposed dividends on Equity Shares:</b>		
Final cash dividend for the year ended on March 31, 2020: INR NIL (March 31, 2019: INR 0.30 per share)	-	248.56
DDT on proposed dividend	-	51.09
	<u>-</u>	<u>299.65</u>

### 32. RELATED PARTY TRANSACTIONS

#### (i) List of related parties as per the requirements of Ind-AS 24 - Related Party Disclosures

Name of Related Party	Nature of Relationship
<b>A. Key Management Personnel(KMP) :</b>	
1. Shri Deepak Jatia	Chairman and Managing Director
2. Shri Tushya Jatia	Executive Director
3. Smt Anita Jatia	Executive Director
4. Shri S.R.Soni	Chief Executive Officer
5. Shri Pavan Kumar Soni	Chief Financial Officer
6. Shri Manoj Jain	Company Secretary
<b>B. Foreign Subsidiaries</b>	
1. ASI Global Limited, Mauritius	
2. Al Rawasi Rocks & Aggregate LLC, UAE	
<b>C. Other Related Parties - Enterprise over which KMPs are able to exercise significant influence</b>	
1. Stone Masters (India) Private Limited, India - Associate Company	
2. DeeJay Mining & Exports Private Limited, India (upto 31.03.2019)	

	(₹ in Lacs)	
	March 31, 2020	March 31, 2019
<b>(ii) Transactions with related parties</b>		
<b>A. Transactions occurred with related parties referred to in A above, in ordinary course of Business</b>		
<b>Nature of Transaction</b>		
Interest paid on Loan	25.43	5.95
Net Loans and Advances taken / (Repaid)	653.22	-
<b>B. Transactions occurred with related parties referred to in B above, in ordinary course of Business</b>		
<b>Nature of Transaction</b>		
Onward Lending of ECB Loan	(3,287.28)	(504.62)
Interest and Commission	13.41	189.24
Sale of Material	-	13.77
<b>C. Transactions occurred with related parties referred to in C above, in ordinary course of Business</b>		
<b>Nature of Transaction</b>		
Purchase of Assets	-	17.70
<b>(iii) Outstanding balances from related parties</b>		
<b>Nature of Transaction</b>		
Loans Receivables	-	3,287.28
Borrowings from Directors	653.22	-
<b>(iv) Key management personnel compensation</b>		
Short term employee benefits	402.82	402.84
Post-employment benefits	53.40	52.50
	<b>456.22</b>	<b>455.34</b>
<b>(v) Terms and conditions of transactions with related parties</b>		

The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding loan balances at the year end are unsecured and interest bearing and trade and other receivables are unsecured and interest free and settlement occurs in cash. The Company has issued corporate guarantees to the lenders of the subsidiary company as an additional comfort as per the terms of arrangement. For the year ended March 31, 2020, the Company has not recorded any impairment of receivables relating to amount owed by related parties (March 31, 2019: NIL). This assessment is undertaken each financial year through examining the financial position of the related party and market in which the related party operates.

### 33. AMALGAMATION OF DEEJAY MINING AND EXPORTS PRIVATE LIMITED (DMEPL) WITH THE COMPANY

Pursuant to the order dated 23.04.2020 as passed by the Hon'ble NCLT, Mumbai M/s. Deejay Mining and Exports Private Limited (DMEPL) ("Transferor Company") was amalgamated with M/s. ASI Industries Limited (ASI) ("Transferee Company"). The appointed date of the sanctioned scheme was 1st April, 2018.

The scheme of amalgamation was approved by the respective shareholders of the transferor and transferee company. All the required approvals were taken from Securities and Exchange Board of India (SEBI), Stock Exchanges and other required authorities.

The scheme sanctioned on 23.04.2020 was effective on 18.05.2020, i.e. the date on which the scheme along with all approvals was filed with the Registrar of Companies (ROC) at Mumbai. Upon the scheme becoming effective the Transferor Company stands dissolved as the entire business and all its assets and liabilities, duties and obligations of the Transferor Company have been transferred to and vested in the Transferee Company with effect from the appointed date.

The entire effects of the amalgamation as sanctioned in the said scheme has been taken into the effect w.e.f the appointed date and accordingly accounted for in the current financial year i.e. 2019-20 of the transferee company.

In Compliance with the scheme, on merger of DMEPL i.e. Transferor Company with the Transferee Company, 4,07,14,762 equity shares of ASI held by DMEPL were cancelled and 4,79,35,009 equity shares were issued afresh to shareholders of DMEPL without payment being received in cash in the ratio 17,484 equity shares of the Transferee Company of Re. 1 each fully paid up for every 1000 equity shares of held in the Transferor Company of Rs. 10 each fully paid up.

On the Scheme becoming effective, the Company has accounted for the amalgamation of the Transferor Company in the books of accounts in accordance with ' Pooling of Interest Method' as per Ind-AS 103 issued by The Institute of Chartered Accountants of India and as notified under the scheme.

Accordingly, all assets, liabilities, reserves, benefits under income tax, duties and obligations of the Transferor Company after eliminating the inter-company transactions have been recorded at their carrying amounts and the only adjustments made are to harmonise accounting policies.

The aggregate carrying balances of the Transferor Company which merge into the Company after the effects of amalgamation and alignment of accounting policies and practices, transaction between Transferor Company and the Company are as under:

<b>Particulars</b>	<b>Transferor Company</b>	<b>Elimination</b>	<b>Adjustments</b>	<b>Total</b>
<b>Assets</b>				
Property, Plant and Equipment	474.41	-	1610.91	2,085.32
Capital Work-in-Progress	44.91	-	-	44.91
Intangible Assets	153.74	-	-	153.74
Non-Current Investments	82.29	-	992.80	1,075.09
Deferred Tax Assets (Net)	39.97	-	-	39.97
Other Non-Current Assets	104.47	-	-	104.47
Inventories	43.57	-	-	43.57
Current Investments	233.96	(204.82)	87.50	116.64
Trade Receivables	98.17	-	-	98.17
Cash and Cash Equivalents	25.90	-	-	25.90
Other Financial Assets	7.57	-	-	7.57
Other Current Assets	78.16	-	-	78.16
<b>Total Assets</b>	<b>1,387.12</b>	<b>(204.82)</b>	<b>2691.21</b>	<b>3,873.51</b>
<b>Equity and Liabilities</b>				
<b>Equity</b>				
Equity Share capital	274.16	(274.16)	-	-
Other Equity	856.87	69.34	2691.21	3,617.42
<b>Total Equity</b>	<b>1131.03</b>	<b>(204.82)</b>	<b>2691.21</b>	<b>3617.42</b>
<b>Liabilities</b>				
Long Term Provisions	0.26	-	-	0.26
Trade Payables	8.43	-	-	8.43
Other Financial Liabilities	37.70	-	-	37.70
Other Current Liabilities	208.54	-	-	208.54
Short Term Provisions	1.16	-	-	1.16
<b>Total Liabilities</b>	<b>256.09</b>	<b>-</b>	<b>-</b>	<b>256.09</b>
<b>Total Equity and Liabilities</b>	<b>1387.12</b>	<b>(204.82)</b>	<b>2691.21</b>	<b>3873.51</b>

**34. EMPLOYEE BENEFIT OBLIGATIONS**

(₹ in Lacs)

Particulars	March 31, 2020			March 31, 2019		
	Current	Non Current	Total	Current	Non Current	Total
Leave obligations	85.27	-	85.27	83.78	-	83.78
Gratuity	156.20	5.06	161.26	34.15	-	34.15
<b>Total Employee Benefit Obligation</b>	<b>241.47</b>	<b>5.06</b>	<b>246.53</b>	117.93	-	117.93

**(i) Leave Obligations**

The leave obligations cover the company's liability for earned leave.

The amount of the provision of INR 85.27 Lakhs (March 31, 2019: INR 83.78 Lakhs) is presented as current, since the company does not have an unconditional right to defer settlement for any of these obligations.

**(ii) Post Employment obligations**
**(A) Gratuity**

The company provides for gratuity for employees in india as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of five years are eligible for gratuity. The amount of gratuity is payable on retirement/ termination of service.

The gratuity plan is a funded plan and the Company makes contribution to recognised Gratuity Fund managed by the trust.

**The amount recognised in the balance sheet and the movement in the net defined benefit obligation over the period are as follows**

Particulars	Present value of obligation	Fair value of plan assets	Net amount
<b>As at April 1, 2018</b>	1,479.44	(1,511.91)	(32.47)
Current service cost	50.77	-	50.77
Past service cost	-	-	-
Interest expense/(income)	115.40	(117.93)	(2.53)
<b>Total amount recognised in profit or loss</b>	<b>166.17</b>	<b>(117.93)</b>	<b>48.24</b>
<i>Remeasurements</i>			
Return of plan assets, excluding amount included in interest (income)	-	(6.43)	(6.43)
(Gain)/Loss from change in financial assumptions	9.34	-	9.34
Experience (gains)/losses	35.47	-	35.47
<b>Total amount recognised in other comprehensive income</b>	<b>44.81</b>	<b>(6.43)</b>	<b>38.38</b>
Employer contributions	-	(20.00)	(20.00)
Benefit payments	(214.00)	214.00	-
<b>As at March 31, 2019</b>	<b>1,476.42</b>	<b>(1,442.27)</b>	<b>34.15</b>
Current service cost	47.63	-	47.63
Past service cost	-	-	-
Interest expense/(income)	112.80	(110.19)	2.61
<b>Total amount recognised in profit or loss</b>	<b>160.43</b>	<b>(110.19)</b>	<b>50.24</b>
<i>Remeasurements</i>			
Return of plan assets, excluding amount included in interest (income)	-	(6.10)	(6.10)
(Gain)/Loss from change in financial assumptions	62.72	-	62.72
Experience (gains)/losses	69.40	-	69.40
<b>Total amount recognised in other comprehensive income</b>	<b>132.12</b>	<b>(6.10)</b>	<b>126.02</b>
Employer contributions	-	(49.15)	(49.15)
Benefit payments	(238.93)	238.93	-
<b>As at March 31, 2020</b>	<b>1,530.04</b>	<b>(1,368.78)</b>	<b>161.26</b>

The net liability disclosed above relates to funded and unfunded plans are as follows:

Particulars	March 31, 2020	March 31, 2019
Present value of funded obligations	1,530.04	1,476.42
Fair value of plan assets	(1,368.78)	(1,442.27)
Deficit of gratuity plan	<u>161.26</u>	<u>34.15</u>

The significant actuarial assumptions were as follows:

Particulars	March 31, 2020	March 31, 2019
Discount rate	6.56%	7.64%
Expected return on plan assets	6.56%	7.64%
Salary growth rate	4.00%	4.00%
Employee Turnover Rate	1.00%	1.00%

A quantitative sensitivity analysis for significant assumption as at March 31, 2020 is shown below:

Assumptions	Discount rate		Salary growth rate		Employee Turnover	
	0.5% increase	0.5% decrease	0.5% increase	0.5% decrease	0.5% increase	0.5% decrease
<b>March 31, 2020</b>						
Impact on defined benefit obligation	(29.75)	31.08	31.20	(30.16)	4.04	(4.20)
% Impact	(0.18)	0.19	0.19	(0.19)	0.03	(0.03)
<b>March 31, 2019</b>						
Impact on defined benefit obligation	(28.79)	30.02	30.59	(29.61)	5.48	(5.68)
% Impact	(0.84)	0.88	0.90	(0.87)	0.16	(0.17)

The sensitivity analysis above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

The following payments are expected contributions to the defined benefit plan in future years:

Particulars	₹ in Lacs	
	March 31, 2020	March 31, 2019
1st Following Year	309.52	299.70
2nd Following Year	137.19	98.64
3rd Following Year	233.96	222.35
4th Following Year	197.05	221.72
5th Following Year	153.91	189.90
Sum of years 6 to 10	691.73	694.20
Sum of years 11 and above	362.89	403.24
<b>Total expected payments</b>	<u>2,086.25</u>	<u>2,129.75</u>

The average duration of the defined benefit plan obligation at the end of the reporting period is 24.42 years (March 31, 2019: 25.55 years)

## (B) Defined contribution plans

The company also has defined contribution plans. The company pays provident fund contributions to approved provident fund trust and publicly administered provident funds. Contributions are made at the rate of 12% of basic salary as per regulations. The obligation of the company is limited to the amount contributed and it has no further contractual nor any constructive obligation. The expense recognised during the period towards defined contribution plan is INR 260.51 Lakhs (March 31, 2019: INR 275.36 Lakhs)

### 35. SEGMENT REPORTING

- A. For management purposes, the Company is organised into business units based on its products and services and has three reportable segments, i.e. Stone, Wind Power and Trading

No operating segments have been aggregated to form the above reportable operating segment

The Chief Operating Decision Maker ('CODM') monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the standalone financial statements.

**Year ended March 31, 2020**

	(₹ in Lacs)			
<b>Particulars</b>	<b>Stone</b>	<b>Wind Power</b>	<b>Trading</b>	<b>Total</b>
<b>Revenue</b>				
External customers	9,863.05	83.53	4,400.87	14,347.45
Inter-segment	-	-	-	-
	<b>9,863.05</b>	<b>83.53</b>	<b>4,400.87</b>	<b>14,347.45</b>
<b>Other Non Operating income</b>				
Other Income	478.71	14.37	-	493.08
<b>Total revenue</b>	<b>10,341.76</b>	<b>97.90</b>	<b>4,400.87</b>	<b>14,840.53</b>
<b>Expenses</b>				
Purchase of stock-in-trade	-	-	4,331.42	4,331.42
Change in inventories of finished goods, work-in-progress & stock-in-trade	196.03	-	-	196.03
Finance costs	783.96	-	-	783.96
Depreciation and amortisation	554.37	72.78	-	627.15
Other Expenses	9,318.27	48.94	-	9,367.21
<b>Total Expenses</b>	<b>10,852.63</b>	<b>121.72</b>	<b>4,331.42</b>	<b>15,305.77</b>
<b>Segment profit</b>	<b>(510.87)</b>	<b>(23.82)</b>	<b>69.45</b>	<b>(465.24)</b>
<b>Tax Expense</b>				154.93
<b>Profit after tax</b>				<b>(310.31)</b>
<b>Total assets</b>	53,260.26	777.59	1,772.84	55,810.69
<b>Total liabilities</b>	14,748.56	24.13	2,478.73	17,251.42
<b>Other disclosures</b>				
Capital expenditure incurred	18,073.53	-	-	18,073.53

<b>Year ended March 31, 2019</b>				
<b>Particulars</b>	<b>Stone</b>	<b>Wind Power</b>	<b>Trading</b>	<b>Total</b>
<b>Revenue</b>				
External customers	13,716.50	96.69	4,284.71	18,097.90
Inter-segment	-	-	-	-
	<b>13,716.50</b>	<b>96.69</b>	<b>4,284.71</b>	<b>18,097.90</b>
<b>Other Non Operating income</b>				
Other Income	739.65	-	-	739.65
<b>Total revenue</b>	<b>14,456.15</b>	<b>96.69</b>	<b>4,284.71</b>	<b>18,837.55</b>
<b>Expenses</b>				
Purchase of stock-in-trade	-	-	4,234.45	4,234.45
Change in inventories of finished goods, work-in-progress & stock-in-trade	(90.88)	-	-	(90.88)
Finance costs	736.63	-	-	736.63
Depreciation and amortisation	493.11	72.57	-	565.68
Other Expenses	10,626.56	66.38	-	10,692.94
<b>Total Expenses</b>	<b>11,765.42</b>	<b>138.95</b>	<b>4,234.45</b>	<b>16,138.82</b>
<b>Segment profit</b>	<b>2,690.73</b>	<b>(42.26)</b>	<b>50.26</b>	<b>2,698.73</b>
<b>Tax Expense</b>				<b>(789.82)</b>
<b>Profit after tax</b>				<b>1,908.91</b>
<b>Total assets</b>	40,538.32	856.85	1,817.99	43,213.16
<b>Total liabilities</b>	6,796.05	27.27	2,497.85	9,321.17
<b>Other disclosures</b>				
Capital expenditure incurred	1,632.11	-	-	1,632.11

#### Adjustments and eliminations

Current taxes and deferred taxes are not allocated to those segments as they are also managed on a group basis.

Capital expenditure consists of additions of property, plant and equipment and capital work-in-progress.

#### B. Information about geographical areas

##### Revenue from external customers

The company is domiciled in India. The amount of its revenue from external customers broken down by location of the customers is shown in the table below:

<b>Particulars</b>	<b>(₹ in Lacs)</b>	
	<b>For the year ended</b>	
	<b>March 31, 2020</b>	<b>March 31, 2019</b>
India	14,317.36	18,045.56
Outside India	30.09	52.34
<b>Total</b>	<b>14,347.45</b>	<b>18,097.90</b>

Revenue from two customers amounted to INR 4,400.87 Lakhs (March 31, 2019: three customers - INR 4,284.14 Lakhs) arising from sales in the Trading Segment and revenue from two customers amounted to INR 83.53 Lakhs (March 31, 2019: two customers - INR 96.69 Lakhs), arising from sales in the Wind Power Segment.



### 36. FAIR VALUE MEASUREMENTS

#### i. Financial Instruments by Category

(₹ in Lacs)

Particulars	Carrying Amount		Fair Value	
	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
<b>FINANCIAL ASSETS</b>				
<b>Amortised cost</b>				
Trade Receivables	6,760.04	8,415.97	6,760.04	8,415.97
Loans	10.28	3,298.49	10.28	3,298.49
Cash and Cash Equivalents	72.58	124.64	72.58	124.64
Other Bank Balances	1,250.86	622.65	1,250.86	622.65
Other Financial Assets	310.29	192.79	310.29	192.79
<b>FVTOCI</b>				
Investment in Equity Instruments	2,709.86	677.33	2,709.86	677.33
<b>Total</b>	<b>11,113.91</b>	<b>13,331.87</b>	<b>11,113.91</b>	<b>13,331.87</b>
<b>FINANCIAL LIABILITIES</b>				
<b>Amortised cost</b>				
Borrowings	23,630.65	15,764.45	23,630.65	15,764.45
Trade Payables	326.94	64.97	326.94	64.97
Other financial liabilities	1,143.20	664.30	1,143.20	664.30
<b>Total</b>	<b>25,100.79</b>	<b>16,493.72</b>	<b>25,100.79</b>	<b>16,493.72</b>

The management assessed that the fair value of cash and cash equivalent, trade receivables, trade payables, and other current financial assets and liabilities approximate their carrying amounts largely due to the short term maturities of these instruments.

The fair values for loans and other non current financial assets were calculated based on cash flows discounted using a current lending rate. They are classified as level 3 fair values in the Fair value hierarchy due to the inclusion of unobservable inputs including counterparty credit risk.

The fair values of non current borrowings are based on discounted cash flows using a current borrowing rate. They are classified as level 3 fair values in the fair value hierarchy due to the use of unobservable inputs, including own credit risk.

#### ii. Fair Value Hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are recognised and measure at fair value. To provide an indication about the reliability of the inputs used in determining fair value, the company has classified its financial instruments into three levels prescribed under the accounting standard. An explanation of each level follows underneath the table:

#### Assets and liabilities measured at fair value - recurring fair value measurement:

(₹ in Lacs)

Particulars	March 31, 2020			Total	March 31, 2019			Total
	Fair value measurement using				Fair value measurement using			
	Quoted prices in active markets (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)		Quoted prices in active markets (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	
<b>Fair Value Through Other Comprehensive Income</b>								
Quoted Equity shares	60.58	-	-	60.58	6.84	-	-	6.84
Unquoted Equity shares	-	-	2,649.28	2,649.28	-	-	670.49	670.49
<b>Total Financial Assets</b>	<b>60.58</b>	<b>-</b>	<b>2,649.28</b>	<b>2,709.86</b>	<b>6.84</b>	<b>-</b>	<b>670.49</b>	<b>677.33</b>

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

**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 are not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity shares.

### iii. Valuation technique used to determine fair value

Specific Valuation techniques used to value financial instruments include:

- the use of quoted market prices or dealer quotes for similar instruments
- the fair value of the remaining financial instruments is determined using discounted cash flow analysis

### iv. Valuation inputs and relationships to fair value

The significant unobservable inputs used in the fair value measurement categorised within Level 3 of the fair value hierarchy together with a quantitative sensitivity analysis as at March 31, 2020 and March 31, 2019 are shown as below:

Particulars	Valuation technique	Significant unobservable inputs	Sensitivity of the input to fair value
Unlisted equity shares	Net Assets / Breakup value method	Market value of Immovable properties	5% Increase (decrease) in the market value of the immovable properties will change other comprehensive income by INR 56.63 Lakhs (March 31, 2019 : INR 13.26 Lakhs)

### v. Valuation processes

The finance department of the company includes a team that performs the valuations of financial assets and liabilities required for financial reporting purposes, including level 3 fair values. This team reports directly to the chief financial officer (CFO) and the audit committee. Discussions of valuation processes and results are held between the CFO, audit committee and the valuation team regularly.

### vi. Reconciliation of fair value measurement of financial assets classified as FVTOCI (Level 3):

Particulars	(₹ in Lacs)
<b>As at April 1, 2018</b>	<b>814.05</b>
Remeasurement recognised in OCI	(143.56)
Sale of investment	-
<b>As at March 31, 2019</b>	<b>670.49</b>
Pursuant to amalgamation of DMEPL with the Company (Refer Note 33)	1,073.90
Remeasurement recognised in OCI	904.89
Sale of investment	-
<b>As at March 31, 2020</b>	<b>2,649.28</b>

## 37. FINANCIAL RISK MANAGEMENT

The Company's activity exposes it to market risk, liquidity risk and credit risk. Company's overall risk management focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the company. This note explains the sources of risk which the entity is exposed to and how the company manages the risk.

## (A) Credit risk

Credit risk is the risk that the counterparty will not meet its obligations leading to a financial loss. Credit risk arises from cash and cash equivalents, financial assets carried at amortised cost and deposits with banks and financial institutions, as well as credit exposures to customers including outstanding receivables.

### i. Credit risk management

Credit risk has always been managed by the company through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the company grants credit terms in the normal course of business.

The company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk the Company compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportive forward-looking information.

In general, it is presumed that credit risk has significantly increased since initial recognition if the payments are more than 90 days past due.

A default on a financial asset is when the counterparty fails to make contractual payments of when they fall due. This definition of default is determined by considering the business environment in which entity operates and other macro-economic factors.

### ii. Provision for expected credit losses

The company follows 'simplified approach' for recognition of loss allowance on Trade receivables

As a practical expedient, the Company uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analyzed.

### iii. Reconciliation of loss allowance provision - Trade receivables

(₹ in Lacs)	
Particulars	Amount
<b>Loss allowance on April 1, 2018</b>	111.58
Changes in loss allowance	102.58
<b>Loss allowance on March 31, 2019</b>	<b>214.16</b>
Changes in loss allowance	107.72
<b>Loss allowance on March 31, 2020</b>	<b>321.88</b>

## (B) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due. The Company consistently generated sufficient cash flows from operations to meet its financial obligations. Also, the Company has unutilized credit limits with banks.

Management monitors rolling forecasts of the company's liquidity position (comprising the undrawn borrowing facilities) and cash and cash equivalents on the basis of expected cash flows. In addition, the company's liquidity management policy involves projecting cash flows and considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios against internal and external regulatory requirements.

### Maturities of financial liabilities

The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. In the table below, borrowings include both interest and principal cash flows. To the extent that interest rates are floating rate, the undiscounted amount is derived from interest rate curves at the end of the reporting period.

## Contractual maturities of financial liabilities

(₹ in Lacs)

Particulars	Carrying Amount	Contractual cash flows			
		Total	Less than 1 year	1 to 5 years	More than 5 years
<b>March 31, 2020</b>					
Borrowings	23,630.65	25,203.76	11,111.91	11,440.80	2,651.05
Trade payables	326.94	326.94	326.94	-	-
Other financial liabilities	1,143.20	1,143.20	1,143.20	-	-
<b>Total financial liabilities</b>	<b>25,100.79</b>	<b>26,673.90</b>	<b>12,582.05</b>	<b>11,440.80</b>	<b>2,651.05</b>
<b>March 31, 2019</b>					
Borrowings	15,764.45	18,154.15	8,115.18	7,260.08	2,778.89
Trade payables	64.97	64.97	64.97	-	-
Other financial liabilities	664.30	664.30	664.30	-	-
<b>Total financial liabilities</b>	<b>16,493.72</b>	<b>18,883.42</b>	<b>8,844.45</b>	<b>7,260.08</b>	<b>2,778.89</b>

## (C) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of change in market prices. Market risk comprises three types of risk: foreign currency risk, interest rate risk and other price risk such as commodity risk.

## (i) Foreign currency risk

Foreign currency risk is the risk of impact related to fair value or future cash flows of an exposure in foreign currency, which fluctuate due to changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the external commercial borrowings and export receivables.

The Company evaluates exchange rate exposure arising from foreign currency transactions and follows established risk management policies and standard operating procedures to mitigate the risks.

## (a) The company exposure to foreign currency risk at the end of the reporting period expressed in INR Lakhs are as follows

Particulars	(₹ in Lacs)		
	USD	EURO	Total
<b>March 31, 2020</b>			
Trade Receivables	-	-	-
Trade Payable	-	-	-
Foreign Currency Borrowings	(8,178.46)	(6,743.27)	<b>(14,921.73)</b>
Loans to subsidiary	-	-	-
Other receivables	-	-	-
Creditors for Capital Goods	(5.35)	(146.92)	<b>(152.27)</b>
<b>Net exposure to foreign currency risk</b>	<b>(8,183.81)</b>	<b>(6,890.19)</b>	<b>(15,074.00)</b>
<b>March 31, 2019</b>			
Trade Receivables	-	-	-
Trade Payable	-	-	-
Foreign Currency Borrowings	(7,033.71)	-	<b>(7,033.71)</b>
Loans to subsidiary	3,287.28	-	<b>3,287.28</b>
Other receivables	-	-	-
Creditors for Capital Goods	-	-	-
<b>Net exposure to foreign currency risk</b>	<b>(3,746.43)</b>	-	<b>(3,746.43)</b>

**(b) Foreign currency sensitivity**

1% increase or decrease in foreign exchange rates will have the following impact on profit before tax:

Particulars	(₹ in Lacs)			
	2019-20		2018-19	
	1% Increase	1% Decrease	1% Increase	1% Decrease
USD	(81.84)	81.84	(37.46)	37.46
EURO	(68.90)	68.90	-	-
<b>Net Increase/(decrease) in profit or loss</b>	<b>(150.74)</b>	<b>150.74</b>	<b>(37.46)</b>	<b>37.46</b>

**(ii) 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 Group's long-term debt obligations with floating interest rates. The Company manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings.

**Interest rate sensitivity**

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

**100 basis point increase or decrease in interest rates will have the following impact on profit before tax:**

Particulars	(₹ in Lacs)			
	2019-20		2018-19	
	100 basis point		100 basis point	
	Increase	Decrease	Increase	Decrease
USD	(52.36)	52.36	-	-
EURO	(67.20)	67.20	-	-
<b>Net Increase/(decrease) in profit or loss</b>	<b>(119.56)</b>	<b>119.56</b>	<b>-</b>	<b>-</b>

The assumed movement in basis points for the interest rate sensitivity analysis is based on the currently observable market environment.

**(iii) Commodity Price risk**

The company is affected by the price volatility of certain commodities. Its operating activities require the continuous purchase of High Speed Diesel (HSD). Due to the significantly increased volatility of the price of the HSD, the company is exposed to price risk. The Company has a risk management framework aimed at prudently managing the arising from the volatility in commodity prices.

**(D) Risk due to outbreak of COVID 19 pandemic**

World Health Organisation (WHO) declared outbreak of Coronavirus Disease (COVID-19) a global pandemic on March 11, 2020. Consequent to this, Government of India declared lockdown on March 23, 2020 and the Company temporarily suspended the operations in all the units of the Company in compliance with the lockdown instructions issued by the Central and State Governments. COVID-19 has impacted the normal business operations of the Company by way of interruption in production, unavailability of personnel, closure / lock down of production facilities etc. during the lockdown period. However, production and supply of goods has been resumed after the lockdown period.

The Company has made detailed assessment of its liquidity position for the next year and the recoverability and carrying value of its assets comprising property, plant and equipment, intangible assets, right of use assets, investments, inventory end trade receivables. Based on current Indicators of future economic conditions, the Company expects to recover the carrying amount of these assets. The situation is changing rapidly giving rise to inherent uncertainty around the extent and timing of the potential future impact of the COVID-19 which may be different from that estimated as at the date of approval of the financial results. The Company will continue to closely monitor any material changes arising of future economic conditions and impact on its business

**38. CAPITAL MANAGEMENT**

For the purpose of the company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity share holders. 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 company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The company includes within debt, interest bearing loans and borrowings, trade and other payables, less cash and cash equivalents.

Particulars	(₹ in Lacs)	
	March 31, 2020	March 31, 2019
Borrowings	23,630.65	15,764.45
Trade payables	326.94	64.97
Other financial liabilities	1,143.20	664.30
Less: cash and cash equivalents and other bank balances	<u>(1,279.44)</u>	<u>(706.99)</u>
<b>Net Debt</b>	<b>23,821.35</b>	<b>15,786.73</b>
Equity Share Capital	900.75	828.55
Other Equity	<u>27,835.17</u>	<u>24,379.25</u>
<b>Total Equity</b>	<b>28,735.92</b>	<b>25,207.80</b>
<b>Capital and net debt</b>	<b>52,557.27</b>	<b>40,994.53</b>
<b>Gearing ratio (%)</b>	<b>45.32</b>	<b>38.51</b>

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the borrowings that define capital structure requirements. The financial covenants relates to gearing ratio, ratio of net finance cost to EBITDA, fixed assets coverage ratio etc. The company has complied with these covenants throughout the reporting period.

**39. DETAILS OF LOANS GIVEN, INVESTMENTS MADE AND GUARANTEE GIVEN COVERED U/S 186 (4) OF THE COMPANIES ACT, 2013**

Loans given to and Corporate Guarantees given for the subsidiaries and Investments made are given under the respective heads.

**Loans given to others by the Company are as under:**

Sr. No.	Particulars	Nature	(₹ in Lacs)	
			March 31, 2020	March 31, 2019
1	Forum Infrastructure Pvt. Ltd. Pursuant to amalgamation of DMEPL with the Company (Refer Note 33)	ICD's	231.55	-

40. Financial Statements for the year ended March 31, 2020 are not comparable with the previous year due to the facts as mentioned in note 33. Previous year figures have been regrouped/ reclassified wherever considered necessary to confirm to the current year presentation.

As per our report of even date  
For S.C. Bandi & Co.  
Chartered Accountants  
Firm Registration Number: 130850W

S.C. Bandi  
Proprietor  
Membership No. 16932

Place: Mumbai  
Date: July 6, 2020

For and on behalf of the Board of Directors

S. R. Soni  
Chief Executive Officer

Pavan Kumar Soni  
Chief Financial Officer

Manoj Jain  
Company Secretary

Deepak Jatia  
Chairman & Managing Director  
(DIN : 01068689)

Tushya Jatia  
Executive Director  
(DIN: 02228722)

Place: Mumbai  
Date: July 6, 2020

## INDEPENDENT AUDITORS' REPORT

**To The Members of  
ASI INDUSTRIES LIMITED**

**Report on the Audit of the Consolidated Financial Statements**

### Opinion

We have audited the accompanying consolidated financial statements of **ASI INDUSTRIES LIMITED** ("the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), which includes the Group's share of profit in its associate, which comprise the Consolidated Balance Sheet as at March 31, 2020, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated 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 Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2020, the consolidated profit, consolidated total comprehensive income, consolidated changes in equity and its consolidated cash flows for the year ended on that date.

### Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules made 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 audit opinion on the consolidated 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 consolidated financial statements of the current period. These

matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming 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 be communicated in our report.

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

The Holding Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexure to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the consolidated financial statements and our auditor's report thereon.

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

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

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

The Holding Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated total comprehensive income, consolidated changes in equity and consolidated cash flows of the Group in accordance with the Ind AS and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group are responsible for maintenance of the adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group 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 consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the Group'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 respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

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

Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated 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 Holding 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 Group 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 consolidated 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 Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements.

Materiality is the magnitude of misstatements in the consolidated 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 consolidated 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.

### **Other Matters**

We did not audit the financial statements/ financial information of the foreign subsidiaries whose financial statements reflect total assets of Rs. 17,262.56 Lakhs as at March 31, 2020, total



revenues of Rs. 6,404.11 Lakhs, total net profit after tax of Rs. 3,402.32 Lakhs and net cash flows amounting to Rs. 504.14 Lakhs for the year ended on that date to the extent to which they are reflected in the consolidated financial statements. The consolidated financial statements also include the Group's share of net profit of Rs. 48.47 Lakhs for the year ended March 31, 2020, as considered in the consolidated financial statements, in respect of an associate, whose financial statements/ financial information have not been audited by us.

These financial statements of subsidiaries and associate were furnished to us and have been certified by the holding company's management.

Our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on certifications of the management.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the financial statements certified by the management.

#### 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 of the aforesaid consolidated financial statements.
  - b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books.
  - c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
  - d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2020 and taken on record by the Board of Directors of the Holding Company, none of the directors are disqualified as on March 31, 2020 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 Holding 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 Holding 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 Company has paid remuneration in excess of the limits prescribed under Section 197 read with Schedule V of the Companies Act, 2013, to the Managing Director and one of the Whole Time Director of the Company for the Financial Year 2019-20, and the same is subject to approval of Shareholders at the ensuing Annual General Meeting of the Company.
- 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. There were no pending litigations which would impact the consolidated financial position of the Holding Company and its subsidiary companies in the group.
  - ii. The Group has made provisions, 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 by the holding company incorporated in India.

**For S.C. Bandi & Co.**  
Chartered Accountants  
(FRN: 130850W)

**(S.C. Bandi)**  
Proprietor

Place: Mumbai  
Date: 6<sup>th</sup> July, 2020

Mem. No. - 16932  
UDIN: 20016932AAAAEW9450

**ANNEXURE “A” TO THE INDEPENDENT AUDITOR’S REPORT**

**(Referred to in paragraph 1 (f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the Members of ASI INDUSTRIES LIMITED of even date)**

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

In conjunction with our audit of the Consolidated Financial Statements of ASI INDUSTRIES LIMITED (hereinafter referred to as “the Holding Company”) as of and for the year ended March 31, 2020 we have audited internal financial controls over financial reporting of the Holding Company which is incorporated in India, as of that date.

**Management’s Responsibility for Internal Financial Controls**

The Board of Directors of the Holding Company, are 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 (‘the 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.

**Auditor’s Responsibility**

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Holding Company, 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”) issued by the Institute of Chartered Accountants of India and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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 judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Holding Company.

**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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised 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 Holding 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 March 31, 2020, 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.

Chartered Accountants  
(FRN: 130850W)

**(S.C. Bandi)**  
Proprietor

Place: Mumbai  
Date: 6<sup>th</sup> July, 2020

Mem. No. - 16932  
UDIN: 20016932AAAAEW9450

## CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2020

(₹ in Lacs)

Particulars	Notes	March 31, 2020	March 31, 2019
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
(a) Property, Plant and Equipment	4	26,709.01	25,388.98
(b) Capital Work-in-Progress	4	19,282.96	1,245.52
(c) Goodwill	5	2,191.95	2,011.11
(d) Other Intangible Assets	5	149.59	19.36
(e) Financial Assets			
(i) Investments	6(A)	2,697.74	670.49
(f) Other Non-Current Assets	11	562.50	5,643.43
		51,593.75	34,978.89
<b>Current assets</b>			
(a) Inventories	7	4,019.23	3,831.61
(b) Financial Assets			
(i) Investments	6(A)	60.58	6.84
(ii) Trade Receivables	8	10,352.51	12,374.75
(iii) Cash and Cash Equivalents	9	982.80	497.21
(iv) Bank Balances Other than (iii) above	10	1,330.60	693.64
(v) Loans	6(B)	14.09	15.68
(vi) Other Financial Assets	6(C)	343.37	264.67
(c) Other Current Assets	11	1,622.49	1,272.91
		18,725.67	18,957.31
<b>TOTAL</b>		70,319.42	53,936.20
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity Share capital	12	900.75	828.55
(b) Other Equity	13	32,158.58	24,751.97
		33,059.33	25,580.52
<b>Liabilities</b>			
<b>Non Current Liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	14	14,497.11	13,505.18
(b) Deferred Tax liabilities (Net)	15	378.92	419.61
(c) Provisions	19	5.06	-
		14,881.09	13,924.79
<b>Current Liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	14	13,685.76	6,926.46
(ii) Trade Payables	16	-	-
Micro, Small and Medium Enterprises			
Others		628.94	612.38
(iii) Other Financial Liabilities	17	6,284.58	5,687.00
(b) Other Current Liabilities	18	1,368.02	1,008.88
(c) Provisions	19	411.70	196.17
(d) Current Tax Liabilities (Net)	20	-	-
		22,379.00	14,430.89
<b>TOTAL</b>		70,319.42	53,936.20
Significant Accounting Policies and Notes on Accounts form an integral part of the financial statements.	1 to 43		

**As per our report of even date**

**For S.C. Bandi & Co.**  
Chartered Accountants  
Firm Registration Number: 130850W

**S.C. Bandi**  
Proprietor  
Membership No. 16932

Place: Mumbai  
Date: July 6, 2020

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

**S. R. Soni**  
Chief Executive Officer

**Pavan Kumar Soni**  
Chief Financial Officer

**Manoj Jain**  
Company Secretary

**Deepak Jatia**  
Chairman & Managing Director  
(DIN : 01068689)

**Tushya Jatia**  
Executive Director  
(DIN : 02228722)

Place: Mumbai  
Date: July 6, 2020

## CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2020

Particulars	Notes	(₹ in Lacs)	
		2019-20	2018-19
<b>REVENUE</b>			
Revenue from operations (net)	21	20,751.56	25,991.15
Other income	22	4,295.83	1,226.62
<b>Total Revenue (I)</b>		<b>25,047.39</b>	<b>27,217.77</b>
<b>EXPENSES</b>			
Purchases of stock-in-trade	23	4,332.33	4,234.45
Changes in inventories of finished goods and work-in-process	24	222.55	(304.79)
Employee benefits expense	25	3,777.26	4,205.47
Finance costs	26	909.90	912.70
Depreciation and amortization expense	27	1,667.54	1,590.88
Other expenses	28	11,200.73	13,543.17
<b>Total Expenses (II)</b>		<b>22,110.31</b>	<b>24,181.88</b>
<b>Profit/(Loss) before Share of Profit/ (Loss) of Associate, exceptional Items and tax(I-II)</b>		<b>2,937.08</b>	<b>3,035.89</b>
Share of Profit/ (Loss) of Associate		48.47	-
Profit/(Loss) before exceptional items and tax		2,985.55	3,035.89
Exceptional Items		-	-
<b>Profit before tax</b>		<b>2,985.55</b>	<b>3,035.89</b>
<b>Tax expense:</b>			
Current tax		-	760.69
Adjustment of tax relating to earlier periods		18.59	33.23
Deferred tax		(173.52)	(4.10)
<b>Profit for the period</b>		<b>3,140.48</b>	<b>2,246.07</b>
<b>OTHER COMPREHENSIVE INCOME</b>			
<b>A. Other Comprehensive income not to be reclassified to profit and loss in subsequent periods:</b>			
Remeasurement of gains (losses) on defined benefit plans		(126.02)	(38.38)
Income tax effect		36.70	11.18
Equity Instruments through Other Comprehensive Income		901.00	(146.94)
Income tax effect		(209.49)	33.74
<b>B. Other Comprehensive income to be reclassified to profit and loss in subsequent periods:</b>			
Exchanges differences in translating the financial statements of a foreign operation		499.89	166.73
<b>Other Comprehensive income for the year, net of tax</b>		<b>1,102.08</b>	<b>26.33</b>
<b>Total Comprehensive Income for the period, Net of Tax</b>		<b>4,242.56</b>	<b>2,272.40</b>
<b>Earnings per share for profit attributable to equity shareholders</b>	29		
Basic and Diluted		3.49	2.71
Significant Accounting Policies and Notes on Accounts form an integral part of the financial statements.	1 to 43		

**As per our report of even date**

**For S.C. Bandi & Co.**  
Chartered Accountants  
Firm Registration Number: 130850W

**S.C. Bandi**  
Proprietor  
Membership No. 16932

Place: Mumbai  
Date: July 6, 2020

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

**S. R. Soni**  
Chief Executive Officer

**Pavan Kumar Soni**  
Chief Financial Officer

**Manoj Jain**  
Company Secretary

**Deepak Jatia**  
Chairman & Managing Director  
(DIN : 01068689)

**Tushya Jatia**  
Executive Director  
(DIN: 02228722)

Place: Mumbai  
Date: July 6, 2020

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2020

### A. Equity Share Capital

(₹ in Lacs)

Particulars	Balance at the Beginning of the year	Changes in Equity share capital during the year	Balance at the end of the year
<b>March 31, 2019</b>			
Numbers	82,854,663	-	82,854,663
Amount	828.55	-	828.55
<b>March 31, 2020</b>			
Numbers	82,854,663	7,220,247	90,074,910
Amount	828.55	72.20	900.75

### B. Other Equity

(₹ in Lacs)

Particulars	Reserves and Surplus					Equity Instrument through OCI	Exchange Differences on Translating the Financial Statement of a Foreign Operation	Total
	General Reserve	Retained Earnings	Property, Plant and Equipment Reserve	Statutory Reserve	Amalgamation Adjustment Surplus Account			
As at April 1, 2018	3,074.81	10,277.90	8,748.49	109.74	-	617.79	(47.59)	22,781.14
Profit for the period	-	2,246.07	-	-	-	-	-	2,246.07
Other comprehensive income	-	(27.20)	-	-	-	(113.20)	166.73	26.33
<b>Total comprehensive income for the year</b>	-	<b>2,218.87</b>	-	-	-	<b>(113.20)</b>	<b>166.73</b>	<b>2,272.40</b>
Transfer from retained earnings	200.00	(223.77)	-	23.77	-	-	-	-
Transfer on sale of revalued assets	50.52	-	(52.44)	-	-	-	-	(1.92)
Equity dividend paid	-	(248.56)	-	-	-	-	-	(248.56)
Tax on equity dividend paid	-	(51.09)	-	-	-	-	-	(51.09)
<b>As at March 31, 2019</b>	<b>3,325.33</b>	<b>11,973.35</b>	<b>8,696.05</b>	<b>133.51</b>	-	<b>504.59</b>	<b>119.14</b>	<b>24,751.97</b>
Profit for the period	-	3,140.48	-	-	-	-	-	3,140.48
Other comprehensive income	-	(89.32)	-	-	-	691.51	499.89	1,102.08
<b>Total comprehensive income for the year</b>	-	<b>3,051.16</b>	-	-	-	<b>691.51</b>	<b>499.89</b>	<b>4,242.56</b>
Transfer from retained earnings	-	(341.61)	-	341.61	-	-	-	-
Transfer on sale of revalued assets	1.20	-	(4.83)	-	-	-	-	(3.63)
Equity Dividend Paid	-	(248.56)	-	-	-	-	-	(248.56)
Tax on equity dividend paid	-	(51.09)	-	-	-	-	-	(51.09)
Additions pursuant to amalgamation of DMEPL with the Company (Refer Note 35)	-	849.19	-	-	2,618.13	-	-	3,467.32
<b>As at March 31, 2020</b>	<b>3,326.53</b>	<b>15,232.44</b>	<b>8,691.22</b>	<b>475.12</b>	<b>2,618.13</b>	<b>1,196.11</b>	<b>619.03</b>	<b>32,158.58</b>

Significant Accounting Policies and Notes on Accounts form an integral part of the financial statements.

#### As per our report of even date

**For S.C. Bandi & Co.**  
Chartered Accountants  
Firm Registration Number: 130850W

**S.C. Bandi**  
Proprietor  
Membership No. 16932

Place: Mumbai  
Date: July 6, 2020

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

**S. R. Soni**  
Chief Executive Officer

**Pavan Kumar Soni**  
Chief Financial Officer

**Manoj Jain**  
Company Secretary

**Deepak Jatia**  
Chairman & Managing Director  
(DIN : 01068689)

**Tushya Jatia**  
Executive Director  
(DIN: 02228722)

Place: Mumbai  
Date: July 6, 2020

**CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2020**

	(₹ in Lacs)	
Particulars	2019-20	2018-19
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
<b>Profit before income tax:</b>	2,985.55	3,035.89
<b>Adjustments for:</b>		
Depreciation and amortisation expense	1,667.54	1,590.88
Net Loss (Gain) on disposal of property, plant and equipments	1.26	(33.12)
Allowance for loss on trade receivables	165.69	102.58
Profit on sale of investments	-	-
Dividend Income	(122.17)	-
Interest income classified as investing cash flows	(74.89)	(204.79)
Foreign Exchange Fluctuation	(73.42)	46.65
Other Miscellaneous	(7.13)	-
Finance Costs	909.90	912.70
Share of Profit in Associate	(48.47)	-
<b>Change in operating assets and liabilities:</b>		
(Increase)/Decrease in trade receivables	1,951.05	(1,744.35)
(Increase)/Decrease in inventories	(144.06)	(454.14)
(Increase)/decrease in other financial assets	(39.27)	(42.68)
(Increase)/Decrease in other assets	(199.75)	(162.05)
(Increase)/Decrease in other bank balances	(614.25)	(93.82)
Increase/(Decrease) in provisions	93.16	8.74
Increase/(Decrease) in trade payables	8.13	176.62
Increase/(Decrease) in other financial liabilities	755.33	702.54
Increase/(Decrease) in other liabilities	250.60	(1.72)
<b>Cash generated from operations</b>	<b>7,464.80</b>	<b>3,839.93</b>
Less: Income taxes paid	(417.23)	(754.24)
<b>Net cash inflow from operating activities</b>	<b>7,047.57</b>	<b>3,085.69</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Payments for property, plant and equipment	(12,718.98)	(7,793.61)
Proceeds from sale of investments	-	-
Payments for purchase of investments	-	-
(Increase)/decrease in loans	7.01	1,642.61
Proceeds from sale of property, plant and equipment	36.35	201.34
Dividend Income	122.17	-
Interest received	37.63	204.67
<b>Net cash outflow from investing activities</b>	<b>(12,515.82)</b>	<b>(5,744.99)</b>

Particulars	2019-20	2018-19
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>		
Proceeds from borrowings	14,654.88	9,194.48
Repayment of borrowings	(7,863.14)	(5,728.96)
Foreign Exchange Fluctuation Adjustment	320.04	430.92
Finance costs paid	(861.49)	(913.42)
Dividends paid	(248.56)	(248.56)
Dividend distribution tax paid	(51.09)	(51.09)
<b>Net cash inflow (outflow) from financing activities</b>	<b>5,950.64</b>	<b>2,683.37</b>
Net increase (decrease) in cash and cash equivalents	482.39	24.07
Cash and Cash Equivalents at the beginning of the financial year	497.21	473.14
Increase in Cash & Cash Equivalent on account of Amalgamation (Refer Note 35)	3.20	-
<b>Cash and Cash Equivalents at end of the year</b>	<b>982.80</b>	<b>497.21</b>
<b>Reconciliation of cash and cash equivalents as per the cash flow statement:</b>		
<b>Cash and cash equivalents as per above comprise of the following:</b>		
Balances with banks on current accounts	867.23	461.77
Cash on hand	115.57	35.44
<b>Balances per statement of cash flows</b>	<b>982.80</b>	<b>497.21</b>
Significant Accounting Policies and Notes on Accounts form an integral part of 1 to 43 the financial statements.		

**As per our report of even date**  
**For S.C. Bandi & Co.**  
Chartered Accountants  
Firm Registration Number: 130850W

**S.C. Bandi**  
Proprietor  
Membership No. 16932

Place: Mumbai  
Date: July 6, 2020

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

**S. R. Soni**  
Chief Executive Officer

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Company Secretary

**Deepak Jatia**  
Chairman & Managing Director  
(DIN : 01068689)

**Tushya Jatia**  
Executive Director  
(DIN: 02228722)

Place: Mumbai  
Date: July 6, 2020

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

### 1 Corporate Information

These statements comprise consolidated financial statements of ASI Industries Limited (L14101MH1945PLC256122) (the Holding Company) and its subsidiaries (collectively, 'the Company' or 'the Group') and includes share of profit of the associates for the year ended March 31, 2020. The holding company is a public company domiciled in India and is incorporated on January 17, 1945 under the provisions of the Companies Act applicable in India. Its shares are listed on Bombay Stock Exchange (BSE) in India. The registered office of the holding company is located at Marathon Innova, A Wing, 7th Floor, Off: Ganpatrao Kadam Marg, Lower Parel, Mumbai - 400 013.

The Group is principally engaged in the mining, windpower and trading activities.

The consolidated financial statements were authorised for issue in accordance with a resolution of the directors on July 6, 2020.

### 2 Significant Accounting Policies

#### 2.1 Basis of preparation

The consolidated financial statements of the company have been prepared and presented in accordance with the Indian Accounting Standards (Ind AS) as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 ("the Act") read with the Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Act.

The consolidated financial statements have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value or revalued amount:

- Certain financial assets and liabilities measured at fair value or at amortised cost depending on the classification (refer accounting policy regarding financial instruments),
- Employee defined benefit assets/(obligations) are recognised as the net total of the fair value of plan assets, plus actuarial losses, less actuarial gains and the present value of the defined benefit obligations,

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

#### 2.2 Summary of significant accounting policies

##### (a) Principles of consolidation

###### Subsidiaries

Subsidiaries are all entities over which the group has control. The group controls an entity when the group is exposed to,

or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the group. They are deconsolidated from the date that control ceases.

Generally, there is a presumption that a majority of voting rights results in control. To support this presumption and when the group has less than a majority of voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee.

The Group re-assess whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the elements of control.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

The acquisition method of accounting is used to account for business combinations by the group.

The group combines the financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the group.

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent company, i.e., year ended on March 31.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit and loss, consolidated statement of changes in equity and balance sheet respectively.

Profit or loss and each component of other comprehensive income (the 'OCI') are attributed to the equity holders of the parent of the Group and to the non controlling interests, even if this results in the non controlling interest having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies.

###### Associate

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies.



## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

The considerations made in determining whether significant influence or joint control are similar to those necessary to determine control over the subsidiaries.

The Group's investments in its associate is accounted as per Ind AS 28 - Investments in Associates and Joint Ventures. The Statement of profit and loss reflects the Group's share of the results of operations of the associate. Unrealised gains and losses resulting from transactions between the Group and the associate are eliminated to the extent of the interest in the associate.

The financial statements of the associate are prepared for the same reporting period as the Group. When necessary, adjustments are made to bring the accounting policies in line with those of the Group.

### (b) Business combinations and goodwill

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date fair value and the amount of any non-controlling interests in the acquiree.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their acquisition date fair values. For this purpose, the liabilities assumed include contingent liabilities representing present obligation and they are measured at their acquisition fair values irrespective of the fact that outflow of resources embodying economic benefits is not probable.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date.

Any contingent consideration to be transferred by the acquirer is recognised at fair value at the acquisition date. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of Ind AS 109 Financial Instruments, is measured at fair value with changes in fair value recognised in profit or loss. If the contingent consideration is not within the scope of Ind AS 109, it is measured in accordance with the appropriate Ind AS. Contingent consideration that is classified as equity is not re-measured at subsequent reporting dates and subsequent its settlement is accounted for within equity.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be

recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in OCI and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the entity recognises the gain directly in equity as capital reserve, without routing the same through OCI.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Company's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

### (c) Property, plant and equipment

Property, plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Freehold land are stated at cost. The cost comprises purchase price, borrowing costs if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in profit or loss as incurred.

Subsequent expenditure related to an item of property, plant and equipment is added to its book value only if it increases the future benefits from its previously assessed standard of performance. All other expenses on existing property, plant and equipment, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred.

Borrowing costs directly attributable to acquisition of property, plant and equipment which take substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use.

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances under other non-current assets.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

An item of property, plant and equipment and any significant part initially recognized is de-recognized 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 statement of profit and loss when the Property, plant and equipment is de-recognized.

Expenditure directly relating to construction activity is capitalized. Indirect expenditure incurred during construction period is capitalized to the extent to which the expenditure is indirectly related to construction or is incidental thereto. Other indirect expenditure (including borrowing costs) incurred during the construction period which is neither related to the construction activity nor is incidental thereto is charged to the statement of profit and loss.

Costs of assets not ready for use at the balance sheet date are disclosed under capital work-in-progress.

### **Depreciation methods, estimated useful lives and residual value**

Depreciation is calculated on straight line basis using the useful lives as prescribed under Schedule II to the Companies Act, 2013 by the holding company. If the management's estimate of the useful life of a item of property, plant and equipment at the time of acquisition or the remaining useful life on a subsequent review is shorter than the envisaged in the aforesaid schedule, depreciation is provided at a higher rate based on the management's estimate of the useful life/remaining useful life.

Depreciation of property, plant and equipment of foreign subsidiary companies is provided using Straight Line Method over based on estimated useful life as determined by the management.

The property, plant and equipment acquired under finance leases is depreciated over the asset's useful life or over the shorter of the asset's useful life and the lease term if there is no reasonable certainty that the company will obtain ownership at the end of the lease term. Leasehold assets are amortised on a straight line basis over the balance period of lease.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

### **(d) Intangible assets**

Intangible assets that are acquired by the Company are measured initially at cost. After initial recognition, an intangible asset is carried at its cost less any accumulated amortization and accumulated impairment loss.

Subsequent expenditure is capitalized only when it increases the future economic benefits from the specific asset to which it relates. An intangible asset is derecognized on disposal or when no future economic benefits are expected from its use and disposal.

Losses arising from retirement and gains or losses arising from disposal of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss.

### **Amortisation methods and periods**

Intangible assets are amortized on a straight line basis over the useful life of ten years which is estimated by the management.

The estimated useful lives of intangible assets and the amortisation period are reviewed at the end of each financial year and the amortisation method is revised to reflect the changed pattern, if any.

### **(e) Research and development**

Revenue expenditure pertaining to research is charged to the Statement of Profit and Loss. Development costs of products are also charged to the Statement of Profit and Loss in the year it is incurred, unless a product's technological feasibility has been established, in which case such expenditure is capitalised. These costs are charged to the respective heads in the Statement of Profit and Loss in the year it is incurred. The amount capitalised comprises of expenditure that can be directly attributed or allocated on a reasonable and consistent basis for creating, producing and making the asset ready for its intended use. Fixed assets utilised for research and development are capitalised and depreciated in accordance with the policies stated for Tangible Fixed Assets and Intangible Assets.

### **(f) Impairment of non financial assets**

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

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. In

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used.

Impairment losses are recognized in the statement of profit and loss. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

When there is indication that an impairment loss recognised for an asset (other than a revalued asset) in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the Statement of Profit and Loss, to the extent the amount was previously charged to the Statement of Profit and Loss.

### (g) Foreign currency translation

#### (i) Functional and presentation currency

Items included in the financial statements of the Group are measured using the currency of the primary economic environment in which the entities operates ('the functional currency'). The financial statements are presented in Indian rupee (INR), which is Group's functional and presentation currency.

#### (ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are recognised in statement of profit or loss. Non monetary assets and liabilities are carried at cost.

#### (iii) Group companies

The results and financial position of foreign operations that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities are translated at the closing rate at the date of that balance sheet
- income and expenses are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions), and
- All resulting exchange differences are recognised in other comprehensive income.

When a foreign operation is sold, the associated exchange differences are reclassified to profit or loss, as part of the gain or loss on sale.

Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing rate.

### (h) 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.

#### (i) Amortised Cost

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

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

#### (ii) Fair Value through other comprehensive income

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

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

- 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.

### (iii) Fair Value through Profit or Loss

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

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

#### Classification and Subsequent Measurement: Financial liabilities

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

### (i) 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.

### (ii) 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.

### Derecognition of financial liabilities

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit or loss.

### Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

### (i) Financial liabilities and equity instruments

#### Classification as debt or equity

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

#### Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by a Company are recognised at the proceeds received.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

### (j) Taxes

#### (i) Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the company operates and generates taxable income.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

#### (ii) Deferred tax

Deferred income tax is recognized using the balance sheet approach, deferred tax is recognized on temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes, except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction.

Deferred income tax assets are recognized for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.

The carrying amount of deferred income tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance sheet date.

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.

### (k) Inventories

Inventories are valued at the lower of cost and net realisable value.

Costs incurred in bringing each product to its present location and condition are accounted for as follows:

**Raw materials:** cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis.

**Finished goods and work in progress:** cost includes cost of direct materials and labour and a proportion of direct overheads. Cost is determined on weighted average basis.

**Traded goods:** cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale. The net realizable value of work-in-progress is determined with reference to the selling prices of related finished products. Raw materials and other supplies held for use in production of finished products are not written down below cost except in cases where material prices have declined and it is estimated that the cost of the finished products will exceed their net realizable value.

### (l) Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of returns, trade allowances, rebates, value added taxes and amounts collected on behalf of third parties. The company recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the company's activities as described below. The company bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

#### Recognising revenue from major business activities

##### (i) Sale of goods

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed 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.

##### (ii) Interest income

For all debt instruments measured either at amortised cost or at fair value through other comprehensive

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

income, interest income is recorded using the effective interest rate (EIR).

### (iii) Dividend income

Revenue is recognised when the company's right to receive the payment is established, which is generally when shareholders approve the dividend.

### (m) Employee benefits

#### (i) 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.

#### (ii) Other long-term employee benefit obligations

The earned leave obligations are presented as current liabilities in the balance sheet as the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

#### (iii) Post-employment obligations

The company operates the following post-employment schemes:

- (a) defined benefit plans viz gratuity,
- (b) defined contribution plans viz provident fund.

#### Gratuity obligations

The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method. The plan assets are administered by the approved gratuity fund trust.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they

occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

#### Defined contribution plans

The company pays provident fund contributions to approved provident fund trust and publicly administered provident funds. The company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

Retirement benefits to employees for the subsidiary companies have been provided in accordance with the contractual terms with the employees and same is as applicable as per the labour law requirements of respective countries.

#### Termination benefits

Termination benefits are payable when employment is terminated by the company before the normal retirement date, or when an employee accepts voluntary redundancy in exchange for these benefits.

### (n) Leases

The determination of whether an arrangement is, or contains, a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfillment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

#### (i) Finance Lease

Leases where the Company has substantially all the risks and rewards of ownership of the related assets are classified as finance leases. Assets under finance lease are capitalised at the commencement of the lease at the lower of the fair value or the present value of minimum lease payments and a liability is created for an equivalent amount.

Each lease rental paid is allocated between the liability and the interest cost, so as to obtain a constant periodic rate of interest on the outstanding liability for each period.

Assets given under a finance lease are recognized as a receivable at an amount equal to the net investment in

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

the lease. Lease income is recognized over the period of the lease so as to yield a constant rate of return on the net investment in the lease.

### (ii) Company under Operating Leases

The leases which are not classified as finance lease are operating leases.

The Company as a lessee accounts for each lease component within the contract as a lease separately from non-lease components of the contract and allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

The Company recognises right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located. The right of use assets is measured at an amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognized in the balance sheet immediately before the date of initial application.

The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate. For leases with reasonably similar characteristics, the Company, on a lease by lease basis, may adopt either the incremental borrowing rate specific to the lease or the incremental borrowing rate for the portfolio as a whole. The lease payments shall include fixed payments, variable lease payments, residual value guarantees, exercise price of a purchase option where the Company is reasonably certain to exercise that option and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments. The Company recognises the

amount of the re-measurement of lease liability due to modification as an adjustment to the right-of-use asset and statement of profit and loss depending upon the nature of modification. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognizes any remaining amount of the re-measurement in statement of profit and loss.

The Company has elected not to apply the requirements of Ind AS 116 Leases to short-term leases of all assets that have a lease term of 12 months or less and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognized as an expense on a straight-line basis over the lease term.

### (iii) Transaction to Ind AS 116

Ministry of Corporate Affairs (“MCA”) through Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, has notified Ind AS 116 Leases which replaces the existing lease standard, Ind AS 17 leases and other interpretations. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both lessees and lessors. It introduces a single balance sheet lease accounting model for lessees.

The Company has elected not to apply the requirements of Ind AS 116 Leases to short-term leases of all assets that have a lease term of 12 months or less and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognized as an expense on a straight-line basis over the lease term.

### (o) Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources, that can be reliably estimated, will be required to settle such an obligation.

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows to net present value using an appropriate pre-tax discount rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. Unwinding of the discount is recognised in the Statement of Profit and Loss as a finance cost. Provisions are reviewed at each reporting date and are adjusted to reflect the current best estimate.

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

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

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.

Claims against the Company where the possibility of any outflow of resources in settlement is remote, are not disclosed as contingent liabilities.

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.

### (p) Borrowing costs

Borrowing costs are interest and other costs that the Company incurs in connection with the borrowing of funds and is measured with reference to the effective interest rate (EIR) applicable to the respective borrowing.

Borrowing costs, allocated to qualifying assets, pertaining to the period from commencement of activities relating to construction / development of the qualifying asset up to the date of capitalisation of such asset are added to the cost of the assets. Capitalisation of borrowing costs is suspended and charged to the Statement of Profit and Loss during extended periods when active development activity on the qualifying assets is interrupted.

All other borrowing costs are recognised as an expense in the period which they are incurred.

### (q) Segment Reporting - Identification of Segments

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.

### (r) Earnings per share

#### Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the company
- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year

#### Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

### (s) Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

### (t) Events after reporting date

Where events occurring after the balance sheet date provide evidence of conditions existed at the end of the reporting period, the impact of such events is adjusted within financial statements. Otherwise, events after the balance sheet date of material size or nature are only disclosed

### (u) Current/non current classification

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

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

All other assets are classified as non-current.

A liability is current when:

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



## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

The company classifies all other liabilities as non-current.

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

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

### (v) Dividends

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

### (w) Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest Lakh as per the requirement of Schedule III, unless otherwise stated.

### 3 Significant accounting judgements, estimates and assumptions

The preparation of these financial statements in conformity with the recognition and measurement principles of Ind AS requires the management of the Company to make estimates and assumptions that affect the reported balances of assets and liabilities, disclosures relating to contingent liabilities as at the date of the financial statements and the reported amounts of income and expense for the periods presented.

This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

#### Critical estimates and judgements

##### (i) Estimation of net realizable value for inventory

Inventory is stated at the lower of cost and net realizable value (NRV).

NRV for completed inventory is assessed by reference to market conditions and prices existing at the reporting date and is determined by the Company, based on comparable transactions identified.

##### (ii) Impairment of non - financial assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable

amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

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. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used.

##### (iii) Recoverability of trade receivables

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.

##### (iv) Useful lives of property, plant and equipment/intangible assets

The Company reviews the useful life of property, plant and equipment/intangible assets at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods.

##### (v) Valuation of deferred tax assets

The Company reviews the carrying amount of deferred tax assets at the end of each reporting period. The policy for the same has been explained under Note above.

##### (vi) Defined benefit plans

The cost of the defined benefit gratuity plan and other post-employment medical benefits and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

## 4. PROPERTY, PLANT AND EQUIPMENT

(₹ in Lacs)

Particulars	Land	Buildings	Quarry Develop-ment	Plant and Equip-ments	Heavy & Mobile Equipment	Furniture and Fix-tures	Vehicles	Office Equip-ments	Computer Hardwares	Electric In-stallations	Total
<b>GROSS CARRYING VALUE</b>											
<b>As at April 1, 2018</b>	9,771.34	4,264.43	1,050.73	6,220.72	4,529.58	672.43	1,991.77	5.77	27.10	329.84	28,863.71
Additions	36.50	26.44	114.02	379.24	14.14	32.65	1.84	1.53	1.77	24.31	632.44
Disposals	(52.63)	-	-	(62.83)	-	(20.81)	(5.78)	-	-	-	(142.05)
Other Adjustments	-	14.90	66.72	287.25	287.63	3.46	12.22	-	-	-	672.18
<b>As at March 31, 2019</b>	<b>9,755.21</b>	<b>4,305.77</b>	<b>1,231.47</b>	<b>6,824.38</b>	<b>4,831.35</b>	<b>687.73</b>	<b>2,000.05</b>	<b>7.30</b>	<b>28.87</b>	<b>354.15</b>	<b>30,026.28</b>
Additions pursuant to amalgamation of DMEPL with the Company (Refer Note 35)	1,956.84	13.29	-	85.34	-	-	29.81	-	0.04	-	2,085.32
Additions	-	10.12	114.57	43.74	12.94	1.22	0.51	8.42	9.33	37.38	238.23
Disposals	(5.23)	(13.29)	-	(10.76)	-	-	(27.72)	-	-	(3.20)	(60.20)
Other Adjustments	-	23.38	110.74	438.11	434.45	5.96	18.40	-	-	-	1,031.04
<b>As at March 31, 2020</b>	<b>11,706.82</b>	<b>4,339.27</b>	<b>1,456.78</b>	<b>7,380.81</b>	<b>5,278.74</b>	<b>694.91</b>	<b>2,021.05</b>	<b>15.72</b>	<b>38.24</b>	<b>388.33</b>	<b>33,320.67</b>
<b>ACCUMULATED DEPRECIATION/IMPAIRMENT</b>											
<b>As at April 1, 2018</b>	-	186.76	447.79	892.49	822.88	94.24	497.90	2.91	8.90	67.64	3,021.51
Depreciation for the year	-	105.17	111.77	458.94	520.37	100.33	240.82	1.05	6.22	43.02	1,587.69
Deductions/Adjustments during the period	-	1.95	27.24	(29.99)	46.67	(18.56)	0.79	-	-	-	28.10
<b>As at March 31, 2019</b>	-	293.88	586.80	1,321.44	1,389.92	176.01	739.51	3.96	15.12	110.66	4,637.30
Depreciation for the year	-	102.84	104.07	529.15	530.43	79.91	243.95	1.87	5.87	45.94	1,644.03
Deductions/Adjustments during the period	-	7.04	59.33	99.90	158.42	4.58	2.86	-	-	(1.80)	330.33
<b>As at March 31, 2020</b>	-	<b>403.76</b>	<b>750.20</b>	<b>1,950.49</b>	<b>2,078.77</b>	<b>260.50</b>	<b>986.32</b>	<b>5.83</b>	<b>20.99</b>	<b>154.80</b>	<b>6,611.66</b>
<b>Net Carrying value as at March 31, 2020</b>	<b>11,706.82</b>	<b>3,935.51</b>	<b>706.58</b>	<b>5,430.32</b>	<b>3,199.97</b>	<b>434.41</b>	<b>1,034.73</b>	<b>9.89</b>	<b>17.25</b>	<b>233.53</b>	<b>26,709.01</b>
<b>Net Carrying value as at March 31, 2019</b>	<b>9,755.21</b>	<b>4,011.89</b>	<b>644.67</b>	<b>5,502.94</b>	<b>3,441.43</b>	<b>511.72</b>	<b>1,260.54</b>	<b>3.34</b>	<b>13.75</b>	<b>243.49</b>	<b>25,388.98</b>

## Notes:

## i. Assets under Construction

Capital work in progress comprises building being constructed and new equipments installed at Kota, Rajasthan site, assets acquired at Jaipur sites for new Engineering Stone Project etc.

Capital Work-in-Progress

(₹ in Lacs)

## Particulars

**As at April 1, 2018**

Additions

Amount Capitalised

Other Adjustments

**As at March 31, 2019**

Additions pursuant to amalgamation of DMEPL with the Company (Refer Note 35)

Additions

Amount Capitalised

Other Adjustments

**As at March 31, 2020**

Amount

17.10

1,256.10

(27.68)

-

**1,245.52**

44.91

18,001.19

(8.11)

(0.55)

**19,282.96**

## ii. Contractual Obligations

Refer to Note 30 for disclosure of contractual commitments for the acquisition of property, plant and equipment.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

### 5. GOODWILL AND OTHER INTANGIBLE ASSETS

Particulars	(₹ in Lacs)	
	Goodwill	Other Intangible Assets
<b>GROSS CARRYING VALUE</b>		
<b>As at April 1, 2018</b>	1,891.03	29.05
Additions	-	-
Other Adjustments	120.08	-
<b>As at March 31, 2019</b>	<b>2,011.11</b>	<b>29.05</b>
Additions pursuant to amalgamation of DMEPL with the Company (Refer Note 35)	-	153.74
Additions	-	-
Other Adjustments	180.84	-
<b>As at March 31, 2020</b>	<b>2,191.95</b>	<b>182.79</b>
<b>ACCUMULATED AMORTISATION AND IMPAIRMENT</b>		
<b>As at April 1, 2018</b>	-	6.50
Amortisation for the year	-	3.19
Deductions\Adjustments during the period	-	-
<b>As at March 31, 2019</b>	-	9.69
Amortisation for the year	-	23.51
Deductions\Adjustments during the period	-	-
<b>As at March 31, 2020</b>	-	33.20
<b>Net Carrying value as at March 31, 2020</b>	<b>2,191.95</b>	<b>149.59</b>
<b>Net Carrying value as at March 31, 2019</b>	<b>2,011.11</b>	<b>19.36</b>

### 6. FINANCIAL ASSETS

Particulars	(₹ in Lacs)	
	March 31, 2020	March 31, 2019
<b>(A) INVESTMENTS</b>		
<b>Non Current</b>		
<b>(1) Investments carried at fair value through Other Comprehensive Income</b>		
<b>Unquoted</b>		
<b>Investments in Equity Instruments of Associate</b>		
17,42,500 Equity Shares of Rs. 10/- each fully paid up in Stone Masters (India) Pvt. Ltd. (March 31, 2019: 4,10,000)	2,697.34	670.46
	<b>2,697.34</b>	<b>670.46</b>
<b>Investments in Equity Instruments of Others</b>		
100 Equity Shares of Rs. 25/- each fully paid up in Sarvodaya Sahakari Samiti Limited (March 31, 2018: 100)	0.03	0.03
7,000 Equity Shares of Rs. 25/- each fully paid up in Chempoint India Private Limited (March 31, 2019: Nil )	0.37	-
	0.40	0.03
<b>Total</b>	<b>2,697.74</b>	<b>670.49</b>

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

Particulars	(₹ in Lacs)	
	March 31, 2020	March 31, 2019
Aggregate amount of quoted investments	-	-
Market value of quoted investments	-	-
Aggregate amount of unquoted investments	2,697.74	670.49
<b>Current</b>		
<b>Investments carried at fair value through Other Comprehensive Income</b>		
<b>Quoted</b>		
<b>Investments in Equity Instruments</b>		
7,000 Equity Shares of Rs. 10/- each fully paid up in Aditya Birla Capital Limited (March 31, 2019: 7,000)	2.95	6.84
590 Equity Shares of Rs.10/- each fully paid in JSW Steel Limited (March 31, 2019: Nil)	0.86	-
63,044 Equity share of Re.1/- each fully paid up in Thacker & Co.Limited. (March 31, 2019: Nil)	56.77	-
<b>Total</b>	<u>60.58</u>	<u>6.84</u>
Aggregate amount of quoted investments	60.58	6.84
Market value of quoted investments	60.58	6.84
Aggregate amount of unquoted investments	-	-
<b>(B) LOANS</b>		
<b>Current</b>		
<b>Unsecured and Considered Good</b>		
Loans to Employees	14.09	15.68
Loans to Others	-	-
<b>Total</b>	<u>14.09</u>	<u>15.68</u>
<b>(C) OTHER FINANCIAL ASSETS</b>		
<b>Current</b>		
<b>Financial assets carried at amortised cost</b>		
Security Deposits	302.78	261.47
Interest Accrued on Fixed Deposits	40.59	3.20
<b>Total</b>	<u>343.37</u>	<u>264.67</u>

## 7. INVENTORIES

Particulars	(₹ in Lacs)	
	March 31, 2020	March 31, 2019
<b>(Valued at lower of Cost and Net Realisable value)</b>		
Raw materials	120.20	-
Work-in-process	565.52	874.13
Finished goods	2,251.53	2,023.93
Stock-in-trade	-	-
Stores and Spares including Goods in Transit INR 2.08 Lakhs (March 31, 2019: INR 14.58 Lakhs)	1,081.98	933.55
<b>Total</b>	<u>4,019.23</u>	<u>3,831.61</u>

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

### 8. TRADE RECEIVABLES

Particulars	(₹ in Lacs)	
	March 31, 2020	March 31, 2019
<b>Current</b>		
Trade Receivables from customers	10,352.51	12,374.75
<b>Total</b>	<b>10,352.51</b>	<b>12,374.75</b>
<b>Breakup of Security details</b>		
Secured, considered good	-	-
Unsecured, considered good	10,736.02	12,588.91
Doubtful	-	-
	<u>10,736.02</u>	<u>12,588.91</u>
<b>Loss Allowance (allowance for bad and doubtful debts)</b>		
Unsecured, considered good	383.51	214.16
Doubtful	-	-
	<u>383.51</u>	<u>214.16</u>
<b>Total</b>	<b>10,352.51</b>	<b>12,374.75</b>

### 9. CASH AND CASH EQUIVALENTS

Particulars	(₹ in Lacs)	
	March 31, 2020	March 31, 2019
Balances with banks on current accounts	867.23	461.77
Cash on hand	115.57	35.44
<b>Total</b>	<b>982.80</b>	<b>497.21</b>

### 10. OTHER BANK BALANCES

Particulars	(₹ in Lacs)	
	March 31, 2020	March 31, 2019
Deposits with banks to the extent held as margin money *	391.50	295.54
Unclaimed Dividend Accounts	43.98	40.28
Unclaimed sales proceeds of Fractional Bonus Shares	0.02	0.02
Other Deposits with banks **	895.10	357.80
<b>Total</b>	<b>1,330.60</b>	<b>693.64</b>

\* Pledged with the Bank towards Letter of Credit and Bank Guarantee availed by the Company. Deposits having maturity period of more than twelve months amounting INR 94.75 Lakhs (March 31, 2019: INR 0.60 Lakhs)

\*\* Pledged with Government Department as security INR 302.49 Lakhs (March 31, 2019: INR 279.80 Lakhs). Deposits having maturity period of more than twelve months amounting INR 148.20 Lakhs (March 31, 2019: INR 157.85 lakhs)

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

### 11. OTHER ASSETS

Particulars	(₹ in Lacs)	
	March 31, 2020	March 31, 2019
<b>Non Current</b>		
Capital Advances	25.46	5,537.78
Advances other than Capital advances		
- Prepaid expenses	12.64	15.44
- Payment of Taxes (Net of Provisions)	524.40	90.21
<b>Total</b>	<b>562.50</b>	<b>5,643.43</b>
<b>Current</b>		
Advance against purchases and expenses	193.51	214.52
Prepaid expenses	143.95	104.78
Balances with Statutory, Government Authorities	456.26	419.57
Other current assets	828.77	534.04
<b>Total</b>	<b>1,622.49</b>	<b>1,272.91</b>

### 12. SHARE CAPITAL

#### i. Authorised Share Capital

Particulars	As At March 31, 2020		As At March 31, 2019	
	Numbers	Amount	Numbers	Amount
<b>Equity Share of Rs. 1 Each</b>				
At the beginning of the year	230,000,000	2,300.00	230,000,000	2,300.00
Increase/(decrease) during the year *	32,400,000	324.00	-	-
<b>At the end of the year</b>	<b>262,400,000</b>	<b>2,624.00</b>	<b>230,000,000</b>	<b>2,300.00</b>
<b>Redeemable Preference Share of Rs. 100 Each</b>				
At the beginning of the year	200,000	200.00	200,000	200.00
Increase/(decrease) during the year	-	-	-	-
<b>At the end of the year</b>	<b>200,000</b>	<b>200.00</b>	<b>200,000</b>	<b>200.00</b>
<b>12% Non-Convertible Preference Share of Rs. 100 Each</b>				
At the beginning of the year	-	-	-	-
Increase/(decrease) during the year *	1,000	1.00	-	-
At the end of the year	1,000	1.00	-	-
<b>Unclassified Shares of Rs. 10 Each</b>				
At the beginning of the year	-	-	-	-
Increase/(decrease) during the year *	200,000	20.00	-	-
At the end of the year	200,000	20.00	-	-

\* Pursuant to Scheme of Amalgamation of DeeJay Mining & Exports Private Limited (DMEPL) with the Company as sanctioned by the Hon'ble NCLT, Mumbai Bench, vide order dated 23<sup>rd</sup> April, 2020. , authorised share capital Rs. 345 Lakhs of DMEPL (Transferor Company) stand transferred and merged with authorised share capital of the Company (Refer Note 35).

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

### i. Reconciliation of number of shares outstanding

(₹ in Lacs)

Particulars	As At March 31, 2020		As At March 31, 2019	
	Numbers	Amount	Numbers	Amount
<b>Equity shares of Rs. 1 each issued, subscribed and fully paid up</b>				
Equity shares outstanding at the beginning of the year	82,854,663	828.55	82,854,663	828.55
Cancelled pursuant to amalgamation of DMEPL with the Company held in Suspense Account (Refer Note 35) *	40,714,762	407.15	-	-
Issued pursuant to amalgamation of DMEPL with the Company held in Suspense Account (Refer Note 35) *	47,935,009	479.35	-	-
<b>Equity shares outstanding at the end of the year</b>	<b>90,074,910</b>	<b>900.75</b>	<b>82,854,663</b>	<b>828.55</b>

\* Pursuant to the Scheme of Amalgamation of DeeJay Mining & Exports Private Limited (DMEPL) with the Company as sanctioned by the Hon'ble NCLT, Mumbai Bench, vide order dated 23.04.2020, 4,07,14,762 equity shares of ASI held by DMEPL were cancelled and 4,79,35,009 equity shares were issued afresh to shareholders of DMEPL without payment being received in cash in the ratio of 17,484 equity shares of the Transferee Company of Re. 1 each fully paid up for every 1000 equity shares held in the Transferor Company of Rs. 10 each fully paid up. These abovesaid equity shares are pending for cancellation and issue at the end of year as the order of the Scheme was received after the Balance Sheet date and hence the same is shown under Suspense Account as on 31<sup>st</sup> March, 2020. (Refer Note 35)

### ii. Terms/ rights attached to issued, subscribed and paid up equity shares

- The Company has only one class of equity share having a par value of INR 1 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian Rupees. During the year ended March 31, 2020, the amount of per share dividend recognized as distributions to equity shareholders was Rs. 0.30 per share (Previous year Rs. 0.30 per share) (Refer Note 31).
- 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. The distribution will be in proportion to the number of equity shares held by the shareholders.

### iii. Details of shareholders holding more than 5% shares in the company

Name of the Shareholder	As At March 31, 2020		As At March 31, 2019	
	Numbers	% of holding	Numbers	% of holding
<b>Equity shares of INR 1 each fully paid</b>				
Deepak Jatia HUF	27,502,779	30.53%	-	-
Stone Masters (India) Private Limited	24,508,174	27.21%	14,221,462	17.15%
DeeJay Mining & Exports Private Limited	-	-	40,714,762	49.14%

As per records of the Company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

### iv. Aggregate number of equity shares issued as bonus, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date:

Particulars	March 31, 2020 Numbers	March 31, 2019 Numbers	March 31, 2018 Numbers	March 31, 2017 Number	March 31, 2016 Numbers
Shares have been issued as fully paid Bonus Shares by capitalisation of General Reserve	-	-	-	1,65,70,933	-

### v. None of the above shares are reserved for issue under options/contract/commitments for sale of shares or disinvestment.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

## 13. OTHER EQUITY

## i. Reserves and Surplus

Particulars	(₹ in Lacs)	
	March 31, 2020	March 31, 2019
(a) General Reserve	3,326.53	3,325.33
(b) Retained Earnings	15,232.44	11,973.35
(c) Property, Plant and Equipment Reserve	8,691.22	8,696.05
(d) Statutory Reserve	475.12	133.51
(e) Amalgamation Adjustment Surplus Account	2,618.13	-
	<u>30,343.44</u>	<u>24,128.24</u>

## (a) General Reserve

Particulars	(₹ in Lacs)	
	March 31, 2020	March 31, 2019
Opening balance	3,325.33	3,074.81
Add/(Less):		
Transfer from Retained Earnings	-	200.00
Transfer on sale of revalued assets	1.20	50.52
Issue of Bonus shares	-	-
<b>Closing Balance</b>	<u>3,326.53</u>	<u>3,325.33</u>

General reserve is created from time to time by way of transfer from free reserve for appropriation purpose. General reserve is created by transfer from one component of equity to another.

## (b) Retained Earnings

Particulars	(₹ in Lacs)	
	March 31, 2020	March 31, 2019
Opening balance	11,973.35	10,277.90
Net Profit/(Loss) for the period	3,140.48	2,246.07
Add/(Less):		
Transfer to General Reserve	-	(200.00)
Transfer to Statutory Reserve	(341.61)	(23.77)
Equity Dividend Paid	(248.56)	(248.56)
Tax on equity dividend paid	(51.09)	(51.09)
Addition pursuant to amalgamation of DMEPL with the Company (Refer Note 35)	849.19	-
<b>Items of Other Comprehensive Income directly recognised in Retained Earnings</b>		
Remeasurement of post employment benefit obligation, net of tax	(89.32)	(27.20)
<b>Closing balance</b>	<u>15,232.44</u>	<u>11,973.35</u>



## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

### (c) Property, Plant and Equipment Reserve

Particulars	(₹ in Lacs)	
	March 31, 2020	March 31, 2019
Opening balance	8,696.05	8,748.49
Add/(Less): Transfer on sale of revalued assets	(4.83)	(52.44)
<b>Closing balance</b>	<b>8,691.22</b>	<b>8,696.05</b>

Property, plant and equipment reserve represents reserve created on revaluation of freehold land in the year 2006-07. It is a non distributable reserve.

### (d) Statutory Reserve

Particulars	(₹ in Lacs)	
	March 31, 2020	March 31, 2019
Opening balance	133.51	109.74
Add/(Less): Transfer from Retained Earnings	341.61	23.77
<b>Closing balance</b>	<b>475.12</b>	<b>133.51</b>

### (e) Amalgamation Adjustment Surplus Account

Particulars	(₹ in Lacs)	
	March 31, 2020	March 31, 2019
Opening balance	-	-
Add/(Less): Pursuant to amalgamation of DMEPL with the Company (Refer Note 35)	2,618.13	-
<b>Closing balance</b>	<b>2,618.13</b>	<b>-</b>

### ii. Components of Other Comprehensive Income

Particulars	(₹ in Lacs)	
	March 31, 2020	March 31, 2019
(a) Equity Instruments through OCI	1,196.11	504.59
(b) Exchange differences on translating the financial statements of a foreign operation	619.03	119.14
	<b>1,815.14</b>	<b>623.73</b>

### (a) Equity Instruments through OCI

Particulars	(₹ in Lacs)	
	March 31, 2020	March 31, 2019
Opening balance	504.59	617.79
Changes in the Fair Valuation	691.51	(113.20)
<b>Closing balance</b>	<b>1,196.11</b>	<b>504.59</b>

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

### (b) Exchange Differences on Translating the Financial Statement of a Foreign Operation

Particulars	(₹ in Lacs)	
	March 31, 2020	March 31, 2019
Opening balance	119.14	(47.59)
Translation difference for the year	499.89	166.73
<b>Closing balance</b>	<b>619.03</b>	<b>119.14</b>

### 14. BORROWINGS

Particulars	(₹ in Lacs)	
	March 31, 2020	March 31, 2019
<b>Non Current Borrowings</b>		
<b>Secured</b>		
Term Loans		
From Banks	10,225.14	10,477.14
From Others	428.73	426.79
<b>Unsecured</b>		
From Directors	653.22	-
From Others	5,125.52	4,780.60
	(A) <b>16,432.61</b>	<b>15,684.53</b>
<b>Current Maturity of Non Current Borrowings</b>		
Term Loans		
From Banks	1,402.35	1,960.65
From Others	416.48	218.70
<b>Unsecured</b>		
From Directors	-	-
From Others	116.67	-
	(B) <b>1,935.50</b>	<b>2,179.35</b>
<b>Total (A)-(B)</b>	<b>14,497.11</b>	<b>13,505.18</b>

### Nature of Security and Terms of Repayment

- Term loan from Bank, balance outstanding amounting to INR 310.07 lakhs (March 31, 2019: INR 566.14 Lakhs ) is secured by first charge on the specific immovable property and guaranteed by Directors. Repayable in 115 EMI of INR 24.94 lakhs starting from November 2011. Last installment due in May, 2021 (Current Rate of Interest as on 31.03.2020 is 9.40% p.a.)
- Term loan from Bank, balance outstanding amounting to INR 798.53 lakhs (March 31, 2019: INR 943.52 Lakhs ) is secured by first charge on the specific immovable property and guaranteed by Directors. Repayable in 116 EMI of INR 20.09 lakhs starting from December, 2014. Last installment due in June, 2024 (Current Rate of Interest as on 31.03.2020 is 10.75% p.a.)
- Equipment and vehicle loan balance outstanding amounting to INR 231.30 lakhs (March 31, 2019: INR 349.66 lakhs) is secured by hypothecation of specific assets and guaranteed by Directors. Repayable in 36 EMI of INR 11.84 lakhs starting from Jan, 2018. Last installment due in Dec., 2021 (Current Rate of Interest as on 31.03.2020 is 8% p.a.)
- Equipment and vehicle loan balance outstanding amounting to INR 74.21 lakhs (March 31,2019: INR 110.34 Lakhs) is secured by hypothecation of specific assets and guaranteed by Directors. Repayable in 36 EMI of INR 3.64 lakhs starting from Feb., 2018. Last installment due in Jan., 2022 (Current Rate of Interest as on 31.03.2020 is 8% p.a.)

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

- e. Vehicle loans balance outstanding amounting to INR 120.12 lakhs (March 31, 2019: INR 252.06 Lakhs) is secured by hypothecation of specific vehicle and guaranteed by Directors. Repayable on various payment dates starting from Mar, 2016 and last installment due in June, 2021. (Rate of Interest ranging from 7.99% to 9.36% p.a.)
- f. ECB Loan from Bank, balance outstanding amounting to INR 2897.80 lakhs (March 31, 2019: INR 3272.27 Lakhs ) is secured by first charge on the specific immovable property and guaranteed by Directors. Repayable in 26 quarterly installment starting from February, 2017. Last installment due in May, 2023 (Current Rate of Interest as on 31.03.2019 is 5.16% p.a.).
- g. Equipment and vehicle loan balance outstanding amounting to INR 64.15 lakhs (March 31,2019: INR 84.52 lakhs) is secured by hypothecation of specific assets and guaranteed by Directors. Repayable in 47 EMI of INR 2.26 lakhs starting from Jan.,2019. Last installment due in Nov., 2022 (Current Rate of Interest as on 31.03.2020 is 9% p.a.)
- h. Equipment and vehicle loan balance outstanding amounting to INR 165.32 lakhs (March 31,2019: INR 219.69 lakhs) is secured by hypothecation of specific assets and guaranteed by Directors. Repayable in 47 EMI of INR 6.00 lakhs starting from Dec.,2018. Last installment due in Oct., 2022 (Current Rate of Interest as on 31.03.2020 is 9% p.a.)
- i. Equipment and vehicle loan balance outstanding amounting to INR 52.22 lakhs (March 31,2019: INR 99.75 lakhs) is secured by hypothecation of specific assets and guaranteed by Directors. Repayable in 36 EMI of INR 4.58 lakhs starting from April, 2018. Last installment due in March, 2021 (Current Rate of Interest as on 31.03.2020 is 9.50% p.a.)
- j. Equipment and vehicle loan balance outstanding amounting to INR 201.63 lakhs (March 31,2019: INR NIL) is secured by hypothecation of various assets and guaranteed by Directors. Repayable in 18 EMI of INR 29.82 lakhs starting from April, 2019. Last installment due in October, 2020 (Current Rate of Interest as on 31.03.2020 is 10.50% p.a.)
- k. Term Loan from Bank, balance outstanding amounting to INR 5236.08 lakhs (March 31, 2019: INR 3743.86 lakhs) is secured by first charge on some specific immovable properties alongwith all the assets of new engineered stone project and guaranteed by Directors/Group Company. Repayable in 10 years including moratorium period of two years and quarterly installment starting from June 2021. Last installment due in March, 2029 (Current Rate of Interest as on 31.03.2020 is 6.05% to 6.73% p.a.)
- l. Unsecured loan from others balance outstanding amounting to INR 166.66 lakhs (March 31,2019: INR NIL). Repayable in 18 EMI of INR 16.67 lakhs (excluding interest) starting from June, 2019. Last installment due in December, 2020 (Current Rate of Interest as on 31.03.2020 is 12% p.a.)
- m. Unsecured loan from others balance outstanding amounting to INR 31.09 lakhs (March 31,2019: INR NIL). Repayable on completion of 2 years (Rate of Interest 6% p.a.)
- n. Unsecured loan from Directors balance outstanding amounting to INR 653.22 lakhs (March 31,2019: INR NIL). Repayable on completion of 4 years (Rate of Interest 6% p.a.)
- o. Term loan availed by Subsidiary/JV from Bank, balance outstanding amounting to INR 275.34 Lakhs (March 31, 2019: INR 835.32 Lakhs) is secured against hypothecation of specific assets and guaranteed by Directors. Repayable on various payment dates starting from July, 2016 and Last installment due in September, 2022 (Rate of Interest ranging from 5.5% to 6.75% p.a.).
- p. Term loan availed by the Subsidiary/JV from others, balance outstanding amounting to INR 227.10 Lakhs (March 31, 2019: INR 426.80 Lakhs) is secured against specific equipment. Repayable on various payment dates starting from December, 2017 and Last installment due in April, 2021 (Rate of Interest 3% p.a.).
- q. Unsecured loans availed by the Subsidiary/JV from others amounting to INR 4927.77 Lakhs (March 31, 2019: INR 4,780.60 Lakhs). Repayable on completion of 10 years (Rate of Interest LIBOR + 0.5%).

(₹ in Lacs)

Particulars	March 31, 2020	March 31, 2019
<b>Current Borrowings</b>		
<b>Secured</b>		
(a) Cash Credit / WCDL / Overdraft from Bank	4,469.42	4,428.61
(b) Bills Payable	9,216.34	2,497.85
<b>Unsecured</b>		

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

(c) Loans from Others

	-	-
<b>Total</b>	<b>13,685.76</b>	<b>6,926.46</b>

**Nature of Security**

- (a) Cash Credit/ WCDL from bank is secured by first charge by way of hypothecation of mining and stone related business stock, book debts, etc. and equitable mortgage on specific immovable property and guaranteed by Directors.
- (b) Bills Payable balance outstanding amounting to INR 2496.76 lakhs (March 31,2019: INR 2497.85 lakhs) is secured by first charge by way of hypothecation of trading business related stock, book debts etc. and equitable mortgage on specific immovable properties and guaranteed by Directors.
- (c) Bills Payable (CAPEX LC) balance outstanding amounting to INR 6719.58 lakhs (March 31,2019: INR NIL) is secured by first charge on some specific immovable properties alongwith all the assets of new engineered stone project and guaranteed by Directors/Group Company.

**Net debt Reconciliation**

(₹ in Lacs)

Particulars	Liabilities from financing activities		
	Non Current Borrowings	Current Borrowings	Total
<b>Net Debt as at April 1, 2018</b>	12,958.22	5,791.63	18,749.85
Cash Inflows	4,950.21	4,244.27	9,194.48
Cash Outflows	(2,598.85)	(3,130.11)	(5,728.96)
Foreign Exchange Fluctuation Adjustment	410.25	20.67	430.92
Interest Expense	569.82	303.88	873.70
Interest Paid	(570.54)	(303.88)	(874.42)
<b>Net Debt as at March 31, 2019</b>	<b>15,719.11</b>	<b>6,926.46</b>	<b>22,645.57</b>
Cash Inflows	3,204.53	11,450.35	14,654.88
Cash Outflows	(2,999.82)	(4,763.32)	(7,763.14)
Foreign Exchange Fluctuation Adjustment	543.37	72.27	615.64
Interest Expense	476.67	296.38	773.05
Interest Paid	(428.27)	(296.38)	(724.65)
<b>Net Debt as at March 31, 2020</b>	<b>16,515.59</b>	<b>13,685.76</b>	<b>30,201.35</b>

**15. INCOME TAX****Deferred Tax**

(₹ in Lacs)

**Particulars****March 31, 2020****March 31, 2019****Deferred tax relates to the following:**

Accelerated Depreciation for Tax purpose	(432.62)	(389.67)
Revaluation of FVTOCI investments to fair value	(339.61)	(130.12)
Carry forward of unused Business Losses	100.53	-
Disallowances u/s 35DD, 35E & 43B of Income Tax Act, 1961	199.05	37.82
Impairment on Financial Assets	93.73	62.36
<b>Net Deferred Tax Assets / (Liabilities)</b>	<b>(378.92)</b>	<b>(419.61)</b>

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

### Movement in deferred tax liabilities/assets

#### Particulars

#### Opening balance as of April 1

Pursuant to amalgamation of DMEPL with the Company (Refer Note 35)

Tax income/(expense) during the period recognised in Statement of Profit and Loss

Tax income/(expense) during the period recognised in Other Comprehensive Income

#### Closing balance as at March 31

	March 31, 2020	March 31, 2019
	(419.61)	(457.45)
	39.96	-
	173.52	4.10
	(172.79)	33.74
	<u>(378.92)</u>	<u>(419.61)</u>

The Company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority

Major Components of income tax expense for the years ended March 31, 2020 and March 31, 2019 are as follows:

#### i. Income tax recognised in profit or loss

Particulars	(₹ in Lacs)	
	2019-20	2018-19
Current income tax charge	-	760.69
Adjustment in respect of current income tax of previous year	18.59	33.23
<b>Deferred tax</b>		
Relating to origination and reversal of temporary differences	(173.52)	(4.10)
<b>Income tax expense recognised in profit or loss</b>	<u>(154.93)</u>	<u>789.82</u>

#### ii. Income tax recognised in OCI

Particulars	(₹ in Lacs)	
	2019-20	2018-19
Unrealised (gain)/loss on FVTOCI equity securities	209.49	(33.74)
Net loss/(gain) on remeasurements of defined benefit plans	(36.70)	(11.18)
<b>Income tax expense recognised in OCI</b>	<u>172.79</u>	<u>(44.92)</u>

Reconciliation of tax expense and accounting profit multiplied by income tax rate for March 31, 2020 and March 31, 2019

Particulars	(₹ in Lacs)	
	March 31, 2020	March 31, 2019
Profit before tax	2,985.55	3,035.89
Enacted tax rate in India	29.120%	29.120%
<b>Income tax on accounting profits</b>	869.39	884.05
<b>Tax Effect of</b>		
Expenses not allowable or considered separately under Income Tax	109.90	41.47
Capital Gain	-	10.47
Expenses allowable and others	(109.90)	(77.12)
Deferred Tax relating to origination and reversal of temporary differences	(173.52)	(4.10)
Tax relating to earlier years	18.59	33.23
Income of subsidiaries exempted from tax	(869.39)	(98.18)
<b>Tax at effective income tax rate</b>	<u>(154.93)</u>	<u>789.82</u>

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

### 16. TRADE PAYABLES

Particulars	(₹ in Lacs)	
	March 31, 2020	March 31, 2019
<b>Current</b>		
Trade Payables to Micro, Small and Medium Enterprises	-	-
Trade Payables to Others	628.94	612.38
<b>Total</b>	<b>628.94</b>	<b>612.38</b>

Note: Based on the information and explanation available with management there are no amounts due to the suppliers covered under the Micro, Small and Medium Enterprises Development Act, 2006.

### 17. OTHER FINANCIAL LIABILITIES

Particulars	(₹ in Lacs)	
	March 31, 2020	March 31, 2019
<b>Current</b>		
<b>Financial Liabilities at amortised cost</b>		
Current maturities of long term debts	1,935.50	2,179.35
Interest accrued but not due on borrowings	82.98	34.58
Unclaimed Dividend	43.98	40.28
Unclaimed amount of sale proceeds of fractional coupons of bonus shares issued *	0.02	0.02
Unclaimed Matured Public Deposits *	0.50	0.50
Retention Money and Other Deposits	93.59	5.63
Creditors for Capital goods	332.52	63.00
Dues to employees	411.15	490.32
Other Payables	3,384.34	2,873.32
<b>Total</b>	<b>6,284.58</b>	<b>5,687.00</b>

\* These figures do not include any amounts, due and outstanding, to be credited to Investor Education and Protection Fund.

### 18. OTHER LIABILITIES

Particulars	(₹ in Lacs)	
	March 31, 2020	March 31, 2019
<b>Current</b>		
Advance received from Customers	921.32	749.09
Advance received for sale of property, plant and equipment	47.18	28.91
Statutory Liabilities	399.52	230.88
<b>Total</b>	<b>1,368.02</b>	<b>1,008.88</b>

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

### 19. PROVISIONS

Particulars	(₹ in Lacs)	
	March 31, 2020	March 31, 2019
<b>Non Current</b>		
Provision for employee benefits	5.06	-
<b>Total</b>	<b>5.06</b>	<b>-</b>
<b>Current</b>		
Provision for employee benefits	411.70	196.17
<b>Total</b>	<b>411.70</b>	<b>196.17</b>

### 20. CURRENT TAX LIABILITY(NET)

Particulars	(₹ in Lacs)	
	March 31, 2020	March 31, 2019
Opening balance	-	-
Add: Current tax payable for the year	-	760.69
Less: Taxes paid	-	(760.69)
<b>Closing Balance</b>	<b>-</b>	<b>-</b>

### 21. REVENUE FROM OPERATIONS

Particulars	(₹ in Lacs)	
	2019-20	2018-19
<b>Sale of Products</b>		
- Stones	16,267.15	21,609.75
- Wind Power	83.54	96.69
- Traded Goods Sold	4,400.87	4,284.71
<b>Total</b>	<b>20,751.56</b>	<b>25,991.15</b>

### 22. OTHER INCOME

Particulars	(₹ in Lacs)	
	2019-20	2018-19
Interest income on		
- Bank deposits	40.14	37.98
- Loans to others	34.75	166.81
<b>Other Non Operating Income</b>		
Net gain on disposal of property, plant and equipment	-	33.12
Insurance Claim Received	13.41	13.86
Commission Income	3,805.58	-
Miscellaneous Income	401.95	974.85
<b>Total</b>	<b>4,295.83</b>	<b>1,226.62</b>

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

### 23. PURCHASES OF STOCK-IN-TRADE

Particulars	(₹ in Lacs)	
	2019-20	2018-19
Purchase of Traded Goods	4,332.33	4,234.45
<b>Total</b>	<b>4,332.33</b>	<b>4,234.45</b>

### 24. CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK-IN-PROGRESS

Particulars	(₹ in Lacs)	
	2019-20	2018-19
<b>Inventories as at the beginning of the year</b>		
Work - in - process	874.13	745.43
Finished goods	2,023.93	1,796.52
Additions pursuant to amalgamation of DMEPL with the Company (Refer Note 35)	43.44	-
<b>Total</b>	<b>2,941.50</b>	<b>2,541.95</b>
<b>Less : Inventories as at the end of the year</b>		
Work - in - process	565.52	874.13
Finished goods	2,251.53	2,023.93
<b>Total</b>	<b>2,817.05</b>	<b>2,898.06</b>
Effect of foreign exchange fluctuation	(98.10)	(51.32)
<b>Net decrease / (increase) in inventories</b>	<b>222.55</b>	<b>(304.79)</b>

### 25. EMPLOYEE BENEFITS EXPENSE

Particulars	(₹ in Lacs)	
	2019-20	2018-19
Salaries, wages and bonus	3,011.85	3,384.21
Directors Remuneration	351.00	371.00
Contribution to provident and other funds	314.21	327.70
Staff welfare expenses	100.20	122.56
<b>Total</b>	<b>3,777.26</b>	<b>4,205.47</b>

### 26. FINANCE COST

Particulars	(₹ in Lacs)	
	2019-20	2018-19
Interest expense on debts and borrowings	856.04	873.70
Bank Charges	53.86	39.00
<b>Total</b>	<b>909.90</b>	<b>912.70</b>



## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

### 27. DEPRECIATION AND AMORTISATION EXPENSE

Particulars	(₹ in Lacs)	
	2019-20	2018-19
Depreciation on Property, Plant and Equipment	1,644.03	1,587.69
Amortisation on Intangible Assets	23.51	3.19
<b>Total</b>	<b>1,667.54</b>	<b>1,590.88</b>

### 28. OTHER EXPENSES

Particulars	(₹ in Lacs)	
	2019-20	2018-19
<b>Mining and Production Expenses</b>		
Purchase	105.46	170.40
Stores and Spare parts consumed	707.89	812.39
Raising and Mining Expenses	1,046.84	1,555.85
Power and Fuel	3,495.83	4,616.82
Royalty and DMFT Contribution on stone	2,846.35	3,772.18
Repairs to Machinery	260.26	281.71
Other Manufacturing expenses	650.49	555.80
(A)	9,113.12	11,765.15
<b>Selling and Distribution Expenses</b>		
Commission on sales	193.05	265.65
Other Selling and Distribution Expenses	324.88	199.28
(B)	517.93	464.93
<b>Establishment Expenses</b>		
Payment to Auditors (Refer Note (a) below)	17.63	18.30
Insurance	97.81	100.90
Legal and professional fees	122.85	155.95
Rates and taxes	64.45	80.52
Rent	101.77	136.12
Repairs to Building and Others	79.09	62.20
Travelling and conveyance expenses	114.81	102.51
Net loss on disposal of property, plant and equipment	1.26	-
Allowance for doubtful debts and advances	165.69	102.58
Corporate social responsibility expenditure (Refer Note (b) below)	15.92	36.75
Director Fees	0.24	0.28
Charity and Donations	0.15	2.55
General Expense	788.01	514.43
(C)	1,569.68	1,313.09
<b>Total (A+B+C)</b>	<b>11,200.73</b>	<b>13,543.17</b>

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

## (a) Details of Payments to auditors

Particulars	(₹ in Lacs)	
	2019-20	2018-19
Audit Fee	15.38	15.13
Tax audit fee	0.90	0.75
Limited review fee	0.75	0.75
Reimbursement of expenses	0.60	1.67
<b>Total</b>	<b>17.63</b>	<b>18.30</b>

## (b) Corporate social responsibility expenditure

- (i) CSR amount required to be spent as per Section 135 of the Companies Act, 2013 by the Company during the year is INR 66.02 Lakhs including previous unspent amount of INR 17.21 Lakhs (Previous Year INR 53.96 Lakhs including previous unspent amount of INR 10.36 Lakhs).
- (ii) During the year, expenditure related to Corporate Social Responsibility is INR 15.92 Lakhs (Previous Year INR 36.75 Lakhs). Details of Amount Spent towards CSR given below:

Particulars	(₹ in Lacs)	
	2019-20	2018-19
Education Projects	5.23	1.12
Safe Drinking Water Projects	4.17	12.07
Healthcare Projects	-	4.86
Swachh Bharat Abhiyan Projects	-	0.47
Rural Development Projects	-	13.45
Natural Calamities Relief Projects	5.41	-
Other Projects	1.11	4.78
<b>Total</b>	<b>15.92</b>	<b>36.75</b>

## 29. EARNINGS PER SHARE

Particulars	(₹ in Lacs)	
	March 31, 2020	March 31, 2019
<b>(a) Basic earnings per share</b>	<b>3.49</b>	<b>2.71</b>
<b>(b) Diluted earnings per share</b>	<b>3.49</b>	<b>2.71</b>
<b>(c) Reconciliations of earnings used in calculating earnings per share</b>		
Profit attributable to the equity holders of the company used in calculating basic earnings per share	3,140.48	2,246.07
Adjustment for calculating diluted earnings per share	-	-
<b>Profit attributable to the equity holders of the company used in calculating diluted earnings per share</b>	<b>3,140.48</b>	<b>2,246.07</b>
<b>(d) Weighted average number of shares used as the denominator</b>		
Weighted average number of equity shares used as the denominator in calculating basic earnings per share	90,074,910	82,854,663
Adjustment for calculating diluted earnings per share	-	-
<b>Weighted average number of equity shares used as the denominator in calculating diluted earnings per share</b>	<b>90,074,910</b>	<b>82,854,663</b>

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

### 30. COMMITMENTS AND CONTINGENCIES

#### A. Commitments

	(₹ in Lacs)	
	<u>March 31, 2020</u>	<u>March 31, 2019</u>
<b>Capital Commitments</b>		
Estimated amount of contracts remaining to be executed on capital account not provided for (net of advances)	72.13	7,686.75

#### B. Contingent Liabilities

	<u>March 31, 2020</u>	<u>March 31, 2019</u>
<b>i. Claim against the company not acknowledged as debt - Labour cases and others</b>	70.37	79.37
<b>ii. Guarantees excluding financial guarantees</b>		
i) Counter guarantees given by the Company in respect of guarantees given by the Bank to Government authorities and others	252.02	252.02
ii) Employee Visa Guarantee USD 41,690 (March 31, 2019: USD 97,275)	31.43	67.29
<b>iii. Liabilities disputed for which no provision has been made in the accounts as same is contested in appeal by the Company</b>		
Cess Matters and Other	170.62	108.96

#### C. Financial Guarantees

	<u>March 31, 2020</u>	<u>March 31, 2019</u>
Corporate Guarantee in favour of Foreign Bank for Working Capital and Term Loan facility sanctioned to Subsidiary/JV	6,209.44	5,697.14

### 31. DISTRIBUTION MADE AND PROPOSED

#### Cash dividends

##### Particulars

#### Cash dividends on equity shares declared and paid:

	<u>March 31, 2020</u>	<u>March 31, 2019</u>
Final dividend for the year ended on March 31, 2020: INR 0.30 per share (March 31 2019: INR 0.30 per share)	248.56	248.56
DDT on final dividend	51.09	51.09
	<u>299.65</u>	<u>299.65</u>

#### Proposed dividends on Equity Shares:

Final cash dividend for the year ended on March 31, 2020: INR NIL (March 31, 2019: INR 0.30 per share)	-	248.56
DDT on proposed dividend	-	51.09
	<u>-</u>	<u>299.65</u>

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

## 32. INTEREST IN OTHER ENTITIES

## A. Subsidiaries:

The Subsidiary companies considered in the Consolidated Financial Statements are:

Name of entity	Place of business/ incorporation	Ownership interest held by the group	
		March 31, 2020	March 31, 2019
ASI Global Limited	Mauritius	100%	100%
Al Rawasi Rock and Aggregate LLC*	UAE	100%	100%

\* Aggregate shareholding at its own and through its wholly owned subsidiary.

## B. Associate:

The Associate company considered in the Consolidated Financial Statement is:

Name of entity	Place of business/ incorporation	Ownership interest held by the group	
		March 31, 2020	March 31, 2019
Stone Masters (India) Private Limited	India	39.80%	-

## 33. DISCLOSURES REQUIRED BY SCHEDULE III

Name of the Entity in the Group	Net Assets, i.e. total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % of total comprehensive income	Amount
<b>Parent</b>								
ASI Industries Limited	86.92%	28,735.92	-9.88%	(310.31)	54.64%	602.19	6.88%	291.88
<b>Foreign Subsidiaries</b>								
ASI Global Limited, Mauritius	0.65%	216.32	-0.44%	(13.72)	0.00%	-	-0.32%	(13.72)
Al Rawasi Rock & Aggregate LLC (UAE)	20.61%	6,815.04	108.77%	3,415.98	45.36%	499.95	92.30%	3,915.93
<b>Indian Associate</b>								
Stone Masters (India) Private Limited	0.15%	48.47	1.54%	48.47	-	-	1.14%	48.47
Total Elimination / Consolidation Adjustments	-8.34%	(2,756.42)	0.00%	0.06	-0.01%	(0.06)	0.00%	-
<b>Total</b>	<b>100.00%</b>	<b>33,059.33</b>	<b>100.00%</b>	<b>3,140.48</b>	<b>100.00%</b>	<b>1,102.08</b>	<b>100.00%</b>	<b>4,242.56</b>

## 34. RELATED PARTY TRANSACTIONS

## (i) List of related parties as per the requirements of Ind-AS 24 - Related Party Disclosures

Name of Related Party	Nature of Relationship
<b>A. Key Management Personnel(KMP) :</b>	
1. Shri Deepak Jatia	Chairman and Managing Director
2. Shri Tushya Jatia	Executive Director
3. Smt Anita Jatia	Executive Director
4. Shri S.R.Soni	Chief Executive Officer
5. Shri Pavan Kumar Soni	Chief Financial Officer
6. Shri Manoj Jain	Company Secretary

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

### B. Other Related Parties - Enterprise over which KMPs are able to exercise significant influence

1. Stone Masters (India) Private Limited, India - Associate Company
2. Deejay Mining & Exports Private Limited, India (upto 31.03.2019)

#### (ii) Transactions with related parties

##### A. Transactions occurred with related parties referred to in A above, in ordinary course of Business

Nature of Transaction	(₹ in Lacs)	
	March 31, 2020	March 31, 2019
Interest paid on Loan	25.43	5.95
Net Loans and Advances taken / (Repaid)	653.22	-

##### B. Transactions occurred with related parties referred to in B above, in ordinary course of Business

Nature of Transaction	(₹ in Lacs)	
	March 31, 2020	March 31, 2019
Purchase of Assets	-	17.70

#### (iii) Outstanding balances from related parties

Nature of Transaction	(₹ in Lacs)	
	March 31, 2020	March 31, 2019
Borrowings from Directors	653.22	-

#### (iv) Key management personnel compensation

Particulars	(₹ in Lacs)	
	March 31, 2020	March 31, 2019
Short term employee benefits	402.82	422.84
Post-employment benefits	53.40	52.50
	<u>456.22</u>	<u>475.34</u>

#### (v) Terms and conditions of transactions with related parties

The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding loan balances at the year end are unsecured and interest bearing and trade and other receivables are unsecured and interest free and settlement occurs in cash. The Company has issued corporate guarantees to the lenders of the subsidiary company as an additional comfort as per the terms of arrangement. For the year ended March 31, 2020, the Company has not recorded any impairment of receivables relating to amount owed by related parties (March 31, 2019: NIL). This assessment is undertaken each financial year through examining the financial position of the related party and market in which the related party operates.

### 35. Amalgamation of Deejay Mining and Exports Private Limited (DMEPL) with the Company

Pursuant to the order dated 23.04.2020 as passed by the Hon'ble NCLT, Mumbai M/s. Deejay Mining and Exports Private Limited (DMEPL) ("Transferor Company") was amalgamated with M/s. ASI Industries Limited (ASI) ("Transferee Company"). The appointed date of the sanctioned scheme was 1st April, 2018.

The scheme of amalgamation was approved by the respective shareholders of the transferor and transferee company. All the required approvals were taken from Securities and Exchange Board of India (SEBI), Stock Exchanges and other required authorities.

The scheme sanctioned on 23.04.2020 was effective on 18.05.2020, i.e. the date on which the scheme along with all approvals was filed with the Registrar of Companies (ROC) at Mumbai. Upon the scheme becoming effective the Transferor Company stands dissolved as the entire business and all its assets and liabilities, duties and obligations of the Transferor Company have been transferred to and vested in the Transferee Company with effect from the appointed date.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

The entire effects of the amalgamation as sanctioned in the said scheme has been taken into the effect w.e.f the appointed date and accordingly accounted for in the current financial year i.e. 2019-20 of the transferee company.

In Compliance with the scheme, on merger of DMEPL i.e. Transferor Company with the Transferee Company, 4,07,14,762 equity shares of ASI held by DMEPL were cancelled and 4,79,35,009 equity shares were issued afresh to shareholders of DMEPL without payment being received in cash in the ratio 17,484 equity shares of the Transferee Company of Re. 1 each fully paid up for every 1000 equity shares of held in the Transferor Company of Rs. 10 each fully paid up.

On the Scheme becoming effective, the Company has accounted for the amalgamation of the Transferor Company in the books of accounts in accordance with ' Pooling of Interest Method' as per Ind-AS 103 issued by The Institute of Chartered Accountants of India and as notified under the scheme.

Accordingly, all assets, liabilities, reserves, benefits under income tax, duties and obligations of the Transferor Company after eliminating the inter-company transactions have been recorded at their carrying amounts and the only adjustments made are to harmonise accounting policies.

The aggregate carrying balances of the Transferor Company which merge into the Company after the effects of amalgamation and alignment of accounting policies and practices, transaction between Transferor Company and the Company are as under:

Particulars	Transferor Company	Elimination	Adjustments	Total
<b>Assets</b>				
Property, Plant and Equipment	474.41	-	1610.91	2,085.32
Capital Work-in-Progress	44.91	-	-	44.91
Intangible Assets	153.74	-	-	153.74
Non-Current Investments	82.29	-	992.80	1,075.09
Deferred Tax Assets (Net)	39.97	-	-	39.97
Other Non-Current Assets	104.47	-	-	104.47
Inventories	43.57	-	-	43.57
Current Investments	233.96	(204.82)	87.50	116.64
Trade Receivables	98.17	-	-	98.17
Cash and Cash Equivalents	25.90	-	-	25.90
Other Financial Assets	7.57	-	-	7.57
Other Current Assets	78.16	-	-	78.16
<b>Total Assets</b>	<b>1,387.12</b>	<b>(204.82)</b>	<b>2691.21</b>	<b>3,873.51</b>
<b>Equity and Liabilities</b>				
<b>Equity</b>				
Equity Share capital	274.16	(274.16)	-	-
Other Equity	856.87	69.34	2691.21	3,617.42
<b>Total Equity</b>	<b>1131.03</b>	<b>(204.82)</b>	<b>2691.21</b>	<b>3617.42</b>
<b>Liabilities</b>				
Long Term Provisions	0.26	-	-	0.26
Trade Payables	8.43	-	-	8.43
Other Financial Liabilities	37.70	-	-	37.70
Other Current Liabilities	208.54	-	-	208.54
Short Term Provisions	1.16	-	-	1.16
<b>Total Liabilities</b>	<b>256.09</b>	<b>-</b>	<b>-</b>	<b>256.09</b>
<b>Total Equity and Liabilities</b>	<b>1387.12</b>	<b>(204.82)</b>	<b>2691.21</b>	<b>3873.51</b>

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

### 36. EMPLOYEE BENEFIT OBLIGATIONS

(₹ in Lacs)

Particulars	March 31, 2020			March 31, 2019		
	Current	Non Current	Total	Current	Non Current	Total
Leave obligations	141.65	-	141.65	83.78	-	83.78
Gratuity	252.83	5.06	257.89	108.44	-	108.44
<b>Total Employee Benefit Obligation</b>	<b>394.48</b>	<b>5.06</b>	<b>399.54</b>	<b>192.22</b>	<b>-</b>	<b>192.22</b>

#### (i) Leave Obligations

The leave obligations cover the company's liability for earned leave.

The amount of the provision of INR 141.65 Lakhs (March 31, 2019: INR 83.78 Lakhs) is presented as current, since the company does not have an unconditional right to defer settlement for any of these obligations.

#### (ii) Post Employment obligations

##### (A) Gratuity

The company provides for gratuity for employees in india as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of five years are eligible for gratuity. The amount of gratuity is payable on retirement/ termination of service.

The gratuity plan is a funded plan and the Company makes contribution to recognised Gratuity Fund managed by the trust.

**The amount recognised in the balance sheet and the movement in the net defined benefit obligation over the period are as follows**

Particulars	(₹ in Lacs)		
	Present value of obligation	Fair value of plan assets	Net amount
<b>As at April 1, 2018</b>	1,536.12	(1,511.91)	24.21
Current service cost	68.38	-	68.38
Past service cost	-	-	-
Interest expense/(income)	115.40	(117.93)	(2.53)
<b>Total amount recognised in profit or loss</b>	<b>183.78</b>	<b>(117.93)</b>	<b>65.85</b>
<i>Remeasurements</i>			
Return of plan assets, excluding amount included in interest (income)	-	(6.43)	(6.43)
(Gain)/Loss from change in financial assumptions	9.34	-	9.34
Experience (gains)/losses	35.47	-	35.47
<b>Total amount recognised in other comprehensive income</b>	<b>44.81</b>	<b>(6.43)</b>	<b>38.38</b>
Employer contributions	-	(20.00)	(20.00)
Benefit payments	(214.00)	214.00	-
<b>As at March 31, 2019</b>	<b>1,550.71</b>	<b>(1,442.27)</b>	<b>108.44</b>
Current service cost	69.97	-	69.97
Past service cost	-	-	-
Interest expense/(income)	112.80	(110.19)	2.61
<b>Total amount recognised in profit or loss</b>	<b>182.77</b>	<b>(110.19)</b>	<b>72.58</b>
<i>Remeasurements</i>			

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

(₹ in Lacs)

Particulars	Present value of obligation	Fair value of plan assets	Net amount
Retrun of plan assets, excluding amount included in interest (income)	-	(6.10)	(6.10)
(Gain)/Loss from change in financial assumptions	62.72	-	62.72
Experience (gains)/losses	69.40	-	69.40
<b>Total amount recognised in other comprehensive income</b>	<b>132.12</b>	<b>(6.10)</b>	<b>126.02</b>
Employer contributions	-	(49.15)	(49.15)
Benefit payments	(238.93)	238.93	-
<b>As at March 31, 2020</b>	<b>1,626.67</b>	<b>(1,368.78)</b>	<b>257.89</b>

The net liability disclosed above relates to funded and unfunded plans are as follows:

Particulars	March 31, 2020	March 31, 2019
Present value of funded obligations	1,626.67	1,550.71
Fair value of plan assets	(1,368.78)	(1,442.27)
Deficit of gratuity plan	257.89	108.44

Particulars	March 31, 2020	March 31, 2019
Discount rate	6.56%	7.64%
Expected return on plan assets	6.56%	7.64%
Salary growth rate	4.00%	4.00%
Employee Turnover Rate	1.00%	1.00%

A quantitative sensitivity analysis for significant assumption as at March 31, 2020 is shown below:

Assumptions	Discount rate		Salary growth rate		Employee Turnover	
	0.5% increase	0.5% decrease	0.5% increase	0.5% decrease	0.5% increase	0.5% decrease
<b>March 31, 2020</b>						
Impact on defined benefit obligation	(29.75)	31.08	31.20	(30.16)	4.04	(4.20)
% Impact	(0.12)	0.12	0.12	(0.12)	0.02	(0.02)
<b>March 31, 2019</b>						
Impact on defined benefit obligation	(28.79)	30.02	30.59	(29.61)	5.48	(5.68)
% Impact	(0.27)	0.28	0.28	(0.27)	0.05	(0.05)

The sensitivity analysis above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period.



## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

The following payments are expected contributions to the defined benefit plan in future years:

Particulars	(₹ in Lacs)	
	March 31, 2020	March 31, 2019
1st Following Year	309.52	299.70
2nd Following Year	137.19	98.64
3rd Following Year	233.96	222.35
4th Following Year	197.05	221.72
5th Following Year	153.91	189.90
Sum of years 6 to 10	691.73	694.20
Sum of years 11 and above	362.89	403.24
<b>Total expected payments</b>	<b>2,086.25</b>	<b>2,129.75</b>

The average duration of the defined benefit plan obligation at the end of the reporting period is 24.42 years (March 31, 2019: 25.55 years)

### (B) Defined contribution plans

The company also has defined contribution plans. The company pays provident fund contributions to approved provident fund trust and publicly administered provident funds. Contributions are made at the rate of 12% of basic salary as per regulations. The obligation of the company is limited to the amount contributed and it has no further contractual nor any constructive obligation. The expense recognised during the period towards defined contribution plan is INR 260.51 Lakhs (March 31, 2019: INR 275.36 Lakhs)

### 37. SEGMENT REPORTING

- A. For management purposes, the Company is organised into business units based on its products and services and has three reportable segments, i.e. Stone, Wind Power and Trading.

No operating segments have been aggregated to form the above reportable operating segment

The Chief Operating Decision Maker ('CODM') monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the standalone financial statements.

Year ended March 31, 2020				(₹ in Lacs)
Particulars	Stone	Wind Power	Trading	Total
<b>Revenue</b>				
External customers	16,267.16	83.53	4,400.87	20,751.56
Inter-segment	-	-	-	-
	<b>16,267.16</b>	<b>83.53</b>	<b>4,400.87</b>	<b>20,751.56</b>
<b>Other Non Operating income</b>				
Other Income	4,329.93	14.37	-	4,344.30
<b>Total revenue</b>	<b>20,597.09</b>	<b>97.90</b>	<b>4,400.87</b>	<b>25,095.86</b>
<b>Expenses</b>				
Purchase of stock-in-trade	0.91	-	4,331.42	4,332.33
Change in inventories of finished goods, work-in-progress & stock-in-trade	222.55	-	-	222.55
Finance costs	909.90	-	-	909.90
Depreciation and amortisation	1,594.76	72.78	-	1,667.54
Other Expenses	14,929.05	48.94	-	14,977.99

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

Year ended March 31, 2020				(₹ in Lacs)
Particulars	Stone	Wind Power	Trading	Total
<b>Total Expenses</b>	<b>17,657.17</b>	<b>121.72</b>	<b>4,331.42</b>	<b>22,110.31</b>
<b>Segment profit</b>	<b>2,939.92</b>	<b>(23.82)</b>	<b>69.45</b>	<b>2,985.55</b>
<b>Tax Expense</b>				154.93
<b>Profit after tax</b>				<b>3,140.48</b>
<b>Total assets</b>	67,768.99	777.59	1,772.84	70,319.42
<b>Total liabilities</b>	19,876.14	24.13	2,478.73	22,379.00
<b>Other disclosures</b>				
Capital expenditure incurred	18,230.76	-	-	18,230.76
<b>Year ended March 31, 2019</b>				
Particulars	Stone	Wind Power	Trading	Total
<b>Revenue</b>				
External customers	21,609.75	96.69	4,284.71	25,991.15
Inter-segment	-	-	-	-
	<b>21,609.75</b>	<b>96.69</b>	<b>4,284.71</b>	<b>25,991.15</b>
<b>Other Non Operating income</b>				
Other Income	1,226.62	-	-	1,226.62
<b>Total revenue</b>	<b>22,836.37</b>	<b>96.69</b>	<b>4,284.71</b>	<b>27,217.77</b>
<b>Expenses</b>				
Purchase of stock-in-trade	-	-	4,234.45	4,234.45
Change in inventories of finished goods, work-in-progress & stock-in-trade	(304.79)	-	-	(304.79)
Finance costs	912.70	-	-	912.70
Depreciation and amortisation	1,518.31	72.57	-	1,590.88
Other Expenses	17,682.26	66.38	-	17,748.64
<b>Total Expenses</b>	<b>19,808.48</b>	<b>138.95</b>	<b>4,234.45</b>	<b>24,181.88</b>
<b>Segment profit</b>	<b>3,027.89</b>	<b>(42.26)</b>	<b>50.26</b>	<b>3,035.89</b>
<b>Tax Expense</b>				(789.82)
<b>Profit after tax</b>				<b>2,246.07</b>
<b>Total assets</b>	51,261.36	856.85	1,817.99	53,936.20
<b>Total liabilities</b>	11,905.77	27.27	2,497.85	14,430.89
<b>Other disclosures</b>				
Capital expenditure incurred	1,860.86	-	-	1,860.86

### Adjustments and eliminations

Current taxes and deferred taxes are not allocated to those segments as they are also managed on a group basis.

Capital expenditure consists of additions of property, plant and equipment.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

### B. Information about geographical areas

#### Revenue from external customers

The company is domiciled in India. The amount of its revenue from external customers broken down by location of the customers is shown in the table below:

Particulars	March 31, 2020	March 31, 2019
India	14,317.36	18,045.56
Outside India	6,434.20	7,945.59
	<u>20,751.56</u>	<u>25,991.15</u>

Revenue from three customer amounted to INR 2,764.80 Lakhs (March 31, 2019: three customers - INR 3,300.03 Lakhs) arising from sales in the Stone Segment and revenue from two customers amounted to INR 4,400.87 Lakhs (March 31, 2019: three customers - INR 4,284.14 Lakhs ) arising from sales in the Trading Segment and revenue from two customers amounted to INR 83.53 Lakhs (March 31, 2019: two customers - INR 96.69 Lakhs), arising from sales in the Wind Power Segment.

#### Non current assets

The total of non-current assets other than financial instruments, investments accounted for using equity method and deferred tax assets, broken down by location of assets is shown below:

Particulars	March 31, 2020	March 31, 2019
India	37,911.14	18,232.04
Outside India	8,230.42	8,421.82
	<u>46,141.56</u>	<u>26,653.86</u>

Note: Non current assets for this purpose consists of property, plant and equipment, investment properties and intangible assets.

### 38. FAIR VALUE MEASUREMENTS

#### i. Financial Instruments by Category

(₹ in Lacs)

Particulars	Carrying Amount		Fair Value	
	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
<b>FINANCIAL ASSETS</b>				
<b>Amortised cost</b>				
Trade Receivables	10,352.51	12,374.75	10,352.51	12,374.75
Loans	14.09	15.68	14.09	15.68
Cash and Cash Equivalents	982.80	497.21	982.80	497.21
Other Bank Balances	1,330.60	693.64	1,330.60	693.64
Other Financial Assets	343.37	264.67	343.37	264.67
<b>FVTOCI</b>				
Investment in Equity Instruments	2,758.32	677.33	2,758.32	677.33
<b>Total</b>	<u>15,781.69</u>	<u>14,523.28</u>	<u>15,781.69</u>	<u>14,523.28</u>
<b>FINANCIAL LIABILITIES</b>				
<b>Amortised cost</b>				
Borrowings	30,118.37	22,610.99	30,118.37	22,610.99
Trade Payables	628.94	612.38	628.94	612.38
Other financial liabilities	4,349.08	3,507.65	4,349.08	3,507.65
<b>Total</b>	<u>35,096.39</u>	<u>26,731.02</u>	<u>35,096.39</u>	<u>26,731.02</u>

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

The management assessed that the fair value of cash and cash equivalent, trade receivables, trade payables, and other current financial assets and liabilities approximate their carrying amounts largely due to the short term maturities of these instruments.

The fair values for loans and other non current financial assets were calculated based on cash flows discounted using a current lending rate. They are classified as level 3 fair values in the Fair value hierarchy due to the inclusion of unobservable inputs including counterparty credit risk.

The fair values of non current borrowings are based on discounted cash flows using a current borrowing rate. They are classified as level 3 fair values in the fair value hierarchy due to the use of unobservable inputs, including own credit risk.

### ii. Fair Value Hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are recognised and measure at fair value. To provide an indication about the reliability of the inputs used in determining fair value, the company has classified its financial instruments into three levels prescribed under the accounting standard. An explanation of each level follows underneath the table:

#### Assets and liabilities measured at fair value - recurring fair value measurement:

(₹ in Lacs)

Particulars	March 31, 2020			Total	March 31, 2019			Total
	Fair value measurement using				Fair value measurement using			
	Quoted prices in active markets (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)		Quoted prices in active markets (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	
<b>Fair Value Through Other Comprehensive Income</b>								
Quoted Equity shares	60.58	-	-	60.58	6.84	-	-	6.84
Unquoted Equity shares	-	-	2,697.74	2,697.74	-	-	670.49	670.49
<b>Total Financial Assets</b>	<b>60.58</b>	<b>-</b>	<b>2,697.74</b>	<b>2,758.32</b>	<b>6.84</b>	<b>-</b>	<b>670.49</b>	<b>677.33</b>

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

**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 are not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity shares.

### iii. Valuation technique used to determine fair value

Specific Valuation techniques used to value financial instruments include:

- the use of quoted market prices or dealer quotes for similar instruments
- the fair value of the remaining financial instruments is determined using discounted cash flow analysis

### iv. Valuation inputs and relationships to fair value

The significant unobservable inputs used in the fair value measurement categorised within Level 3 of the fair value hierarchy together with a quantitative sensitivity analysis as at March 31, 2020 and March 31, 2019 are shown as below:

Particulars	Valuation technique	Significant unobservable inputs	Sensitivity of the input to fair value
Unlisted equity shares	Net Assets / Breakup value method	Market value of Immovable properties	5% Increase (decrease) in the market value of the immovable properties will change other comprehensive income by INR 56.63 Lakhs (March 31, 2019 : INR 13.26 Lakhs)

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

### v. Valuation processes

The finance department of the company includes a team that performs the valuations of financial assets and liabilities required for financial reporting purposes, including level 3 fair values. This team reports directly to the chief financial officer (CFO) and the audit committee. Discussions of valuation processes and results are held between the CFO, audit committee and the valuation team regularly.

### vi. Reconciliation of fair value measurement of financial assets classified as FVTOCI(Level 3):

Particulars	(₹ in Lacs)
<b>As at April 1, 2018</b>	814.05
Remeasurement recognised in OCI	(143.56)
Sale of investment	-
<b>As at March 31, 2019</b>	670.49
Pursuant to amalgamation of DMEPL with the Company (Refer Note 35)	1,073.90
Remeasurement recognised in OCI	904.89
Sale of investment	-
Share of Profit of Associate	48.47
<b>As at March 31, 2020</b>	2,697.74

## 39. FINANCIAL RISK MANAGEMENT

The Company's activity exposes it to market risk, liquidity risk and credit risk. Company's overall risk management focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the company. This note explains the sources of risk which the entity is exposed to and how the company manages the risk.

### (A) Credit risk

Credit risk is the risk that the counterparty will not meet its obligations leading to a financial loss. Credit risk arises from cash and cash equivalents, financial assets carried at amortised cost and deposits with banks and financial institutions, as well as credit exposures to customers including outstanding receivables.

#### i. Credit risk management

Credit risk has always been managed by the company through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the company grants credit terms in the normal course of business.

The company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk the Company compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportive forwarding-looking information.

In general, it is presumed that credit risk has significantly increased since initial recognition if the payments are more than 90 days past due.

A default on a financial asset is when the counterparty fails to make contractual payments of when they fall due. This definition of default is determined by considering the business environment in which entity operates and other macro-economic factors.

#### ii. Provision for expected credit losses

The company follows 'simplified approach' for recognition of loss allowance on Trade receivables

As a practical expedient, the Company uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

changes in the forward-looking estimates are analyzed.

## iii. Reconciliation of loss allowance provision - Trade receivables

(₹ in Lacs)

Particulars	Amount
<b>Loss allowance on April 1, 2018</b>	111.58
Changes in loss allowance	36.75
<b>Loss allowance on March 31, 2019</b>	<b>148.33</b>
Changes in loss allowance	165.69
Effect of foreign exchange fluctuation	3.66
<b>Loss allowance on March 31, 2020</b>	<b>317.68</b>

## (B) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due. The Company consistently generated sufficient cash flows from operations to meet its financial obligations. Also, the Company has unutilized credit limits with banks.

Management monitors rolling forecasts of the company's liquidity position (comprising the undrawn borrowing facilities) and cash and cash equivalents on the basis of expected cash flows. In addition, the company's liquidity management policy involves projecting cash flows and considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios against internal and external regulatory requirements.

**Maturities of financial liabilities**

The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. In the table below, borrowings include both interest and principal cash flows. To the extent that interest rates are floating rate, the undiscounted amount is derived from interest rate curves at the end of the reporting period.

**Contractual maturities of financial liabilities**

(₹ in Lacs)

Particulars	Carrying Amount	Contractual cash flows			
		Total	Less than 1 year	1 to 5 years	More than 5 years
<b>March 31, 2020</b>					
Borrowings	30,118.37	31,712.56	12,559.13	11,574.61	7,578.82
Trade payables	628.94	628.94	628.94	-	-
Other financial liabilities	4,349.08	4,349.08	4,349.08	-	-
<b>Total financial liabilities</b>	<b>35,096.39</b>	<b>36,690.58</b>	<b>17,537.15</b>	<b>11,574.61</b>	<b>7,578.82</b>
<b>March 31, 2019</b>					
Borrowings	22,610.99	28,977.56	9,778.43	12,186.01	7,013.12
Trade payables	612.38	612.38	612.38	-	-
Other financial liabilities	3,507.65	3,507.65	3,507.65	-	-
<b>Total financial liabilities</b>	<b>26,731.02</b>	<b>33,097.59</b>	<b>13,898.46</b>	<b>12,186.01</b>	<b>7,013.12</b>

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

### (C) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of change in market prices. Market risk comprises three types of risk: foreign currency risk, interest rate risk and other price risk such as commodity risk.

#### (i) Foreign currency risk

Foreign currency risk is the risk of impact related to fair value or future cash flows of an exposure in foreign currency, which fluctuate due to changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the external commercial borrowings and export receivables.

The Company evaluates exchange rate exposure arising from foreign currency transactions and follows established risk management policies and standard operating procedures to mitigate the risks.

#### (a) The company exposure to foreign currency risk at the end of the reporting period expressed in INR lakhs, are as follows

Particulars	(₹ in Lacs)			
	USD	EURO	AED	Total
<b>March 31, 2020</b>				
Trade Receivables	-	-	3,592.47	<b>3,592.47</b>
Cash and Cash Equivalents	-	-	910.22	<b>910.22</b>
Loans to Others	-	-	3.81	<b>3.81</b>
Other Financial Assets	-	-	33.08	<b>33.08</b>
Trade Payable	-	-	(302.00)	<b>(302.00)</b>
Other Financial Liabilities	-	-	(3,205.88)	<b>(3,205.88)</b>
Foreign Currency Borrowings	(8,178.46)	(6,743.27)	(6,487.72)	<b>(21,409.45)</b>
Creditors for Capital Goods	(5.35)	(146.92)	-	<b>(152.27)</b>
<b>Net exposure to foreign currency risk</b>	<b>(8,183.81)</b>	<b>(6,890.19)</b>	<b>(5,456.02)</b>	<b>(20,530.02)</b>
<b>March 31, 2019</b>				
Trade Receivables	-	-	3,958.78	<b>3,958.78</b>
Cash and Cash Equivalents	-	-	372.57	<b>372.57</b>
Loans to Others	-	-	4.47	<b>4.47</b>
Other Financial Assets	-	-	71.88	<b>71.88</b>
Trade Payable	-	-	(547.41)	<b>(547.41)</b>
Other Financial Liabilities	-	-	(2,843.36)	<b>(2,843.36)</b>
Foreign Currency Borrowings	(7,033.71)	-	(6,846.54)	<b>(13,880.25)</b>
Creditors for Capital Goods	-	-	-	<b>-</b>
<b>Net exposure to foreign currency risk</b>	<b>(7,033.71)</b>	<b>-</b>	<b>(5,829.61)</b>	<b>(12,863.32)</b>

#### (b) Foreign currency sensitivity

1% increase or decrease in foreign exchange rates will have the following impact on profit before tax:

Particulars	(₹ in Lacs)			
	2019-20		2018-19	
	1% Increase	1% Decrease	1% Increase	1% Decrease
USD	(81.84)	81.84	(70.34)	70.34
EURO	(68.90)	68.90	-	-
AED	(54.56)	54.56	(58.30)	58.30
<b>Net Increase/(decrease) in profit or loss</b>	<b>(205.30)</b>	<b>205.30</b>	<b>(128.63)</b>	<b>128.63</b>

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

### (ii) 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 Groups's exposure to the risk of changes in market interest rates relates primarily to the Group's long-term debt obligations with floating interest rates. The Group manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings.

#### Interest rate sensitivity

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

#### 100 basis point increase or decrease in interest rates will have the following impact on profit before tax:

Particulars	2019-20		2018-19	
	100 basis point		100 basis point	
	Increase	Decrease	Increase	Decrease
USD	(52.36)	52.36	-	-
EURO	(67.20)	67.20	-	-
<b>Net Increase/(decrease) in profit or loss</b>	<b>(119.56)</b>	<b>119.56</b>	-	-

The assumed movement in basis points for the interest rate sensitivity analysis is based on the currently observable market environment.

### (iii) Commodity Price risk

The company is affected by the price volatility of certain commodities. Its operating activities require the continuous purchase of High Speed Diesel (HSD). Due to the significantly increased volatility of the price of the HSD, the company is exposed to price risk. The Company has a risk management framework aimed at prudently managing the arising from the volatility in commodity prices.

### (D) Risk due to outbreak of COVID 19 pandemic

World Health Organisation (WHO) declared outbreak of Coronavirus Disease (COVID-19) a global pandemic on March 11, 2020. Consequent to this, Government of India declared lockdown on March 23, 2020 and the Company temporarily suspended the operations in all the units of the Company in compliance with the lockdown instructions issued by the Central and State Governments. COVID-19 has impacted the normal business operations of the Company by way of interruption in production, unavailability of personnel, closure / lock down of production facilities etc. during the lockdown period. However, production and supply of goods has been resumed after the lockdown period.

The Company has made detailed assessment of its liquidity position for the next year and the recoverability and carrying value of its assets comprising property, plant and equipment, intangible assets, right of use assets, investments, inventory end trade receivables. Based on current Indicators of future economic conditions, the Company expects to recover the carrying amount of these assets. The situation is changing rapidly giving rise to inherent uncertainty around the extent and timing of the potential future impact of the COVID-19 which may be different from that estimated as at the date of approval of the financial results. The Company will continue to closely monitor any material changes arising of future economic conditions and impact on its business

## 40. CAPITAL MANAGEMENT

For the purpose of the company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity share holders. 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 company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The company includes within debt, interest bearing loans and borrowings, trade and other payables, less cash and cash equivalents.



## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

Particulars	(₹ in Lacs)	
	March 31, 2020	March 31, 2019
Borrowings	30,118.37	22,610.99
Trade payables	628.94	612.38
Other financial liabilities	4,349.08	3,507.65
Less: cash and cash equivalents and other bank balances	(2,269.40)	(1,150.55)
<b>Net Debt</b>	<b>32,826.99</b>	<b>25,580.47</b>
Equity Share Capital	900.75	828.55
Other Equity	32,158.58	24,751.97
<b>Total Equity</b>	<b>33,059.33</b>	<b>25,580.52</b>
<b>Capital and net debt</b>	<b>65,886.32</b>	<b>51,160.99</b>
<b>Gearing ratio (%)</b>	<b>49.82</b>	<b>50.00</b>

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the borrowings that define capital structure requirements. The financial covenants relates to gearing ratio, ratio of net finance cost to EBITDA, fixed assets coverage ratio etc. The company has complied with these covenants throughout the reporting period.

#### 41. DETAILS OF LOANS GIVEN, INVESTMENTS MADE AND GUARANTEE GIVEN COVERED U/S 186 (4) OF THE COMPANIES ACT, 2013

Corporate Guarantees given for the subsidiary and Investments made are given under the respective heads.

**Loans given to others by the Company are as under:**

Sr. No.	Particulars	Nature	(₹ in Lacs)	
			March 31, 2020	March 31, 2019
1	Forum Infrastructure Pvt. Ltd. Pursuant to amalgamation of DMEPL with the Company (Refer Note 35)	ICD's	231.55	-

#### 42. STATEMENT CONTAINING SALIENT FEATURES OF THE FINANCIAL STATEMENTS OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

##### PART "A": SUBSIDIARIES

Name of the Subsidiary Company	(₹ in Lacs)	
	ASI Global Limited	AI Rawasi Rock & Aggregate LLC
Reporting Period	01-04-2019 to 31-03-2020	01-04-2019 to 31-03-2020
Reporting Currency	USD	AED
Exchange Rate	INR 75.39	INR 20.54
Share Capital	3128.69	2054.00
Reserve & Surplus	(424.79)	4760.30
Total Assets	1757.55	14674.45
Total Liabilities	3539.11	7860.15
Investments	4485.46	0.00

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

(₹ in Lacs)

Name of the Subsidiary Company	ASI Global Limited	AI Rawasi Rock & Aggregate LLC
Turnover/Total Income	15.69	6402.70
Profit/ (Loss) Before Taxation	(13.72)	3415.23
Provision for Taxation	0.00	0.00
Profit/ (Loss) After Taxation	(13.72)	3415.23
Proposed Dividend	0.00	0.00
% of shareholding	100.00	100 #

# Aggregate shareholding at its own and through its wholly owned foreign subsidiary

### Notes:

- i) The reporting period for the subsidiary is same as that of the parent company, i.e., year ended on March 31.
- ii) The assets and liabilities are translated at the closing rate at the date of that balance sheet and the income and expenses are translated at average exchange rates for the year.

### PART "B": ASSOCIATE

(₹ in Lacs)

Sr. No.	Particulars	
1	Name of Associate Company	Stone Masters (India) Private Limited
2	Latest Audited Balance Sheet Date	31 <sup>st</sup> March, 2020
3	Date on which the Associate was associated or acquired	1 <sup>st</sup> April, 2018
4	Shares of Associate held by the Company on the year end:	
i	Nos.	1742500
ii	Amount of Investment in Associate Company	122.59
iii	Extent of Holding %	39.80%
5	Description of how there is significant influence	There is significant influence due to percentage (%) of Share Capital
6	Reason why the associate is not considered	-
7	Networth attributable to shareholding as per latest audited Balance Sheet	2428.21
8	Profit/ (Loss) for the year:	
i	Considered in Consolidation	48.47
ii	Not considered in Consolidation	-

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

43. Financial Statements for the year ended March 31, 2020 are not comparable with the previous year due to the facts as mentioned in note 35. Previous year figures have been regrouped/ reclassified wherever considered necessary to confirm to the current year presentation.

**As per our report of even date**

**For S.C. Bandi & Co.**  
Chartered Accountants  
Firm Registration Number: 130850W

**S.C. Bandi**  
Proprietor  
Membership No. 16932

Place: Mumbai  
Date: July 6, 2020

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

**S. R. Soni**  
Chief Executive Officer

**Pavan Kumar Soni**  
Chief Financial Officer

**Manoj Jain**  
Company Secretary

**Deepak Jatia**  
Chairman & Managing Director  
(DIN : 01068689)

**Tushya Jatia**  
Executive Director  
(DIN: 02228722)

Place: Mumbai  
Date: July 6, 2020





# ARTIZIA

QUARTZ MASTERPIECES



## ASI INDUSTRIES LIMITED

(CIN L14101MH1945PLC256122)

Registered Office: Marathon Innova, 'A' Wing, 7th Floor, Off G.K.Marg, Lower Parel, Mumbai-400013  
Tel: 022-4089 6100, Fax: 022-4089 6119, Email: investors@asigroup.co.in, Website: www.asigroup.co.in

### NOTICE

Notice is hereby given that the Seventy Fourth Annual General Meeting of ASI Industries Limited will be held on **Tuesday, 29<sup>th</sup> September, 2020 at 11:00 a.m.** IST through Video Conferencing ("VC") / Other Audio-Visual Means ("OAVM") to transact the following business:

#### ORDINARY BUSINESS:

1. To receive, consider and adopt (a) the audited financial statements of the Company for the financial year ended 31<sup>st</sup> March, 2020 together with the reports of the Board of Directors and Auditors thereon; and (b) the audited consolidated financial statements of the Company for the financial year ended 31<sup>st</sup> March, 2020 and report of Auditors thereon and in this regard, passed the following resolution as an **Ordinary Resolutions:**

(a) **"RESOLVED THAT** the audited financial statement of the Company for the financial year ended 31<sup>st</sup> March, 2020 together with the reports of the Board of Directors and Auditors thereon laid before this meeting, be and is hereby considered and adopted"

(b) **"RESOLVED THAT** the audited consolidated financial statement of the Company for the financial year ended 31<sup>st</sup> March, 2020 together with the reports of the Auditors thereon laid before this meeting, be and is hereby considered and adopted"

2. To appoint a Director in place of Mr. Tushya Jatia (DIN: 02228722), who retires by rotation and being eligible, offers himself for reappointment and in this regard passed the following resolution as an **Ordinary Resolution:**

**"RESOLVED THAT** pursuant to the provisions of Section 152 of the Companies Act, 2013, Mr. Tushya Jatia (DIN: 02228722), who retires by rotation at this meeting and being eligible has offered himself for re-appointment, be and is hereby re-appointed as a Director of the Company, liable to retire by rotation.

#### SPECIAL BUSINESS:

3. **Ratification of the remuneration of Cost Auditors for the F.Y.2020-21.**

To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution:**

**"RESOLVED THAT** pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014 and Companies (Cost Records and Audit) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), M/s. N.D. Birla & Co., Cost Accountants (Firm Registration No. 000028) appointed by the Board of Directors as Cost Auditors to conduct audit of cost records of the Company, if required, for the financial year ending 31<sup>st</sup> March, 2021, be paid remuneration as set out in the statement annexed to the Notice convening this meeting.

**RESOLVED FURTHER THAT** the Board of Directors of the Company or any other Committee thereof be and is hereby authorized to do all such acts, deeds, matter and things and take all such steps as may be necessary, proper or expedient to give effect to the resolution."

4. **Re-appointment of Mrs. Anita Jaita as Whole Time Director (Designated as Executive Director)**

To consider and if thought fit, to pass with or without modification(s), the following resolution as **Special Resolution:**

**"RESOLVED THAT** upon the recommendation of Nomination and Remuneration Committee and the approval of Board through its resolutions dated 20<sup>th</sup> August, 2020 and pursuant to the provisions of Section 196, 197 and other applicable provisions of the Companies Act, 2013 and Rules made thereunder, read with Schedule V of the Act (including any statutory modification(s) or re-enactment (s) thereof), consent of the members of Members be and is hereby accorded to re-appointed of Mrs. Anita Jatia (DIN 01068774) as Whole Time Director, who liable to retire by rotation, on such terms and conditions as mentioned in explanatory statement annexed hereto, with the effect from 1<sup>st</sup> September 2020.

**RESOLVED FURTHER THAT** in the event of absence or inadequacy of profits in any financial year, the Company shall remunerate Mrs Anita Jatia, minimum remuneration which will be by way of salary, perquisites or any other allowances as specified in the explanatory statement annexed hereto and in accordance with the applicable provisions of the Companies Act, 2013.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to alter and vary the terms and conditions of the said appointment and/or remuneration so as not to exceed the applicable limit specified in Section 197 read with Schedule V to the Companies Act, 2013 (including any statutory modification or re-enactment thereof, for the time being in force) that may be agreed to between the Board of directors and Mrs. Anita Jatia.”

**RESOLVED FURTHER THAT** the Board of Directors of the company, be and is hereby authorized to take all such steps and do all such things including settling or resolving any doubts as may be required from time to time in connection with the above resolution and matters related thereto”.

**5. Approval for remuneration payable to Mrs. Anita Jatia , Executive Director of the Company in terms of Regulation 17(6)(e) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

**To consider and, if thought fit, to pass with or without modification(s) the following resolution as Special Resolution**

“**RESOLVED THAT** pursuant to the provisions of Regulation 17(6)(e) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, read with the provisions of Sections 196, 197, 198 and other applicable provisions of the Companies Act, 2013 (“the Act”) and the Rules framed thereunder read with Schedule V to the Act (including any statutory modification(s) / amendment(s) / re-enactment(s) thereof), the consent of the Members be and is hereby accorded for payment of remuneration to Mrs. Anita Jatia (DIN: 01068774), “Whole Time Director” of the Company, notwithstanding that the annual aggregate remuneration payable to Mrs. Anita Jatia may exceed Rs. 5 Crore (Rupees Five Crore) or 2.5% of the net profit of the Company, whichever is higher or the aggregate annual remuneration of all Executive Directors taken together may exceed 5% of the net profits of the Company during her tenure of appointment”.

**6. Waiver of recovery of Managerial Remuneration paid to Mr. Deepak Jatia for the Financial Year 2019-20.**

**To consider and, if thought fit, to pass with or without modification(s) the following resolution as Special Resolution**

“**RESOLVED THAT** upon recommendation of the Nomination and Remuneration Committee and of the Board of Directors of the Company and pursuant to the provisions of Section 197 of the Companies Act, 2013 (the “Act”) read with Schedule V to the Act, and other applicable provisions,

if any, of the Act and the Rules framed thereunder (including any statutory amendment(s), modification(s) or re-enactment(s) thereof) and without requiring approval of the Central Government, the approval of the Members be and is hereby accorded for the waiver of excess managerial remuneration paid to Mr. Deepak Jatia Managing Director (Director Identification Number (DIN): 01068689) of the Company for the Financial Years 2019-20, which was in excess of maximum remuneration permissible under the Act.

“**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, the Board of Directors or Nomination and Remuneration Committee be and is hereby authorized to finalize, settle and execute such document(s) / deed(s) / writing(s) / paper(s) / agreement(s) as may be required, to settle any question, difficulty or doubt that may arise in respect of the aforesaid payment of remuneration, to delegate all or any of the above powers to any Committee of the Board of Directors or any Director(s) / Official(s) of the Company and generally to do all acts, deeds, matters and things that may be deemed necessary, proper, expedient or incidental, in its absolute discretion for the purpose of giving effect to this resolution.

**7. Waiver of recovery of Managerial Remuneration paid to Mr. Tushya Jatia for the Financial Year 2019-20.**

**To consider and, if thought fit, to pass with or without modification(s) the following resolution as Special Resolution**

“**RESOLVED THAT** upon recommendation of the Nomination and Remuneration Committee and of the Board of Directors of the Company and pursuant to the provisions of Section 197 of the Companies Act, 2013 (the “Act”) read with Schedule V to the Act, and other applicable provisions, if any, of the Act and the Rules framed thereunder (including any statutory amendment(s), modification(s) or re-enactment(s) thereof) and without requiring approval of the Central Government, the approval of the Members be and is hereby accorded for the waiver of excess managerial remuneration paid to Mr. Tushya Jatia Whole Time Director (Director Identification Number (DIN): 02228722) of the Company for the Financial Years 2019-20, which was in excess of maximum remuneration permissible under the Act.

“**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, the Board of Directors or Nomination and Remuneration Committee be and is hereby authorized to finalize, settle and execute such document(s) / deed(s) / writing(s) / paper(s) / agreement(s) as may be required, to settle any question, difficulty or doubt that may arise in respect of the aforesaid payment of remuneration, to delegate all or any of the above powers to any Committee

of the Board of Directors or any Director(s) / Official(s) of the Company and generally to do all acts, deeds, matters and things that may be deemed necessary, proper, expedient or incidental, in its absolute discretion for the purpose of giving effect to this resolution.

**8. Approval for Remuneration payable to Mr. Deepak Jatia Managing Director of the Company in terms of Regulation 17(6)(e) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for a remaining period of his tenure.**

To consider and if thought fit, to pass the following Resolution as a **Special Resolution**

**“RESOLVED THAT** pursuant to the provisions of Regulation 17(6)(e) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, read with the provisions of Sections 196, 197, 198 and other applicable provisions of the Companies Act, 2013 (“the Act”) and the Rules framed thereunder read with Schedule V to the Act (including any statutory modification(s) / amendment(s) / re-enactment(s) thereof), the consent of the Members be and is hereby accorded for payment of remuneration to Mr. Deepak Jatia (DIN: 01068689), designated as the “Managing Director” at such terms and conditions as approved by Members at the 70<sup>th</sup> Annual General Meeting of the Company held on 23<sup>rd</sup> September, 2016 and further amendment through postal ballot resolution passed on 5<sup>th</sup> May, 2018, notwithstanding that the annual aggregate remuneration payable to Mr. Deepak Jatia, may exceed Rs. 5 Crore (Rupees Five Crore) or 2.5% of the net profit of the Company whichever is higher or the aggregate annual remuneration of all Executive Directors taken together may exceed 5% of the net profits of the Company in any financial year, during the remaining tenure of her appointment.

**RESOLVED FURTHER THAT** all the existing terms and conditions of remuneration including salary, perquisites as per Special Resolution passed through postal ballot dated 5<sup>th</sup> May, 2018 shall remain unchanged.

**RESOLVED FURTHER THAT** the Board of Directors (including Nomination and Remuneration Committee of the Board of Directors) of the Company be and is hereby authorized to do all acts, deeds, matters and things as may be necessary, proper or desirable or expedient to give effect to the above Resolution.”

**9. Approval for Remuneration payable to Mr. Tushya Jatia Whole Time Director of the Company in terms of Regulation 17(6)(e) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for a remaining period his tenure**

To consider and if thought fit, to pass the following Resolution as a **Special Resolution**

**“RESOLVED THAT** pursuant to the provisions of Regulation 17(6)(e) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, read with the provisions of Sections 196, 197, 198 and other applicable provisions of the Companies Act, 2013 (“the Act”) and the Rules framed thereunder read with Schedule V to the Act (including any statutory modification(s) / amendment(s) / re-enactment(s) thereof), the consent of the Members be and is hereby accorded for payment of remuneration to Mr. Tushya Jatia (DIN: 02228722), designated as the “Whole Time Director” at such terms and conditions as approved by Members at the 71<sup>st</sup> Annual General Meeting of the Company held on 22<sup>nd</sup> September, 2017 and further amendment through postal ballot resolution passed on 5<sup>th</sup> May, 2018, notwithstanding that the annual aggregate remuneration payable to Mr. Tushya Jatia, may exceed Rs. 5 Crore (Rupees Five Crore) or 2.5% of the net profit of the Company whichever is higher or the aggregate annual remuneration of all Executive Directors taken together may exceed 5% of the net profits of the Company in any financial year, during the remaining tenure of his appointment.

**RESOLVED FURTHER THAT** all the existing terms and conditions of remuneration including salary, perquisites as per Special Resolution passed through postal ballot dated 5<sup>th</sup> May, 2018 shall remain unchanged.

**RESOLVED FURTHER THAT** the Board of Directors (including Nomination and Remuneration Committee of the Board of Directors) of the Company be and is hereby authorized to do all acts, deeds, matters and things as may be necessary, proper or desirable or expedient to give effect to the above Resolution

**By Order of the Board of Directors**

Place Mumbai  
Date: 20<sup>th</sup> August, 2020

**Registered Office:**  
Marathon Innova, A wing, 7<sup>th</sup> Floor  
Off G.K.Marg, Lower Parel  
Mumbai-400013  
CIN: L1401MH1945PLC256122  
Tel: 022-4089 6100  
Email: investors@asigroup.co.in  
Website: www.asigroup.co.in

**Manoj Jain**  
**Company Secretary**  
**Membership NO. F-7998**



## NOTES FOR MEMBERS' ATTENTION

1. As you are aware, in view of the situation arising due to COVID-19 global pandemic, the general meetings of the companies shall be conducted as per the guidelines issued by the Ministry of Corporate Affairs (MCA) vide Circular No. 14/2020 dated April 8, 2020, Circular No.17/2020 dated April 13, 2020 and Circular No. 20/2020 dated May 05, 2020. The forthcoming AGM will thus be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM through VC/OAVM which does not require physical presence of Members at a common venue. In terms with the Secretarial Standards on General Meetings (SS-2) issued by The Institute of Company Secretaries of India, the venue of the 74th AGM shall be deemed to be the Registered Office of the Company situated at Marathon Innova, A Wing, 7th Floor, Off G.K.Marg, Lower Parel, Mumbai-400013.
2. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.
3. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to at least 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
4. Pursuant to MCA Circular No. 14/2020 dated April 08, 2020, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM through VC/OAVM and cast their votes through e-voting.
5. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at [www.asigroup.co.in](http://www.asigroup.co.in). The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited at [www.bseindia.com](http://www.bseindia.com). The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM i.e. [www.evotingindia.com](http://www.evotingindia.com)
6. Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013, the Register of Contracts or Arrangements in which the Directors are interested under Section 189 of the Companies Act, 2013 will be available electronically for inspection by the Members on the website of the Company at [www.asigroup.co.in](http://www.asigroup.co.in). during the time of AGM.
7. The AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 8, 2020 and MCA Circular No. 17/2020 dated April 13, 2020 and MCA Circular No. 20/2020 dated May 05, 2020.
8. The relevant details, pursuant to Regulations 26(4) and 36(3) of the SEBI Listing Regulations and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, in respect of Director seeking re-appointment at this AGM is annexed
9. The Company has fixed 22<sup>nd</sup> September, 2020 as the 'cut-off' date for determining entitlement of members to vote on the resolution to be passed at AGM.
10. As per Regulation 40 of SEBI Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from, April 1, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company or Company's Registrars and Transfer Agents, Link Intime India Private Limited ("LI IPL") for assistance in this regard. Members may also refer to Frequently Asked Questions ("FAQs") on RTA website [www.linkintime.co.in](http://www.linkintime.co.in)

11. To support the 'Green Initiative', Members who have not yet registered their email addresses are requested to register the same with their DPs in case the shares are held by them in electronic form and with LIPL in case the shares are held by them in physical form.
12. Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone/ mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc., to their DPs in case the shares are held by them in electronic form and to LIPL in case the shares are held by them in physical form.
13. As per the provisions of Section 72 of the Act, the facility for making nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same. Members are requested to submit the said details to their DP in case the shares are held by them in electronic form and to LIPL in case the shares are held in physical form.
14. Members holding shares in physical form, in identical order of names, in more than one folio are requested to send to the Company or LIPL, the details of such folios together with the share certificates for consolidating their holdings in one folio. A consolidated share certificate will be issued to such Members after making requisite changes.
15. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.
16. Members seeking any information with regard to the accounts or any matter to be placed at the AGM, are requested to write to the Company on or before 20<sup>th</sup> September, 2020 through email on [investors@asigroup.co.in](mailto:investors@asigroup.co.in). The same will be replied by the Company suitably.
17. Members are requested to note that, dividends if not encashed for a consecutive period of 7 years from the date of transfer to Unpaid Dividend Account of the Company, are liable to be transferred to the Investor Education and Protection Fund ("IEPF"). The shares in respect of such unclaimed dividends are also liable to be transferred to the demat account of the IEPF Authority. In view of this, Members are requested to claim their dividends from the Company, within the stipulated timeline. The Members, whose unclaimed dividends/shares have been transferred to IEPF, may claim the same by making an online application to the IEPF Authority in web Form No. IEPF-5 available on [www.iepf.gov.in](http://www.iepf.gov.in). For details, please refer to corporate governance report which is a part of this Annual Report.
18. In compliance with the aforesaid MCA Circulars and SEBI Circular dated May 12, 2020, Notice of the AGM along with the Annual Report 2019-20 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories. Members may note that the Notice and Annual Report 2019-20 will also be available on the Company's website [www.asigroup.co.in](http://www.asigroup.co.in) and websites of the BSE Limited at [www.bseindia.com](http://www.bseindia.com) respectively, and on the website of CDSL <https://www.evoting.cdsi.com>
19. Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
20. The Company's Statutory Auditors, M/s S.C.Bandi & Co, Chartered Accountants, registered with the Institute of Chartered Accountants of India, was appointed as Statutory Auditors of the Company for a period of five consecutive years at the Annual General Meeting ("AGM") of the Members held on September 22, 2017 on a remuneration mutually agreed upon by the Board of Directors and the Statutory Auditors. The requirement to place the matter relating to appointment of auditors for ratification by Members at every AGM has been done away by the Companies (Amendment) Act, 2017 with effect from May 7, 2018. Accordingly, no resolution is being proposed for ratification of appointment of statutory auditors at the seventy fourth AGM.
21. Since the AGM will be held through VC / OAVM, the Route Map is not annexed in this Notice.
22. The Explanatory Statement setting out material facts, pursuant to Section 102 of the Companies Act, 2013, Secretarial Standard-2 on General Meetings and Regulation 36 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 in respect of the Special Business under Item Nos. 3 to 9 of the accompanying Notice is annexed hereto.
23. Pursuant to the provisions of Sections 124 and 125 of the Companies Act, 2013, the Company has transferred on due dates, all unclaimed dividends up to the Financial Year 2011-12 to Investor Education and Protection Fund ('said Fund') established by Central Government. Pursuant to the provisions of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended from time to time, the Company has uploaded the details of the unpaid and unclaimed amounts lying with the Company on the website of the Company ([www.asigroup.co.in](http://www.asigroup.co.in)), and also on the website of the Ministry of

Corporate Affairs ([www.mca.gov.in](http://www.mca.gov.in)). Unclaimed dividend for the FY 2012-13 will fall due for transfer to the said Fund on or before September 22, 2020. Those Members, who have not encashed their dividends for the FY 2012-13, are requested to claim it from the RTA of the Company immediately. Those Members who have not so far claimed their dividend for the subsequent financial years are also advised to claim it from the Company or the RTA of the Company.

24. Pursuant to the provisions of Section 124(6) of the Companies Act, 2013 and the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended from time to time, all equity shares of the Company on which dividend has not been paid or claimed for seven consecutive years or more on September 22, 2020 shall be transferred by the Company to Investor Education and Protection Fund (“IEPF”). The Company has also written to the concerned Shareholders intimating them their particulars of the equity shares due for transfer. These details are also available on the Company’s website [www.asigroup.co.in](http://www.asigroup.co.in). No claim shall lie against the Company in respect of these equity shares post their transfer to IEPF. Upon transfer, the Shareholders will be able to claim these equity shares only from the IEPF Authority by making an online application, the details of which are available at [www.iepf.gov.in](http://www.iepf.gov.in). All correspondence should be addressed to the RTA of the Company viz. Link Intime India Private Limited (UNIT: ASI Industries Limited), C-101, 247 Park, L.B.S Marg, Vikhroli (West), Mumbai – 400083, Tel:022-49186000 e-mail: [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in).
25. The Board of Directors has appointed Mr. Prabhat Maheshwari (Membership No. FCS-2405, (COP No.1432) Partner of GMJ and Associates, Practicing Company Secretary as the Scrutinizer to scrutinize the voting during the AGM and remote e-voting process in a fair and transparent manner. The Scrutinizer shall, immediately after the conclusion of voting at the AGM, first count the votes cast during the AGM, thereafter unblock the votes cast through remote e-voting and make, not later than 48 hours of conclusion of the AGM, a consolidated Scrutinizer’s Report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing, who shall countersign the same
26. The result declared along with the Scrutinizer’s Report shall be placed on the Company’s website [www.asigroup.co.in](http://www.asigroup.co.in) and on the website of CDSL <https://www.evoting.cdsl.com> immediately. The Company shall simultaneously forward the results to BSE Limited, where the shares of the Company are listed.
27. The voting rights of Members shall be in proportion to their shares in the paid-up equity share capital of the Company as on the cut-off date.
28. Any person, who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date, may obtain the login ID and password by sending a request at [evoting@cdsl.co.in](mailto:evoting@cdsl.co.in). However, if he/she is already registered with CDSL for remote e-voting then he/she can use his/her existing User ID and password for casting the vote
29. The Register of Members and Share Transfer Books will remain closed from Wednesday 23<sup>rd</sup> September, , 2020 to Tuesday, 29<sup>th</sup> September, 2020 (both days inclusive) for the purpose of the AGM
  - i. **THE DETAILS OF THE PROCESS AND MANNER FOR REMOTE E-VOTING ARE EXPLAINED HEREIN BELOW:**
    - (i) The voting period begins on Saturday, **the 26<sup>th</sup> September, 2020 at 10.00 a.m. and ends on Monday, the 28<sup>th</sup> September, 2020 at 5.00 p.m.** During this period shareholders’ of the Company, holding shares either in physical form or in dematerialized form, as on cut-off date i.e. **22<sup>nd</sup> September, 2020**, may cast their vote electronically. The e-voting module shall be disabled by CDSL after 5.00 p.m. on **28<sup>th</sup> September, 2020**.
    - (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
    - (iii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
    - (iv) Click on “Shareholders” module.
    - (v) Now Enter your User ID:
      - a. For CDSL: 16 digits beneficiary ID,
      - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
      - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.

Alternatively, if you are registered for CDSL’s EASI/EASIEST e-services, you can log-in at <https://www.cdslindia.com> from Login - Myeasi using your login credentials. Once you successfully log-in to CDSL’s EASI/EASIEST e-services, click on e-Voting option and proceed directly to cast your vote electronically.

- (vi) Next enter the Image Verification as displayed and Click on Login.

(vii) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.

(viii) If you are a first time user, follow the steps given below:-

<b>For Members holding shares in Demat Form and Physical Form</b>	
PAN	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> <li>Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN Field.</li> <li>In case the sequence number is less than 8 digits, enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. E.g. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN Field.</li> </ul>
Dividend Bank Details	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p>
OR Date of Birth (DOB)	<ul style="list-style-type: none"> <li>If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).</li> </ul>

(ix) After entering these details appropriately, click on "SUBMIT" tab.

(x) Members holding shares in physical form will then directly reach to the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(xii) Click on the EVSN for the <ASI Industries Ltd.> on which you choose to vote.

(xiii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

(xiv) Click on the "RESOLUTIONS FILE LINK", if you wish to view the entire Resolution details.

(xv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

(xvi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

(xvii) You can also take out print of the votes cast by you by clicking on "Click here to print" option on the Voting page.

(xviii) If a Demat account holder has forgotten the login password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(xix) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. iPhone and Windows phone. Please follow the instructions as prompted by the mobile app while remote voting on your mobile.

(xx) Note for Non-Individual Shareholders and Custodians:

(a) Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.com> and register themselves as Corporates.

(b) They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity should be email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

(c) After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote.

- (d) The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
- (e) They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favor of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.
- (f) Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; [investors@asigroup.co.in](mailto:investors@asigroup.co.in) (designated email address by company, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

(xxi) In case you have any queries or issues regarding attending AGM & e-Voting from the e-Voting Systems, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact to Mr. Nitin Kumar (022-23058738) or Mr. Mehboob Lakhani (022-2358543) or Mr. Rakesh Dalvi (022-23058542)

**Process for registration of email id for obtaining Annual Report and user id/password for e-voting and updation of bank account mandate for receipt of dividend.**

<b>Physical Holding</b>	<p>Send a request to the Registrar and Transfer Agents of the Company, LIPL at <a href="mailto:nayna.wakle@linkintime.co.in">nayna.wakle@linkintime.co.in</a> providing Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) for registering email address.</p> <p>Following additional details need to be provided in case of updating Bank Account Details :</p> <ul style="list-style-type: none"> <li>a) Name and Branch of the Bank in which you wish to receive the dividend</li> <li>b) the Bank Account type</li> <li>c) Bank Account Number allotted by their banks after implementation of Core Banking Solutions</li> <li>d) digit MICR Code Number, and</li> <li>e) 11 digit IFSC Code</li> <li>f) scanned copy of the cancelled cheque bearing the name of the first shareholder</li> </ul>
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<b>Demat Holding</b>	Please contact your Depository Participant (DP) and register your email address and bank account details in your demat account, as per the process advised by your DP
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**A. INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC / OAVM ARE AS UNDER:**

1. Shareholder will be provided with a facility to attend the AGM through VC/OAVM through the CDSL e-Voting system. Shareholders may access the same at <https://www.evotingindia.com> under shareholders/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVSN of Company will be displayed.
2. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
3. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance at least 7 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at [investors@asigroup.co.in](mailto:investors@asigroup.co.in). The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance 7 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at [investors@asigroup.co.in](mailto:investors@asigroup.co.in). These queries will be replied to by the company suitably by email.
6. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.

**C. INSTRUCTIONS FOR SHAREHOLDERS FOR E-VOTING DURING THE AGM ARE AS UNDER:-**

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for Remote e-voting.
2. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise

not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.

3. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility , then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.
4. Shareholders who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

**D. Others**

1. Members who need assistance before or during the AGM can contact to CDSL by sending an email to helpdesk. [evoting@cdslindia.com](mailto:evoting@cdslindia.com).
2. The Resolutions shall be deemed to be passed on the date of the Meeting, i.e. on Tuesday, September 29, 2020, subject to receipt of the requisite number of votes in favour of the Resolutions

**By Order of the Board of Directors**

Place Mumbai  
Date: 20<sup>th</sup> August, 2020

**Manoj Jain**  
**Company Secretary**  
**Membership NO. F-7998**

**Brief Resume of Directors seeking appointment/ re-appointment at this Annual General Meeting in pursuance of Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements), 2015 and Secretarial Standards issued by the Institute of Company Secretaries of India (Details as on March 31, 2020)**

<b>Name of Director</b>	<b>Mrs. Anita Jatia</b>	<b>Mr.Tushya Jatia</b>
<b>DIN No</b>	01068774	02228722
<b>Date of Birth and Age</b>	08.03.1963	02.03.1986
<b>Educational Qualification</b>	BSC (Home Science), from Jadavpur University, Kolkata	Bachelor of Commerce in Accounting and Finance (BAF) from Mumbai University and Master in Finance and Investment from Nottingham University, U.K.
<b>Date of First appointment on Board</b>	05.08.2014	25.07.2011
<b>Expertise in specific functional areas</b>	Having rich experience in field of Business Administration, Marketing System, Safety, Environment and CSR.	Since 2008 actively involved in day to day business of the Company and having experience in the field of mining and marketing in kotah stone and other natural stones
<b>List of Directorship of other Board</b>	NIL	Aveline Industries Private Limited
<b>Chairman/Member of the Committees of the Board of other Indian Public Limited Companies as on 31.03.2020</b>	NIL	NIL
<b>No. of Shares held in the Company</b>	961762	158164
<b>Number of Meetings of the Board attended during the year</b>	4 out of 4	4 out of 4
<b>Relationship with other directors,] manager and other Key Managerial Personnel of the Company</b>	Except Mr. Deepak Jatia and Mr. Tushya Jatia, none of the Directors & KMP or their relatives are related to Mrs. Anita Jatia	Except Mr. Deepak Jatia and Mrs. Anita Jatia, none of the Directors & KMP or their relatives are related to Mr. Tushya Jatia
<b>Terms and Conditions of appointment or re-appointment along with details of remuneration sought to be paid and remuneration last drawn by such person</b>	As per the Nomination, Remuneration & Board Diversity Policy of the Company as placed on the Company's website i.e. <a href="http://www.asigroup.co.in">http://www.asigroup.co.in</a>	As per the Nomination, Remuneration & Board Diversity Policy of the Company as placed on the Company's website i.e. <a href="http://www.asigroup.co.in">http://www.asigroup.co.in</a>

**Note:** Pursuant to Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the purpose of determining the limit, chairpersonship and membership in Audit Committee and Stakeholder Relationship Committee has been considered.

## ANNEXURE TO NOTICE

### EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013, SECRETARIAL STANDARD-2 ON GENERAL MEETINGS AND REGULATION 36 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

#### ITEM NO. 3:

The Board of Directors at its Meeting held on 6<sup>th</sup> July 2020, upon the recommendation of the Audit Committee, approved the appointment of M/s. N.D. Birla & Co. Cost Accountants (Firm Registration Number 000028), to conduct the audit of the cost records of the Company's Stone and Power units on a remuneration of Rs, 40000/- (Rupees Forty Thousand Only) (excluding all applicable taxes and reimbursement of out of pocket expenses) for the financial year ending March 31, 2021.

In terms of the provisions of Section 148 of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, (as amended from time to time) the remuneration as mentioned above, payable to the Cost Auditor is required to be ratified by the Members of the Company. Accordingly, the Members are requested to ratify the remuneration payable to the Cost Auditors for the financial year ending March 31, 2021, as set out in the Ordinary Resolution for the aforesaid services to be rendered by them

None of the Directors or Key Managerial Personnel (KMP) of the Company or relatives of Directors and KMP is concerned or interested, financially or otherwise, in this Resolution.

The Board of Directors recommends the Ordinary Resolution set out at Item No.3 of the Notice for approval by the Members.

#### ITEM NO. 4

Mrs. Anita Jatia was appointed as the Whole Time Director at the 69<sup>th</sup> Annual General Meeting held on 25<sup>th</sup> September, 2015 for a period of five years commence from 1<sup>st</sup> September, 2015. In appreciation of her untiring efforts and her contribution in the progress of the Company and on recommendation of Nomination & Remuneration Committee the Board of Directors at their meeting held on 20<sup>th</sup> August, 2020, has re-appointed her as Whole Time Director (designated as Executive Director) subject to the approval of the members in the ensuing Annual General Meeting for a period of Five years commence from 1<sup>st</sup> September, 2020.

The details of Remuneration structure is as follows:

#### Category-A

- i) **Basic Salary:** Rs. 5,00,000/- per month (with an annual increment not exceeding 20% of the previous year basic salary.)

#### ii) Perquisites:

In addition to the basic salary, Smt. Anita Jatia, shall also be entitled to perquisites including, medical and insurance reimbursement, leave travel concession for self & family, club fees and personal accident insurance in accordance with the rules of the Company or as may be agreed between the Board of Directors and its committee thereof.

#### Category-B

- i) The Company shall provide her with car, expenses related to fuel, maintenance and driver will be reimbursed on actual. Further, the Company shall also provide telephones or other communication facility (for official business).
- ii) Contribution to Provident Fund or Annuity Fund to the extent to these either singly or put together are not taxable under the Income Tax Act, 1961.
- iii) Gratuity at half a month's salary for each completed year of service.
- iv) Encashment of leave at the end of the tenure.

#### Others

1. Provision of car for use on Company's business and telephone at residence will not be considered as perquisites. Personal long distance calls on telephone and use of car for private purposes shall be billed by the Company to the Executive Director.
2. The Executive Director shall be entitled to reimbursement of all actual expenses or charges including travel expenses or other out of pocket expenses incurred by her for and on behalf of the Company, in furtherance of its business and objects.
3. For the purpose of calculating the value of perquisites hereinabove, the same shall be evaluated as per Income Tax Rules, 1962, wherever applicable.

**Minimum Remuneration-** notwithstanding anything herein, should the Company incur a loss or have inadequate profit in any financial year closing on and after 31<sup>st</sup> March, 2020 during the tenure of Mrs. Anita Jatia as Whole Time Director of the Company, the Company shall pay to Mrs. Anita Jatia an aggregate remuneration not exceeding the limit specified under Section II of Part II of Schedule V of the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force or any other applicable provisions for the time being in force.

Mrs. Anita Jatia, will not be entitled to sitting fees for attending meetings of the Board of the Directors or any committees thereof as provided in the Articles of Association.

Your Directors recommend the resolution set out at Item No. 4 to be passed as a Special Resolution by the members.



Except Mr. Deepak Jatia and Mr. Tushya Jatia, being the relatives of the Mrs. Anita Jatia, none of the Directors or Key Managerial Personnel of the Company and their relatives are concerned or interested financially or otherwise in the resolution as set out in Item No. 04.

#### Item No. 5

In terms of Regulation 17(6)(e) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 issued on May 9, 2018 ("Amended Listing Regulations"), the remuneration payable to Executive Director who is promoter or member of promoter group, shall be subject to the approval of the members by Special Resolution in General Meeting, if, in any year it exceeds Rs. 5 Crore (Rupees Five Crore) or 2.5% of the net profits of the Company, whichever is higher or the aggregate annual remuneration of all Executive Directors exceeds 5% of the net profits of the Company in any financial year.

In order to comply with the requirement of Amended Listing Regulations and on recommendation of the Nomination and Remuneration Committee, the Board of Directors of the Company has sought approval of the Members to approve the remuneration payable to Mrs. Anita Jatia, Whole Time Director of the Company, notwithstanding that the annual aggregate remuneration may exceed Rs. 5 Crore (Rupees Five Crore) or 2.5% of the net profit of the Company whichever is higher or the aggregate annual remuneration of all Executive Directors taken together may exceed 5% of the net profits of the Company during her tenure as Whole Time Director as calculated under Section 198 of the Companies Act, 2013.

Except Mr. Deepak Jatia, Mr. Tushya Jatia none of the other Directors, Key Managerial Personnel of the Company or their relatives are in any way, concerned or interested, financially or otherwise, in the aforementioned Resolution.

The Board of Directors recommends the Special Resolution set forth in Item No. 5 for approval of the Members.

#### Item No.6 and 7

The managerial remuneration paid to Mr. Deepak Jatia designated as Managing Director of the Company and Mr. Tushya Jatia, Whole Time Director designated as Executive Director of the Company ("said Directors") during the Financial Years (F.Y.) 2019-20 exceeded the limit under Section 197 of the Companies Act, 2013 ("the Act").

The new provisions which now requires the Company to seek approval of the Members for waiver of the excess remuneration paid to the Directors.

Therefore, the Members are requested to grant their approval for waiver of excess managerial remuneration paid to the said Directors during the Financial Years 2019-20.

Mr. Deepak Jatia and Mr. Tushya Jatia and Mrs. Anita Jatia may be deemed to be interested in the resolutions at Item Nos.6 and 7 respectively. None of the other Directors, Key Managerial Personnel of the Company or their relatives are, in any way, concerned or interested, financially or otherwise, in the said Special Resolutions.

The Board of Directors recommend the Special Resolutions set forth in Item Nos. 6 and 7 for approval of the Members. The following additional information as per item (iv) of third proviso of Section II of Part II of Schedule V to the Companies Act, 2013 is given below:

#### GENERAL INFORMATION:

##### 1. Nature of Industry

The Company is engaged in the business of Stone Mining, Power Generation and Trading Activities.

##### 2. Date or expected date of commencement of commercial production: **January, 1945**

##### 3. In case of new companies expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus: **Not Applicable as the Company is an existing Company.**

##### 4. Financial Performance based on given indicators:

(Rs. In Lacs)

Particulars	F.Y. 2019-20
Total Income	14840.53
Expenditure other than Interest and Depreciation	13894.66
Profit before Interest, Depreciation and Tax	945.87
Interest (Net)	783.96
Profit before Depreciation and Tax	161.91
Depreciation	627.15
Profit before Tax and Exceptional Items	(465.24)
Provision for Current Tax and Adjustment of tax of earlier period	18.59
Provision for Deferred Tax	(173.52)
Net Profit/(Loss)	((310.31)

##### 5. Foreign investments and collaboration, if any:

The Company has neither made any Foreign Investments nor entered into any collaborations during the last Financial Year

## II. INFORMATION ABOUT THE APPOINTEES:

(Rs. In Lacs)

### 1. Background Details:

- a) Mr. Deepak Jatia serves as the Managing Director of ASI Industries Ltd., and is responsible for the ASI's Group's entire function of the Group. He also a Director on the Board of Stone Masters India Private Limited and Aveline Industries Private Limited. He also Director of two foreign subsidiaries of the Company namely ASI Global Limited at Mauritius and AL Rawasi Rock and Aggregates LLC at UAE.
- b) Mr. Tushya Jatia serves as the Whole Time Director of ASI Industries Ltd., and is responsible for the ASI's Finance and Marketing function of the Group. He also a Director on the Board of Aveline Industries Private Limited. He also Director of two foreign subsidiaries of the Company namely ASI Global Limited at Mauritius and AL Rawasi Rock and Aggregates LLC at UAE.

### 2. Past remuneration

During the Financial Year ended March 31, 2018, Rs.180 Lacs/- paid to Deepak Jatia and Rs. 120 Lacs paid to Tushya Jatia.

### 3. Recognition and Awards: No Award was granted to any of the Directors

### 4. Job profile Suitability:

- a) Mr. Deepak Jatia serves as the Managing Director of ASI Industries Ltd., and is responsible for the ASI's Group's entire function of the Group. He also a Director on the Board of Stone Masters India Private Limited and Aveline Industries Private Limited. He also Director of two foreign subsidiaries of the Company namely ASI Global Limited at Mauritius and AL Rawasi Rock and Aggregates LLC at UAE. He has 32 years of experience in mining and trading business. Under his leadership the Company won various award in safety field.
- b) Mr. Tushya Jatia serves as the Whole Time Director of ASI Industries Ltd., and is responsible for the ASI's Finance and Marketing function of the Group. He also a Director on the Board of Aveline Industries Private Limited. He also Director of two foreign subsidiaries of the Company namely ASI Global Limited at Mauritius and AL Rawasi Rock and Aggregates LLC at UAE. Tushya Jatia has vast experience in Finance and Marketing field. He also look after company's international market.

### 5. Remuneration:

The approval of the Members is being sought for waiver of excess managerial remuneration paid to Mr Deepak Jatia, Chairman and Managing Director and Mr Tushya Jatia Whole Time Directors during the financial years 2019-20 as follows:-

Particulars	Deepak Jatia	Tushya Jatia
Ceiling on managerial remuneration as per Companies Act, 2013	120.00	120.00
Amount actually paid as Remuneration	207.00	138.00

6. Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin):
7. Taking into consideration the size of the Company, the profile, knowledge, skills and responsibilities shouldered by Mr. Deepak Jatia and Mr. Tushya Jatia, the remuneration paid is commensurate with the remuneration packages paid to their similar counterparts in other companies.
8. **Pecuniary relationship directly or indirectly with the Company or relationship with the managerial personnel:**

Besides the remuneration paid to Mr. Deepak Jatia and Mr. Tushya Jatia are also promoters of the Company and they hold 1408512 (0.14%) and 158164 (0.19%) holding shares in the Company respectively.

Apart from that they do not have any other pecuniary relationship with the Company or relationships with any other managerial personnel other than Mrs. Anita Jatia.

## III. OTHER INFORMATION:

1	Reasons of loss or inadequate profits:	The operation of the Company was disturbed due to Closure order issued by the Department of Mining and Geology, Ramganjmandi, Kota, Rajasthan. On 28th November, 2019. This closure order has remained continue till the end of financial year 31st March, 2020. Due to this disturbance of mining activities of the Company the turnover and profitability was badly affected which are reflected in the financial of the Company for the year ended 31st March, 2020
2	Steps taken or proposed to be taken for improvement:	The Management has taken efforts to lift the Closure order and with their effort the Department has granted the permission to resume the mining activities with effect from 29 April, 2020
3	Expected increase in productivity and profits in measurable terms:	The ASI remain optimistic on the growth prospects of the Company and are confident of achieving improved performance going forward. A notable highlight is that our Engineered Stone project in Jaipur is completed and we are waiting for improvement in the global situation to start accepting orders. We believe this new asset will take the company to the next level of growth

**Item No. 8**

In terms of Regulation 17(6)(e) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 issued on May 9, 2018 ("Amended Listing Regulations"), the remuneration payable to Executive Director who is promoter or member of promoter group, shall be subject to the approval of the members by Special Resolution in General Meeting, if, in any year it exceeds Rs. 5 Crore (Rupees Five Crore) or 2.5% of the net profits of the Company, whichever is higher or the aggregate annual remuneration of all Executive Directors exceeds 5% of the net profits of the Company in any financial year.

At the 70<sup>th</sup> Annual General Meeting (AGM) of the Company held on 23<sup>rd</sup> September, 2016, Mr. Deepak Jatia (DIN: 01068689), was re-appointed as Managing Director for a term of 5 (five) years effective from 1<sup>st</sup> September, 2016 and his remuneration was further revised and approved by the Members of the Company by Special Resolution through postal ballot dated 5<sup>th</sup> May, 2018.

In order to comply with the requirement of Amended Listing Regulations and on recommendation of the Nomination and Remuneration Committee, the Board of Directors of the Company has sought approval of the Members to approve the remuneration payable to Mr Deepak Jatia as Managing Director of the Company, notwithstanding that the annual aggregate remuneration may exceed Rs. 5 Crore (Rupees Five Crore) or 2.5% of the net profit of the Company whichever is higher or the aggregate annual remuneration of all Executive Directors taken together may exceed 5% of the net profits of the Company in any financial year, as calculated under Section 198 of the Companies Act, 2013, in any year during the remaining tenure of his appointment.

Except Mr Tushya Jatia and Mrs Anita Jatia, none of the Directors, Key Managerial Personnel of the Company or their relatives are in any way, concerned or interested, financially or otherwise, in the aforementioned Resolution

The Board of Directors recommends the Special Resolution set forth in Item No. 8 for approval of the Members

**Item No. 9**

In terms of Regulation 17(6)(e) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 issued on May 9, 2018 ("Amended Listing Regulations"), the remuneration payable

to Executive Director who is promoter or member of promoter group, shall be subject to the approval of the members by Special Resolution in General Meeting, if, in any year it exceeds Rs. 5 Crore (Rupees Five Crore) or 2.5% of the net profits of the Company, whichever is higher or the aggregate annual remuneration of all Executive Directors exceeds 5% of the net profits of the Company in any financial year.

At the 71<sup>st</sup> Annual General Meeting (AGM) of the Company held on 22<sup>nd</sup> September, 2017, Mr. Tushya Jatia (DIN: 02228722), was appointed as Whole Time Director for a term of 5 (five) years effective from November 12, 2017 and his remuneration was also approved by the Members of the Company in the at the same AGM and further revised by special resolution through postal ballot dated 5<sup>th</sup> May 2018.

In order to comply with the requirement of Amended Listing Regulations and on recommendation of the Nomination and Remuneration Committee, the Board of Directors of the Company has sought approval of the Members to approve the remuneration payable to Mr. Tushya Jatia as Whole Time Director of the Company, notwithstanding that the annual aggregate remuneration may exceed Rs. 5 Crore (Rupees Five Crore) or 2.5% of the net profit of the Company whichever is higher or the aggregate annual remuneration of all Executive Directors taken together may exceed 5% of the net profits of the Company in any financial year, as calculated under Section 198 of the Companies Act, 2013, in any year during the remaining tenure of his appointment.

Except Mr Deepak Jatia and Mrs Anita Jatia, none of the Directors, Key Managerial Personnel of the Company or their relatives are in any way, concerned or interested, financially or otherwise, in the aforementioned Resolution.

The Board of Directors recommends the Special Resolution set forth in Item No. 9 for approval of the Members

**By Order of the Board of Directors**

Place Mumbai  
Date: 20<sup>th</sup> August, 2020

**Manoj Jain**  
**Company Secretary**  
**Membership NO. F-7998**

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