



**ASSOCIATED STONE  
INDUSTRIES**

(Kotah) Ltd.

Building from a Solid Foundation

[www.asistone.com](http://www.asistone.com)

Date: September 23, 2016

To,

Bombay Stock Exchange Limited  
Phiroze Jeejeebhoy Towers  
Dalal Street  
Mumbai-400001

Script Code: 502015

Dear Sir,

**Sub: Submission of Annual Report under Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

Pursuant to Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find attached herewith, the Annual Report for the financial year 2015-16.

Kindly take the same on your record.

Thanking you,

Yours faithfully,

For **Associated Stone Industries (Kotah) Limited**

**Manoj Jain**  
Company Secretary



Encl: a/a

Regd. Office

Marathon innova,

tel +91-22-40896100

A Wing, 7th Floor,

fax +91-22-40896199

Off Ganpatrao Kadam Marg,

[asistone@asistone.com](mailto:asistone@asistone.com)

Lower Parel, Mumbai 400 013

CIN: L14101MH1945PLC256122

India.

An ISO 9001, 14001 &  
OHSAS 18001 Certified Company

## ASSOCIATED STONE INDUSTRIES (KOTAH) LIMITED

(CIN:L14101MH1945PLC256122)

Registered Office: Marathon Innova 'A' Wing, 7<sup>th</sup> Floor, Off: G.K. Marg, Lower Parel, Mumbai 400013.

Tel.:022-40896100 • Email: investors@asistone.com • Website : www.asistone.com

### NOTICE

**NOTICE** is hereby given that the 70<sup>th</sup> Annual General Meeting of the members of **Associated Stone Industries (Kotah) Limited** will be held at 419-B, Kalbadevi Road, Joshiwadi, 2<sup>nd</sup> Floor, Mumbai 400002, on Friday, the 23<sup>rd</sup> September, 2016 at 10.00 a.m. to transact the following business:

#### ORDINARY BUSINESS:

- To receive, consider and adopt:
  - the audited financial statements of the Company for the financial year ended 31<sup>st</sup> March, 2016 together with the reports of the Board of Directors and Auditors thereon; and
  - the audited consolidated financial statements of the Company for the financial year ended 31<sup>st</sup> March, 2016.
- To declare Dividend on Equity Shares for the financial year ended on 31<sup>st</sup> March, 2016.
- To appoint a Director in place of Mr. Tushya Jatia (DIN:02228722), who retires by rotation at this Annual General Meeting and being eligible, offers himself for re-appointment.
- 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 Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014, (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and on the recommendation of the Audit Committee, M/s. B.L.Ajmera & Company, Chartered Accountants (Firm Registration Number: 01100C) be and is hereby appointed as Statutory Auditors of the Company, to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company on such remuneration as shall be fixed by the Board of Directors.”

#### SPECIAL BUSINESS:

- Ratification of the remuneration of Cost Auditors for the F.Y.2016-17.**

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, 2017, 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.”

- Amendment in Articles of Association of the Company.**

To consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution**:

**“RESOLVED THAT** pursuant to the provisions of Section 14 and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modifications (s) or re-enactment (s) thereof, for the time being in force), Article 183 of Article of Association of the Company be and is hereby substituted with the following new Article:

**183.** “The Board may at any time appoint, subject to the necessary approval, any person as Managing Director of the Company for any period on such terms and conditions as to his/her powers and duties as the Board may determine from time to time. The Board may also designate such person as Chairman of the Company or by any other designation.”

**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.”

- Appointment of Mr. Gaurang Gandhi (DIN No. 00008057) as an Independent Director.**

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 Sections 149, 150, 152 and other applicable provisions, if any, of the Companies Act, 2013 (herein after referred to as ‘Act’) and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV of the said Act and Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr. Gaurang Gandhi (DIN 00008057), who was appointed as an Additional Director w.e.f. 4<sup>th</sup> July, 2016 pursuant to the provisions of Section 161(1) of the Act and the Articles of Association of the Company and who has given a declaration that he meets the criteria of independence as provided in sub section (6) of Section 149 of the Act and qualifies for being appointed as an Independent Director and in respect of whom the Company has received a notice in writing from a member, under Section 160 of the said Act, proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office upto the conclusion of the 74<sup>th</sup> Annual General Meeting of the Company.

**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.”

- Re-appointment of Mr. Deepak Jatia (DIN NO. 01068689) as Managing Director.**

To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

**“RESOLVED THAT** pursuant to provisions of Sections 196, 197, 198 and 203 and other applicable provisions, if any, of the Companies Act, 2013 (herein after referred to as ‘Act’) read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactments thereof, for the time being in force) and read with Schedule V of the said Act, the approval of the Company be and is hereby accorded to the re-appointment of Mr. Deepak Jatia (DIN: 01068689) as Managing Director of the Company, for the period of five years with effect from 1<sup>st</sup> September, 2016 whose office shall not be liable to retire by rotation, on the terms and conditions as detailed in the Explanatory Statement annexed hereto.

**RESOLVED FURTHER THAT** in the event of absence or inadequacy of profits in any financial year, the Company shall remunerate Mr. Deepak 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 said Act.

**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 re-appointment and/or remuneration so as not to exceed the applicable limit specified in Section 197 read with Schedule V of the said

Act (including any statutory modification(s) or re-enactments thereof, for the time being in force) that may be agreed to between the Board of Directors and Mr. Deepak Jatia.

**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.”

## 9. Issue of Bonus Shares by Capitalization of Free Reserve.

To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** in accordance with the provision of Section 63 and other applicable provisions, if any, of the Companies Act, 2013 (herein after referred to as ‘Act’) read with the Securities Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (‘the Regulations’), including any statutory modification (s) or re-enactment thereof, in the Act and/or the Regulations and the enabling provisions of the Article of Association of the Company and subject to such approval(s) as may be necessary from any authority, consent be and is hereby accorded to the Board of Directors of the Company (‘the Board’), which term shall be deemed to include any committee thereof) for capitalization of a sum not exceeding Rs. 1,65,70,933/- (Rs. One Crore Sixty Five Lacs Seventy Thousand Nine Hundred Thirty Three Only) from the Free Reserves of the Company, as appropriate, for the purpose of issue of Bonus Shares of Re. 1/- (Rupee One) each, credited as fully paid up Equity Shares to the holders of the Equity Shares of the Company as on Record Date as determined by the Board of Directors for this purpose, in the proportion of 1 (One) fully paid up Bonus Share of Re. 1/- each to every existing 4 (Four) fully paid up Equity Shares of Re. 1/- each held by them and that the Bonus Shares so distributed shall, for all purpose, be treated as an increase in the nominal amount of share capital of the Company held by each such Member and not as income.

**RESOLVED FURTHER THAT** the Bonus Shares so allotted shall rank pari-passu in all respects with the fully paid up Equity Shares of the Company as existing on Record Date except that they shall not be entitled of any dividend in respect of any financial year up to and including 31<sup>st</sup> March, 2016.

**RESOLVED FURTHER THAT** that Bonus Shares so allotted shall be subject to the terms and conditions contained in the Memorandum and Article of Association of the Company.

**RESOLVED FURTHER THAT** no letter of allotment shall be issued in respect of the Bonus Shares but in case of Members who hold shares in dematerialized form, the Bonus Shares shall be credited in the respective beneficiary accounts of the Members with their respective Depository Participants and in the case of Members who hold Equity Shares in physical form, the share certificate in respect of the Bonus Shares shall be dispatched, within the prescribed time limit.

**RESOLVED FURTHER THAT** no fraction arising out of the issue and allotment of the Bonus Shares shall be allotted by the Company and the Company shall not issue any certificate or coupon in respect thereof but all such fractional entitlements shall be consolidated and the Bonus Shares, in lieu thereof, shall be allotted by the Board to nominees appointed by the Board, who shall hold the same as trustee for the Members entitled thereto and sell the said shares so arising at the then prevailing market rate and pay to the Company, the net sale proceed thereof, after adjusting therefrom the cost and expenses in respect of such sale, for distribution to Members in proportion to their fractional entitlements.

**RESOLVED FURTHER THAT** Board be and is hereby authorised to take necessary steps for listing of such Bonus Shares on the Stock Exchange where the Equity Shares of the Company are listed, in terms of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 and other applicable provisions, regulations, rules and guidelines.

**RESOLVED FURTHER THAT** for the purpose to giving effect to this Resolution, the Board be and is hereby authorised to do all such acts, deeds, things and matters as may in its absolute discretion, deem necessary, expedient including settling any question, doubt, difficulties

that may arise in this regard at any stage without requiring Board to secure any further consent or approval of Members of the Company to the end and intent that they shall be deemed to have given their approval thereto and the matter connected herewith or incidental hereto expressly by the authority of this Resolution and the Board’s decision in this regard, shall be final and binding.”

## 10. Change of place of keeping and inspection of Register and Index of members, returns, etc.

To consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution**:

“**RESOLVED THAT**, pursuant to the provisions of Sections 88, 94 and other applicable provisions, if any, of the Companies Act, 2013 (hereinafter referred to as “Act”) read with the Companies (Management and Administration) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force and corresponding sections of the erstwhile Companies Act, 1956) and in supersession of all earlier resolutions passed in this regard, consent of the members of the Company be and is hereby accorded for the shifting and maintenance of the Registers and Index of Members of the Company under Section 150 of the Companies Act, 1956 (corresponding to Section 88 of the Act) and copies of the returns prepared under Section 159 of the Companies Act, 1956 (corresponding to Section 92 of the Act) required to be maintained under the Act, from 1<sup>st</sup> June, 2016 at M/s Link Intime India Private Limited, C-13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup (West), Mumbai- 400 078 or at such other place within Mumbai, where the Registrar and Transfer Agent may shift its office from time to time, instead of at the office of the erstwhile Registrar and Transfer Agent, M/s Sharepro Services (India) Private Limited.

**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.”

## NOTES FOR MEMBERS’ ATTENTION

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.
2. A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person cannot act as a proxy for any other person or shareholder.
3. Instruments appointing proxies should be deposited at the Registered Office of the Company not less than 48 hours before the time fixed for the Meeting.
4. Corporate members intending to send their Authorized Representatives to attend the meeting are requested to send to the Company, a certified copy of Board Resolution authorizing their representative to attend and vote on their behalf at the meeting.
5. The members/proxies are requested to bring duly filled attendance slips for attending the meeting and members/proxies are also requested to bring a copy of the Annual Report to the meeting.
6. The Register of Members and the Share Transfer Books of the Company will be closed from **Saturday, the 17<sup>th</sup> September, 2016 to Friday, the 23<sup>rd</sup> September, 2016** (both days inclusive) for determining the names of the members eligible for dividend on Equity Shares, if declared at the Meeting and will be payable on or after **23<sup>rd</sup> September, 2016**, to those members whose names appear as such in Register of Members of the Company as on **16<sup>th</sup> September, 2016** and to the beneficiary holders as per beneficiary list as on **16<sup>th</sup> September, 2016** provided by CDSL/ NSDL.
7. Members seeking any information or clarification with regard to the accounts, are requested to write to the Company at least TEN DAYS in advance of the meeting so as to enable the Company to keep the information ready.

8. Members are requested to intimate the Registrar and Transfer Agents of the Company – Link Intime India Private Limited, C-13, Pannalal Silk Mills Compound, L.B.S.Marg, Bhandup (West), Mumbai - 400 078 immediately, of any change in their address in respect of equity shares held in physical mode and to their Depository Participants (DPs) in respect of equity shares held in dematerialization form.
9. Members who are holding shares in single name and physical form are advised to make nomination in respect of their shareholding in the Company.
10. In terms of Section 123 of the Companies Act, 2013 and erstwhile Section 205A and 205C of the Companies Act, 1956, the amount of dividend remaining unclaimed or unpaid for a period of seven years from the date of transfer to the unpaid dividend account is required to be transferred to the Investors Education and Protection Fund (IEPF). Accordingly, the company's unclaimed or unpaid dividend for the year ended 31<sup>st</sup> March, 2009 shall be due for transfer to IEPF on or **before 23<sup>rd</sup> October, 2016**. Shareholders are requested to ensure that they claim dividend(s) from the Company before transfer of said amount to the IEPF.
11. Pursuant to requirement of the Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 relating to Corporate Governance, a statement containing details of Directors seeking appointment / re-appointment is part of explanatory statement attached herewith.
12. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to the Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company/ Registrar and Transfer Agents of the Company.
13. Members those who have not provided Bank details to the Company to facilitate payment of dividend in electronic mode, are requested to opt for electronic mode of payment and update their bank details:
  - In case you are holding the Company's shares in dematerialized form, please contact your Depository Participant and give suitable instructions to update your Bank account details in your demat account.
  - In case you are holding the Company's shares in physical form, please forward your Bank account details along with a photocopy of your blank cancelled cheque to Company's RTA viz. Link Intime India Private Limited.
14. Members who have not registered their e-mail address so far are requested to register their email address so that they can receive the Annual Report and other communication from the company electronically.
15. A Statement pursuant to Section 102 of the Companies Act, 2013 related to Special Business to be transacted at the meeting is annexed hereto.
16. Voting through electronic means:
 

Pursuant to Section 108 of the Companies Act, 2013 and Rule 20 of Companies (Management & Administration) Rules, 2014, as amended from time to time and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide its members, the facility of remote e-voting (i.e. e-voting from a place other than venue of AGM) to exercise their right to vote at the 70<sup>th</sup> Annual General Meeting (AGM). The business may be transacted through e-voting services rendered by Central Depository Services (India) Limited (CDSL).

The facility for voting, either through electronic voting system or through ballot/polling paper shall also be made available at the venue of 70<sup>th</sup> AGM. The members attending the meeting, who have already cast their vote through remote e-voting may attend the meeting but shall not be entitled to cast their vote again at AGM.

The Company has appointed Mr. Prabhat Maheshwari, Partner, GMJ & Associates, Practicing Company Secretaries, Mumbai as the Scrutinizer for conducting the remote e-voting and voting process at AGM in a fair

and transparent manner.

**(A) In case of members receiving e-mail:-**

The voting period begins on Tuesday, the 20<sup>th</sup> September, 2016 at 10.00 a.m. and ends on Thursday, the 22<sup>nd</sup> September, 2016 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. 16<sup>th</sup> September, 2016, may cast their vote electronically. The e-voting module shall be disabled by CDSL after 5.00 p.m. on **22<sup>nd</sup> September, 2016**.

Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.

- (i) Log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- (ii) Click on "Shareholders" tab.
- (iii) Now, select the "COMPANY NAME" from the drop down menu and click on "SUBMIT".
- (iv) 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.
- (v) Next enter the Image Verification as displayed and click on Login.
- (vi) 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.
- (vii) If you are a first time user, follow the steps given below:-

For Members holding shares in Demat Form and Physical Form	
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 OR Date of Birth (DOB)	<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> <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>

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) 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.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.



# Associated Stone Industries (Kotah) Ltd.

- (xi) Click on the EVSN for the <Associated Stone Industries (Kotah) Ltd> on which you choose to vote.
- (xii) 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.
- (xiii) Click on the "RESOLUTIONS FILE LINK", if you wish to view the entire Resolution details.
- (xiv) 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.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the votes cast by you by clicking on "Click here to print" option on the Voting page.
- (xvii) 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.
- (xviii) 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 users can download the app from the App Store and Windows Phone Store respectively on or after 30<sup>th</sup> June, 2016. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- (xix) **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 to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- (c) After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on.
- (d) The list of accounts 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.
- (B) In case of members receiving the physical copy:**  
Please follow all steps from sl. no. (i) to sl. no. (xvi) above to cast vote.
- (C) The voting period begins on Tuesday, the 20<sup>th</sup> September, 2016 at 10.00 a.m. and ends on Thursday, the 22<sup>nd</sup> September, 2016 at 5.00 p.m.** During this period, shareholders' of the Company holding shares either in physical form or in dematerialized form, as on the cut-off date **16<sup>th</sup> September, 2016**, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (D) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).**
- Important Note**  
Any person, who acquires shares of the Company and becomes member of the Company after **22<sup>nd</sup> August, 2016** i.e. the date considered for dispatch of the notice and holding shares as of the cut-off date i.e. **16<sup>th</sup> September, 2016** may obtain the login ID and password by sending a request at [evoting@cdsl.com](mailto:evoting@cdsl.com) or [dematremat@linkintime.co.in](mailto:dematremat@linkintime.co.in).

By Order of the Board of Directors

**Place: Mumbai.  
Date : 6<sup>th</sup> August, 2016**

**Manoj Jain  
Company Secretary**

## DETAILS OF DIRECTOR SEEKING APPOINTMENT/REAPPOINTMENT IN ANNUAL GENERAL MEETING FIXED ON 23<sup>rd</sup> SEPTEMBER, 2016:

Name of Director	Mr. Deepak Jatia (DIN: 01068689)	Mr. Tushya Jatia (DIN: 02228722)	Mr. Gaurang Gandhi (DIN: 00008057)
Date of Birth	31/08/1961	02/03/1986	03/02/1955
Educational Qualification	Graduation in Commerce.	Bachelor of Accounts and Finance and Masters in Finance and Investment.	Chartered Accountant
Expertise in specific functional areas	Having rich experience in the field of business, administration & marketing, Financial Management and development of International trade.	Having rich experience in the field of Mining, International Business and Marketing.	Having 40 years of experience in financial sector.
Directorship in other Indian Public Listed Companies as on 31.03.2016	Nil	Nil	Pioneer Investcorp Ltd
Chairman/Member of the Committees of the Board of other Indian Public Limited Companies as on 31.03.2016	Nil	Nil	Member in Audit Committee and Stakeholder Relationship Committee of Pioneer Investcorp Ltd.
No. of Shares held in the Company	1126810	107390	Nil
Disclosure in terms of Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015	Except Mrs. Anita Jatia and Mr.Tushya Jatia, none of the Directors & KMP or their relatives are related to Mr. Deepak Jatia.	Except Mr.Deepak Jatia and Mrs. Anita Jatia, none of the Directors & KMP or their relatives are related to Mr. Tushya Jatia.	None of the Directors & KMP are related to Mr. Gaurang Gandhi

Note: Pursuant to Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the purpose of determining the limit, chairpersonship and membership in Audit Committee and Stakeholder Relationship Committee alone has been considered.

## ANNEXURE TO NOTICE

### STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

The following statements sets out all material facts relating to the special business mentioned in the accompanying notice:

#### ITEM NO. 5:

The Board of Directors at their meeting held on **28<sup>th</sup> May, 2016**, on the recommendation of Audit Committee, had approved appointment of M/s. N.D. Birla & Co. Cost Accountants (Firm Registration Number 000028) as Cost Auditors of the Company for the financial year 2016-17. The Board has fixed remuneration of Rs. 40,000/- (Rupees Forty Thousand Only) exclusive of applicable service tax and out of pocket expenses, if any.

In terms of Section 148 of the Companies Act, 2013 and Companies (Audit and Auditors) Rules, 2014, the remuneration of the Cost Auditors as fixed by the Board of Directors shall be ratified by the members of the Company.

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.

Accordingly, consent of the members is sought for approving the Ordinary Resolution as set out in Item No. 5 for ratification of remuneration payable to the Cost Auditors for conducting the audit of cost records of the Company for the financial year ending 31<sup>st</sup> March, 2017.

#### ITEM NO. 6:

According to the first proviso of Section 203(1) of the Companies Act, 2013, an individual shall not be appointed or re-appointed as Chairperson of the Company as well as Managing Director of the Company at the same time until Articles of Association of the Company provides otherwise or Company does not carry multiple businesses. Since Company is seeking approval of the members for re-appointment of Mr. Deepak Jatia as Managing Director of the Company and he also holds the position of Chairman of the Company, therefore, to appoint Mr. Deepak Jatia as Chairman and Managing Director of the Company, it is required to make an enabling provision in the Articles of Association of the Company by substituting Article 183 with the following new Article:

**183** " The Board may at any time appoint, subject to the necessary approval, any person as Managing Director of the Company for any period on such terms and conditions as to his/her powers and duties as the Board may determine from time to time. The Board may also designate such person as Chairman of the Company or by any other designation".

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.

Accordingly, consent of the members is sought for approving the Special Resolution as set out in Item No. 6 for alteration in the Articles of Association of the Company.

#### ITEM NO. 7:

The Board of Directors, at its meeting held on 4<sup>th</sup> July, 2016, appointed Mr. Gaurang Gandhi as an Additional Director of the Company with effect from 4<sup>th</sup> July, 2016, pursuant to Section 161 of the Companies Act, 2013, read with Article 162 of the Articles of Association of the Company. Pursuant to the provisions of Section 161 of the Companies Act, 2013, Mr. Gaurang Gandhi will hold office up to the date of the ensuing AGM. The Company has received notice in writing under the provisions of Section 160 of the Companies Act, 2013, from a member, along with a deposit of Rs. 1,00,000/- proposing the candidature of Mr. Gaurang Gandhi for the office of Independent Director, to be appointed as such under the provisions of Section 149 of the Companies Act, 2013. The Company has received from Mr. Gaurang Gandhi (i) Consent in writing to act as director in Form DIR-2 pursuant to Rule 8 of Companies (Appointment & Qualification of Directors) Rules 2014 (ii) Intimation in Form DIR-8 in terms of Companies (Appointment & Qualification of Directors) Rules, 2014 to the effect that he is not disqualified under Subsection (2) of Section 164 of the Companies Act, 2013 and (iii) Declaration to the effect

that he meets the criteria of independence as provided in Sub-section (6) of Section 149 of the Companies Act, 2013.

On the recommendation of Nomination and Remuneration Committee, the Board of Directors of the Company, at its meeting held on 6<sup>th</sup> August, 2016, in accordance with the provisions of Section 149 of the Companies Act, 2013 and subject to the approval of the members in the ensuing Annual General Meeting, have approved the appointment of Mr. Gaurang Gandhi as an Independent Director of the Company, not being liable to retire by rotation, for the period up to conclusion of 74<sup>th</sup> Annual General Meeting of the Company.

In the opinion of the Board, Mr. Gaurang Gandhi, proposed to be appointed as the Independent Director, fulfills the conditions specified in the Companies Act, 2013 and the Rules made thereunder and he is independent of the Management. A copy of the draft letter for the appointment of Mr. Gaurang Gandhi as an Independent Director setting out the terms and conditions is available for inspection by the members, without any fees, at the Company's registered office.

None of the Directors or Key Managerial Personnel (KMP) of the Company or relatives of the Directors and KMP except Mr. Gaurang Gandhi, to whom the resolution relates, is concerned or interested, financially or otherwise, in this Resolution.

Accordingly, consent of the members is sought for approving the Ordinary Resolution as set out in Item No. 7 for appointment of Mr. Gaurang Gandhi as an Independent Director of the Company.

#### ITEM NO. 8:

Mr. Deepak Jatia was appointed as Managing Director of the Company on 1<sup>st</sup> September 2011 for the period of five years. In appreciation of his untiring efforts and contribution in the progress of the Company, the Nomination & Remuneration Committee and Audit Committee have recommended to the Board of Directors, to re-appoint him as Managing Director subject to the approval of the members in the ensuing Annual General Meeting for a period of 5 years commencing from 1<sup>st</sup> September, 2016.

The details of Remuneration structure is as follows:

#### Category-A

- i. Basic Salary: 6,00,000/- per month (with annual increment not exceeding 25% of previous year basic salary).
- ii. Provision of furnished rent free residential accommodation.
- iii. Expenses on electricity, gas and water of the residential accommodation.
- iv. Reimbursement of medical expenses for self and family subject to a ceiling of one month's salary in a year.
- v. Leave travel concession for self and family once in a year in accordance with the rules specified by the Company.
- vi. Fees of Clubs subject to maximum of two clubs.
- vii. Personnel accident insurance premium not to exceed Rs. 20,000/- per annum.

#### Category –B

- i. Contribution of Provident Fund, Superannuation fund or Annuity fund to the extent these either singly or put together are not taxable under the Income Tax Act, 1961.
- ii. Gratuity at half a month's salary for each completed year of service.
- iii. Encashment of leave at the end of the tenure.

#### Others

- i. Provision of car for use of 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 purpose shall be billed by the Company to the Managing Director.
- ii. The Managing Director shall be entitled to re-imbursment of all actual expenses or charges including travel expenses incurred by him for and on behalf of Company, in furtherance of its business and objects.

- iii. For the purpose of calculating the value of perquisite hereinabove, the same shall be evaluated as per Income Tax Rules wherever applicable.

## Minimum Remuneration

Notwithstanding anything herein contained, where in any financial year during the period of his office as a Managing Director, the Company has no profits or its profits are inadequate, the Company may, subject to the requisite approvals, pay Mr. Deepak Jatia remuneration by way of salary, allowances, perquisites not exceeding the maximum limits laid down in Section II of Part II of Schedule V to the Companies Act, 2013 as may be agreed to by the Board of Directors and Mr. Deepak Jatia.

## Other Terms

Mr. Deepak Jatia shall be subject to the superintendence, control and direction of the Board of Directors, manage and conduct the business and affairs of the Company relating to commercial operations. He shall not be paid any sitting fee for attending meetings of the Board or Committee thereof. The Board of Directors of the Company is of the view that as the Managing Director of the Company, Mr. Deepak Jatia has been entrusted with multiple responsibilities and considering the industry benchmarks and his contribution to the Company, the aforementioned remuneration structure of Mr. Deepak Jatia as Managing Director commensurate with the remuneration package across the industry.

As per the provision of the Articles of Association of the Company, the Managing Director shall not be liable to retire by rotation.

Except Mr. Deepak Jatia, to whom the resolution relates and Mrs. Anita Jatia and Mr. Tushya Jatia, being the relatives of Mr. Deepak Jatia, none of the Directors or Key Managerial Personnel (KMP) or relatives of the Directors and KMP is concerned or interested, financially or otherwise, in this Resolution.

Accordingly, consent of the members is sought for approving the Ordinary Resolution as set out in Item No. 8 for re-appointment of Mr. Deepak Jatia as Managing Director of the Company.

## ITEM NO. 9:

The Company has recorded consistent and steady growth in revenues and profits over the past years with significant addition to its reserves. Your Directors have always believed in the philosophy of rewarding the shareholders and passing the benefits of business to them on the principle of creation and distribution of wealth. In keeping up with this philosophy, the Board of Directors at their meeting held on 6<sup>th</sup> August, 2016 have recommended the Bonus Shares in the ratio of 1:4 i.e. 1 (One) new fully paid up Equity Share of Re.1/- each for every 4 (Four) fully paid up Equity Share of Re.1/- each held by the Members as on Record Date as determined by the Board for this purpose.

The issue of fully paid up Bonus Shares by way of Capitalization of Free Reserves is permitted under Section 63 of the Companies Act, 2013. The Application for permission of listing and dealing in such Bonus Shares will be made to Stock Exchange. The Articles of Association of the Company permits the capitalization of Free Reserves by applying the same towards issue and distribution of fully paid up Bonus Shares to the Members of the Company by way of an Ordinary Resolution and hence above Resolution is proposed for approval of the members as an Ordinary Resolution.

Except the Promoters, Directors and Key Managerial Personnel (KMP) to the extent of their shareholding, none of the Directors or KMP and relatives of Directors and KMP is concerned or interested, financially or otherwise in this Resolution.

Accordingly, consent of the members is sought for approving the Ordinary Resolution as set out in Item No. 9 for issue of Bonus Shares.

## ITEM NO. 10:

The Company had appointed M/s. Sharepro Services (India) Private limited (hereinafter referred to as "Sharepro Services") as its Registrar and Transfer Agent (herein after referred to as "R&TA") with effect from 1st April, 1996.

At the instance of few companies discovering certain irregularities at Sharepro Services, w.r.t. share related operations and dividend encashment activities, the operations of Sharepro Services are currently being investigated by

statutory authorities over alleged misappropriation of dividends and securities of its client companies. With increasing rigor being placed on corporate compliances, advent of new regulations, intensified surveillance by market regulator and in order to protect the interest of shareholders, the Board of Directors of the Company were of the opinion that the Company should appoint another entity as its RTA which could be reliable and has the capability in handling operations commensurate to the Company's size.

Accordingly, the Board of Directors of the Company at its meeting held on 28<sup>th</sup> May, 2016, have approved the appointment of M/s Link Intime India Private Limited having its registered office at C-13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup (West), Mumbai- 400 078, as the R&TA of the Company with effect from 1<sup>st</sup> June, 2016.

In accordance with Section 94 and other applicable provisions of the Act read with Companies (Management and Administration) Rules, 2014, the Register and Index of Members under Section 88 of the Act and copies of Annual Returns under Section 92 of the Act are required to be kept and maintained at the Registered office of the Company, unless a Special Resolution is passed in the general meeting authorizing keeping of the Register at any other place within the city, town or village in which the Registered office of the Company is situated.

The Company proposes to shift its Register and Index of Members and Returns to the office of M/s Link Intime India Private Limited, C-13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup (West), Mumbai- 400 078, Maharashtra, instead of at the office of the erstwhile Registrar and Transfer Agents, M/s Sharepro Services (India) Private Limited.

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.

Accordingly, consent of the members is sought for approving the Special Resolution as set out in Item No. 10 for change of place of keeping and inspection of Register and Index of Members, Annual Returns etc.

**By Order of the Board of Directors**

Place: Mumbai  
Date : 6<sup>th</sup> August, 2016.

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

## ASSOCIATED STONE INDUSTRIES (KOTAH) LIMITED

(CIN:L14101MH1945PLC256122)

Registered Office: Marathon Innova, 'A' Wing, 7<sup>th</sup> Floor, Off: G.K.Marg, Lower Parel, Mumbai 400013.

Tel.:022-40896100 • Email: investors@asistone.com • Website : [www.asistone.com](http://www.asistone.com)

### PROXY FORM

(Pursuant to Section 105(6) of the Companies Act, 2013 read with Rule 19(3) of the Companies (Management and Administration) Rules, 2014)

Name of the Member(s):	E-mail Id:
Registered Address:	*Folio No./Client Id:
	DP Id :

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

- (1) Name : \_\_\_\_\_  
 Address : \_\_\_\_\_  
 E-mail Id : \_\_\_\_\_ or failing him:
- (2) Name : \_\_\_\_\_  
 Address : \_\_\_\_\_  
 E-mail Id : \_\_\_\_\_ or failing him:
- (3) Name : \_\_\_\_\_  
 Address : \_\_\_\_\_  
 E-mail Id : \_\_\_\_\_

As my /our proxy to vote (on poll) for me /us/on my/our behalf at the **70<sup>th</sup> ANNUAL GENERAL MEETING** of the Company to be held on Friday, the **23<sup>rd</sup> September, 2016 at 10.00 a.m.** at 419-B, Kalbadevi Road, Joshiwadi 2nd Floor, Mumbai - 400002 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Resolutions	For	Against
	<b>Ordinary Business</b>		
1.	To receive, consider and adopt the Audited Financial Statements, Reports of the Board of Directors and Auditors for the financial year ended 31 <sup>st</sup> March, 2016.		
2.	To declare Dividend on Equity Shares.		
3.	To re-appoint Mr. Tushya Jatia who retires by rotation.		
4.	To appoint Statutory Auditors and fixing their remuneration.		
	<b>Special Business</b>		
5.	To ratify remuneration of Cost Auditor for the F. Y. 2016-17.		
6.	To amend the Articles of Association by replacing Article 183.		
7.	To appoint Mr. Gaurang M. Gandhi as Independent Director.		
8.	To re-appoint Mr. Deepak Jatia as Managing Director.		
9.	To issue Bonus Shares by capitalization of Free Reserves.		
10.	To change the place of keeping and inspection of Register and Index of Members, Annual Returns, etc.		

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2016

Signature of the shareholder \_\_\_\_\_

Affix  
revenue  
stamp

\_\_\_\_\_  
Signature of first proxy holder

\_\_\_\_\_  
Signature of second proxy holder

\_\_\_\_\_  
Signature of third proxy holder

\* applicable for members holding shares in electronic form.

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



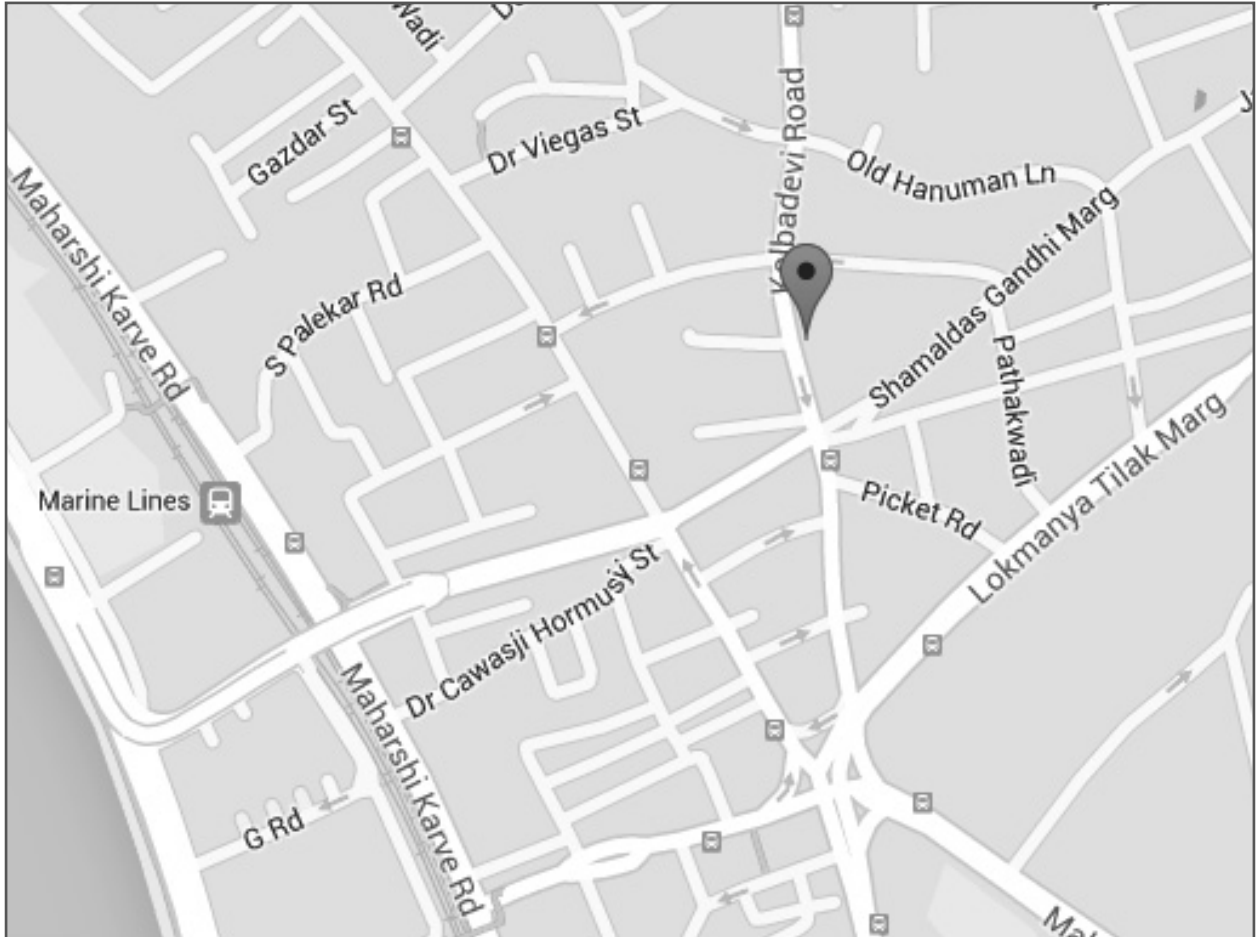
# Associated Stone Industries (Kotah) Ltd.

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Route map of the venue of the AGM



419-B, Kalbadevi Road, Joshiwadi, Mumbai 400002.





# **Associated Stone Industries (Kotah) Ltd.**

**Building from a Solid Foundation**

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**70<sup>th</sup> Annual Report  
2015 - 2016**

# Associated Stone Industries (Kotah) Ltd.

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## BOARD OF DIRECTORS

MR. DEEPAK JATIA	Chairman & Managing Director
MRS. ANITA JATIA	Executive Director
MR. TUSHYA JATIA	Non-Executive Director
MR. PRAMOD G. LATH	Independent Director (up to 4 <sup>th</sup> July, 2016)
MR. ANSHUL M. SONAWALA	Independent Director
MR. SANJAY SEKSARIA	Independent Director
MR. GAURANG GANDHI	Independent Director (from 4 <sup>th</sup> July, 2016)

## COMPANY SECRETARY

MR. MANOJ JAIN

## MANAGEMENT EXECUTIVES

MR. S.R SONI	Chief Executive Officer
MR. PAVAN SONI	Chief Financial Officer
MR. GEORGE MATHEW	G.M. (Import & Export)
MR. A.K.YADAV	G.M. (Operations)

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<b>Consolidated Financial Statements</b>	
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<b>Annual General Meeting</b>	
Date: 23 <sup>rd</sup> September, 2016 at 10.00 a.m	
Venue: 419-B, Kalbadevi Road, Joshiwadi 2 <sup>nd</sup> Floor, Mumbai 400002	

### Auditors

M/s. B. L. Ajmera & Co.  
Chartered Accountants  
M. I Road, Jaipur - 302001

### Bankers

ICICI Bank Ltd.  
HDFC Bank Ltd.  
IDBI Bank Ltd.

### Works

ASI House,  
Kudayla Industrial Area,  
Ramganjmandi -326519  
Dist. Kota, Rajasthan

### Registered Office

Marathon Innova, 'A' Wing, 7<sup>th</sup> Floor,  
Off: Ganpatrao Kadam Marg,  
Lower Parel, Mumbai -400013

## DIRECTORS' REPORT

To  
The Members,  
**Associated Stone Industries (Kotah) Limited**

The Directors have pleasure in presenting the 70<sup>th</sup> Annual Report together with the Audited Financial Statements of the Company for the year ended 31<sup>st</sup> March, 2016:

### FINANCIAL RESULTS

(Rs. in Lacs)

	2015-16	2014-15
<b>Total Revenue</b>	<b>17966.92</b>	21543.14
Profit before Finance Cost & Depreciation	3903.70	4352.37
Less : Finance Cost	1186.16	822.61
Depreciation	532.37	643.41
Profit before Taxation & Exceptional Item	2185.17	2886.35
Add: Exceptional Item	127.90	257.10
	<b>2313.07</b>	3143.45
Provision for Taxation		
Current Tax	(885.00)	(1070.00)
Deferred Tax	6.55	(93.10)
Earlier Years Adjustments	(0.72)	(138.40)
<b>Profit After Tax</b>	<b>1433.90</b>	1841.95
Add: Balance in Statement of Profit & Loss	7056.26	5703.58
Profit available for Appropriation	<b>8490.16</b>	<b>7545.53</b>
<b>Appropriation</b>		
Adjustment relating to Fixed Assets	-	50.66
Transfer to General Reserve	200.00	200.00
Proposed Dividend	198.85	198.85
Tax on Dividend	40.48	39.76
Closing Balance	8050.83	7056.26
	<b>8490.16</b>	<b>7545.53</b>

### DIVIDEND

Your Directors are pleased to recommend a dividend of Re.0.30 (equivalent to 30%) per equity share of the face value of Re.1/- each [previous year Rs.1.50 (equivalent to 30%) per equity share of the face value of Rs. 5/- each]. The dividend payout is subject to approval of the members at the ensuing Annual General Meeting.

### RESERVES

Your Directors propose to transfer Rs. 200.00 Lacs to the General Reserve Account. An amount of Rs. 8050.83 Lacs is proposed to be retained in the Statement of Profit & Loss.

### PERFORMANCE

For the year under review, the production of Kotah Stone was 1207.40 Lacs sq. ft. as against 1172.77 Lacs sq. ft. in the previous year and sales were 1212.95 Lacs sq. ft. as against 1201.24 Lacs sq. ft. in the previous year.

During the year under review, the Company has registered total revenue from operations of Rs. 17201.30 Lacs as against that of previous year Rs. 20878.29 Lacs and Gross Profit of Rs. 3903.70 Lacs (previous year Rs. 4352.37 Lacs). This included revenue from the trading activity which during the year under review was Rs. 4911.78 Lacs as against Rs. 9158.71 Lacs in the previous year.

The profit before taxation during the year under review was Rs. 2313.07 Lacs as compared to Rs. 3143.45 Lacs during the previous year.

There are no material changes/commitments affecting financial position of the Company between the end of year and to the date of Report.

### WIND POWER PROJECT

As a part of its efforts to augment "Green 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. The Company has sold Wind Power Unit of 1.125 MW at Tirupur District of Tamil Nadu in November, 2015.

The Wind Power generations basically depends on flow of winds and due to unpredictable climatic conditions generation of power varies from time to time. The generation during the year under review was lower as compared to previous year on account of low wind throughout the year.

### SHARE CAPITAL OF THE COMPANY

The paid up Equity Share Capital, as at 31<sup>st</sup> March, 2016 was Rs. 6,62,83,730/- consisting of 6,62,83,730 Equity Shares having face value of Re.1/- each fully paid up. During the year under review, the Equity shares having face value of Rs. 5/- each were sub divided into Re.1/- each and the Company has neither issued any share with differential voting rights nor granted any stock options/sweat equity shares.

### CHANGE IN THE NATURE OF BUSINESS

The Company is mainly engaged in Mining and Processing of Kotah and other natural Stones. Apart from Mining, Company is also engaged in generation of Wind Power and other trading activities.

During the year under review, there is no change in the nature of business of the Company.

### PERFORMANCE AND FINANCIAL STATEMENTS OF SUBSIDIARIES

As required under Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 129 of the Companies Act, 2013, the Consolidated Financial Statements prepared by the Company in accordance with the applicable provisions of the Companies Act, 2013 and applicable accounting standards, form part of the Annual Report.

The Company has an overseas wholly owned subsidiary in the name of ASI Global Limited, Mauritius which was set up in the year 2014 to acquire lime stone mine/crusher Company viz: Al Rawasi Rock & Aggregate LLC in Fujairah UAE.

Your directors draw attention of the members to the Note No.33 to the Consolidated Financial Statements which set out salient features of Financial Statement of Subsidiary Companies.

## **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, 2016, 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, 2016 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.

## **CORPORATE GOVERNANCE AND MANAGEMENT DISCUSSION AND ANALYSIS REPORTS**

The Company has complied with mandatory provisions of Corporate Governance as prescribed under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (erstwhile Listing Agreement).

In terms of Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Corporate Governance and Management Discussion and Analysis Report, which form an integral part of this Report together with the Certificate from Auditors of the Company regarding compliances with the requirements of Corporate Governance as stipulated in aforementioned Regulations.

## **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 "A"** to this Report. The CSR Policy has been posted on the website of the Company at [www.asistone.com](http://www.asistone.com).

The Company has made a budget of Rs. 51.50 Lacs (including short fall of Rs. 7.57 Lacs of previous year). During the year under review, CSR expenditure was short by Rs. 6.49 Lacs mainly on account of pending of certain proposals.

## **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.

During the year under review, your Company has constituted a Risk Management Committee to oversee the risk management efforts of the Company. The details of the Committee along with its charter are set out in the Corporate Governance Report forming part of this Report.

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.

## **INTERNAL CONTROL SYSTEM AND ITS ADEQUACY**

The Board has adopted policies and procedures for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguard of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of accounting records and timely preparation of reliable financial disclosures.

## **DIRECTORS AND KEY MANAGERIAL PERSONNEL**

### **Number of Meetings of Board**

Five meetings of the Board of Directors were held during the year under review. For further details, please refer the Corporate Governance Report.

### **Directors**

During the year under review, Mrs. Anita Jatia was appointed as Whole Time Director and same was approved by the shareholders at the 69<sup>th</sup> Annual General Meeting held on 25<sup>th</sup> September, 2015 and Mr. Tushya Jatia was re-designated from Whole Time Director to Non-Executive Non Independent Director at the same meeting.

In accordance with the provisions of Section 152(6)(c) of the Companies Act, 2013 and Articles of Association of the Company, Mr. Tushya Jatia (DIN: 02228722), Director retires by rotation at the forth coming Annual General Meeting and being eligible, has offered himself for reappointment. The Board recommends his re-appointment. The brief profile of retiring director is given in the notice calling the Annual General Meeting.

The Board of Directors on recommendation of the Nomination and Remuneration Committee, has reappointed Mr. Deepak



Jatia as Managing Director of the Company for a period of five years w.e.f. 1<sup>st</sup> September, 2016 subject to the approval of the members in the ensuing Annual General Meeting.

Mr. Pramod G. Lath, Independent Director, has resigned from the Directorship w.e.f. 4<sup>th</sup> July, 2016 and Mr. Gaurang M. Gandhi has been appointed as Independent Director w.e.f. 4<sup>th</sup> July, 2016.

#### Statement on declaration given by Independent Directors

The Independent directors have submitted the declaration of independence, as required pursuant to Section 149 (7) of the Companies Act, 2013 confirming that they meet the criteria of independence provided in sub-section (6) so as to qualify themselves to be appointed/continued as Independent directors.

#### Board Evaluation

Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a structured questionnaire was prepared after taking into consideration, various aspects of the Board's functioning, composition of the Boards and its Committees, culture, execution and performance of specific duties and obligation and governance.

The performance evaluation of the Independent Directors was completed. The performance evaluation of the Chairman and Non-Independent Directors was carried by the Independent Directors. The Board of Directors expressed their satisfaction with the evaluation process.

#### Appointment/ Cessation of KMP

During the year under review, the following persons were appointed/ceased as Key Managerial Personnel (KMP) of the Company:-

Sr. No	Name of the Person	Designation
1.	Mrs. Anita Jatia	Appointed as Whole Time Director
2.	Mr. Tushya Jatia	Ceased from the office of Whole Time Director
3.	Mr. Uttam Shetty	Ceased from the office of Company Secretary of the Company

### AUDITORS AND AUDITOR'S REPORT

#### Statutory Auditors

M/s. B.L. Ajmera & Co., Chartered Accountants having Firm Registration Number (001100C), the Statutory Auditors of the Company, hold office till the conclusion of the forthcoming Annual General Meeting and are eligible for re-appointment.

Your Company has received a confirmation letter from M/s. B.L. Ajmera & Co., to the effect that their re-appointment, if made, would be within the prescribed limits under Section 141 of the Companies Act, 2013 and that they are not disqualified for re-appointment.

M/s. B.L. Ajmera & Co., have issued Auditors' Report for the financial year ended 31<sup>st</sup> March, 2016 and the notes on financial statements referred to in the said Auditors' Report are self-explanatory and do not call for any further comments. The

Auditors' Report does not contain any qualification, reservation or adverse remark.

During the year under review, the Auditors have not reported any matter under Section 143(12) of the Companies Act, 2013.

#### Secretarial Audit

Pursuant to Section 204 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, M/s. GMJ & Associates, Company Secretaries, had been appointed as the Secretarial Auditor for conducting the secretarial audit for the financial year 2015-16. The Secretarial Audit Report is attached as **Annexure "B"** to this Report and forms an integral part of this Report. There was no qualification, reservation and adverse remark in their Report.

Further, on the recommendation of Audit Committee, the Board of Directors have appointed M/s. GMJ & Associates, Company Secretaries, as Secretarial Auditor of the Company in relation to the financial year 2016-17. The Company has received their consent for such appointment.

#### Cost Audit

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, 2016.

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 31<sup>st</sup> March, 2017.

#### RELATED PARTY TRANSACTIONS

All contracts/ arrangements/ transactions entered by the Company during the year under review with related parties were in the ordinary course of business and on an arm's length basis and do not attract the provisions of Section 188 of the Companies Act, 2013. The Company presents a detailed landscape of all related party transactions before the Audit Committee on quarterly basis, specifying the nature, value and terms and conditions of the transaction. Transactions with related parties are conducted in a transparent manner with the interest of the Company and Stakeholders as utmost priority. Further, during the year, the Company had not entered into any contract/ arrangement/ transaction with related parties which could be considered material in accordance with the policy of the Company on materiality of related party transactions.

Since all related party transactions entered into by the Company were in ordinary course of business and were on arms' length basis, Form AOC-2 is not applicable to the Company.

The policy on materiality of related party transactions and dealing with related party transactions as approved by the Board may be accessed on the Company's website at [www.asistone.com](http://www.asistone.com).

Your Directors draw attention of the members to Note No. 37 to the financial statements which sets out related party disclosures.

## DISCLOSURES

### Audit Committee

The Audit Committee comprises of Independent Directors namely Mr. Pramod G. Lath, the Chairman, Mr. Anshul M. Sonawala and Mr. Sanjay Seksaria as other members. All the recommendations made by the Audit Committee were accepted by the Board. The terms of reference of audit committee and other details are explained in brief in Corporate Governance Report.

### Nomination and Remuneration Committee and its policy

The Nomination and Remuneration Committee comprises of Independent Directors namely Mr. Sanjay Seksaria, the Chairman, Mr. Pramod G. Lath and Mr. Anshul M. Sonawala as members of the Committee. The Nomination and Remuneration policy has been posted on the website of the Company at [www.asistone.com](http://www.asistone.com).

### Whistle Blower Policy/Vigil Mechanism

In compliance with the requirements of Section 177 of Companies Act, 2013, the Company has a Whistle Blower Policy to report genuine concern, grievances, fraud and mismanagements, if any. The policy has been posted on the website of the Company at [www.asistone.com](http://www.asistone.com).

### Particulars of Loans, Guarantees or Investment by the Company

During the year, the Company has provided Loans and Corporate Guarantee to its Subsidiaries for business purpose. Please refer Note No. 10(b) for the Investment in subsidiaries, Note No. 11 for Loans and Advances and Note No. 25(1)(b)(ii) for Corporate Guarantee of the financial statements.

Details of loans given to other parties, during the year under review, are attached as **Annexure "C"** to this Report.

### Extract of Annual Return

The extract of the Annual Return in Form No. MGT-9 as required under Section 134(3)(a) of the Companies Act, 2013 read with Rule 12 of the Companies (Management and Administration) Rules, 2014 is attached as **Annexure "D"** to this Report.

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

No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and company's operations in future.

### Sexual Harassment

Your Company has constituted an Internal Complaint Committee as required under Section 4 of Sexual Harassment of Woman at Workplace (Prevention, Prohibition and Redressal) Act, 2013. There were no incidences of sexual harassment reported during the year under review.

### Depository Services

The Company's Equity Shares have been admitted to the depository mechanism of the National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL). The Company has been allotted ISIN No. INE443A01030.

The Shareholders therefore are requested to take full benefit of the same and lodge their holdings with Depository Participants (DPs) with whom they have their Demat Accounts for getting their holdings in electronic form.

### Conservation of Energy, Technology absorption and Foreign Exchange Earning and Outgo

As per provisions of Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of Companies (Accounts) Rules, 2014, a statement in respect of Conservation of Energy, Technology Absorption and Foreign Exchange Earning and Outgo is attached as **Annexure "E"** to this Report.

### Particulars of Employees

In terms of Section 197(12) of the Companies Act, 2013 read with Rule 5(2) and 5(3) 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 limits prescribed therein.

The information required pursuant to Section 197 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is attached as **Annexure "F"** to this report.

Your directors draw attention of the members to the Note No.37 to the financial statements which set out disclosure of remuneration to the Managing Director and Executive Director. The Remuneration policy has been posted on the website of the Company at [www.asistone.com](http://www.asistone.com).

### Public Deposit

The Company has not accepted or renewed any deposits within the meaning of Section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014.

## ACKNOWLEDGEMENT

Your Directors would like to acknowledge and place on record their sincere appreciation to all stakeholders, clients, Financial Institutions, Banks, Central and State Governments, the Company's valued investors and all other business partners for their continued co-operation and excellent support received during the year.

Your Directors recognize and appreciate the efforts and hard work of all the employees of the Company and their continued contribution to its progress.

**On behalf of the Board of Directors**

**Place: Mumbai.**  
**Date: 28<sup>th</sup> May, 2016**

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

## 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 web site 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.asistone.com](http://www.asistone.com)
2. Composition of CSR Committee:

Sr. No.	Name	Designation
1.	Mr. Anshul M. Sonawala	Chairman
2.	Mr. Pramod G. Lath	Member
3.	Mr. Tushya Jatia	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)		
	2015	2014	2013
	3141.91	1527.93	1920.14
Average Net Profit for the preceding three Financial Years	2196.66		

4. Prescribed CSR expenditure (2% of Average Net Profit) : **Rs. 43.93 Lacs**
5. Amount unspent during previous year : **Rs. 7.57 Lacs**
6. Total eligible fund for expenditure : **Rs. 51.50 Lacs**
7. Details of CSR spend & Unspent for the financial year :
  - a. Total amount spent for the financial year : **Rs. 45.01 Lacs**
  - b. Amount unspent, if any : **Rs. 6.49 Lacs**

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 (Rs. in Lacs)	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	a) Financial assistance for cleaning and washing at Govt. Hospital and driver’s salary for ambulance, b) Drainage work	Promoting Health	Local area, Ramganjmandi, Dist Kota , Rajasthan	4.00	3.87	3.87	Amount spent Directly

## Associated Stone Industries (Kotah) Ltd.

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 (Rs. in Lacs)	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	a) Providing books and bus facility to Girls. Running School for poor children of surrounding villages b) Construction of rooms in school c) Scholarship of teacher training program. d) School and Bus running facilities	Promotion of Education	Local area, Ramganjmandi, Dist Kota , Rajasthan	30.00	27.33	27.33	Amount spent Directly
3	Providing financial assistance for marriage of poor girls	Providing gender equality and empowering women	Local area, Ramganjmandi, Dist Kota , Rajasthan	2.00	2.00	2.00	Amount spent Directly
4	Providing sports material and other help for sports activities	Promoting Sports	Local area, Ramganjmandi, Dist Kota , Rajasthan	1.00	0.55	0.55	Amount spent Directly
5	Construction of Samudayik bhavan for public	Rural Development	Local area, Ramganjmandi, Dist Kota , Rajasthan	2.00	1.50	1.50	Amount spent Directly
6	Providing safe drinking water to villages and Court premises	Providing safe drinking water	Local area, Ramganjmandi, Dist Kota , Rajasthan	12.00	9.58	9.58	Amount spent Directly
7	Construction of DTO office wall	Protection of heritage and Restoration of building	Local area, Ramganjmandi, Dist Kota , Rajasthan	0.50	0.18	0.18	Amount spent Directly
<b>Total</b>				<b>51.50</b>	<b>45.01</b>	<b>45.01</b>	

The Company has made a budget of Rs 51.50 Lacs (including previous unspent amount of Rs. 7.57 Lacs). During the year under review, CSR expenditure was short by Rs. 6.49 Lacs. However the Company has already accepted the proposal for construction of maternity ward at Kudayala Village of Rs. 10.00 Lacs but it could not be materialized during the financial year.

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

Place: Mumbai  
Date: 28<sup>th</sup> May, 2016.

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

**Deepak Jatia**  
Managing Director  
Din: 01068689

**SECRETARIAL AUDIT REPORT**  
**FOR THE FINANCIAL YEAR ENDED 31<sup>st</sup> MARCH, 2016**

(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,**  
**Associated Stone Industries (Kotah) Limited**  
Marathon Innova, 'A' Wing, 7<sup>th</sup> 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 **Associated Stone Industries (Kotah) 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 31<sup>st</sup> March, 2016 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 31<sup>st</sup> March, 2016 according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made thereunder;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment and Overseas Direct Investment;
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (“SEBI Act”);
  - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - c. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

We further report that the Company has a compliance system in place and we have examined the relevant documents and records with respect to other Acts as applicable which are as under:

- vi. Other applicable acts:
  - a. The Mines Act, 1952
  - b. The Explosive Act, 1884
  - c. The Factories Act, 1948
  - d. The Industrial Dispute Act, 1947 (ID Act)
  - e. The Equal Remuneration Act, 1976
  - f. The Employees' Provident Funds and Miscellaneous Provisions Act, 1952
  - g. The Maternity Benefit Act, 1961
  - h. The Minimum Wages Act, 1948
  - i. The Payment of Bonus Act, 1965
  - j. The Payment of Gratuity Act, 1972



- k. The Payment of Wages Act, 1936
- l. The Child Labour (Prohibition and Regulation) Act, 1986
- m. The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013
- n. The Noise Pollution (Regulation and Control) Rules, 2000
- o. The Environment (Protection Act), 1986
- p. The Water (Prevention and Control of Pollution) Act, 1974
- q. The Trade Marks Act, 1991
- r. The Bombay Shops & Establishment Act, 1948
- s. The Central Sales Tax Act, 1956 & other applicable state Sales Tax Acts
- t. The Professional Tax Act, 1975
- u. The Income Tax Act, 1961
- v. The Finance Act, 1994 (Service Tax)

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

- i. Secretarial Standards with respect to Board and General Meetings (SS-1 and SS-2) specified by The Institute of Company Secretaries of India;
- ii. The Listing Agreements entered into by the Company with Stock Exchange;
- iii. 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.

Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions are carried out unanimously at Board Meetings and Committee Meetings and recorded in the minutes of the meeting of the Board of Directors or Committees of the Board, as the case may be.

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

We further report that during the year under report, the company has not undertaken event/action having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, etc. referred to above.

For **GMJ & ASSOCIATES**  
*Company Secretaries*

**[CS P. MAHESHWARI]**  
Partner

Place: Mumbai  
Date: 28<sup>th</sup> May, 2016

FCS No.: 2405  
COP No.: 1432

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.

To,  
**The Members,**  
**Associated Stone Industries (Kotah) Limited**

Marathon Innova, 'A' Wing, 7<sup>th</sup> 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 and regulations and happening of events, etc.
5. The compliance of the provisions of corporate and other applicable laws, rules and regulations, 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

**[CS P. MAHESHWARI]**  
 Partner  
 FCS No.: 2405  
 COP No.: 1432

Place: Mumbai  
 Date: 28<sup>th</sup> May, 2016

## Annexure "C"

### PARTICULARS OF LOANS MADE DURING THE YEAR (Pursuant to Section 186 of the Companies Act, 2013)

Nature of transaction (Whether Loan/ guarantee/security/ acquisition)	Name of the person on body corporate to whom it is made or given or whose securities have been acquired	Amount of Loan / security/acquisition/ guarantee (Rs. in Lacs)	Rate of Interest for loan	Purpose for which loan guarantee and investment are proposed to be utilized
<b>ICD's (Loan) Given</b>	Makalu Trading Ltd.	50.00	13%	Business Purpose
	Cheerful Commercial Pvt. Ltd.	500.00	13%	Business Purpose
	Forum IT Parks Pvt. Ltd.	1000.00	13%	Business Purpose
	Provenance Land Pvt. Ltd.	50.00	16%	Business Purpose

For and on behalf of the Board  
**Associated Stone Industries (Kotah) Limited**

Place: Mumbai  
 Date: 28<sup>th</sup> May, 2016

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

**Form No. MGT - 9**  
**EXTRACT OF ANNUAL RETURN**

as on the financial year ended on 31<sup>st</sup> March, 2016

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

**I. REGISTRATION AND OTHER DETAILS :**

i)	CIN	L14101MH1945PLC256122
ii)	Registration Date	17.01.1945
iii)	Name of the Company	Associated Stone Industries (Kotah) Limited
iv)	Category/Sub-Category of the Company	Company Limited by Shares / Public Company
v)	Address of the Registered Office and Contract details	Marathon Innova, A Wing 7th Floor, Off: Ganpatrao Kadam Marg, Lower Parel, Mumbai 400013
vi)	Whether listed Company	YES ( BSE Limited)
vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any	Link Intime India Private Limited, C-13, Pannalal Silk Mills Compound, L.B.S.Marg,Bhandup(West) Mumbai-400078. Phone-022-2596 3838, Fax No. 022-2594 6969

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

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

Sl. No.	Name and Description of main Products/Services	NIC Code of the Product/Service	% to total turnover of the company
1	Kotah Stone	8103	70.89
2	Fabric	46411	14.25
3	Steel & Allied Products	46620	10.20

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

Sl. No.	Name and Address of the Company	CIN/GLN	Holding / Subsidiary / Associate	% of shares held	Applicable Section
1	ASI Global Limited, Mauritius	N.A	Wholly owned Subsidiary	100%	Section 2 (87)
2	Al Rawasi Rock & Aggregate LLC, UAE	N.A	Wholly owned Subsidiary	100%#	Section 2 (87)

# 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 Al 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.

**IV. SHAREHOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)**

**i) Category-wise Shareholding**

Sl. No	Category of Shareholders	No. of Shares held at the beginning of the year (as on 01.04.2015)				No. of Shares held at the end of the year (as on 31.03.2016)				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A.</b>	<b>Promoters</b>									
1	Indian									
(a)	Individual/HUF	2716720	-	2716720	4.10	2716720	-	2716720	4.10	-
(b)	Central Government	-	-	-	-	-	-	-	-	-
(c)	State Government(s)	-	-	-	-	-	-	-	-	-
(d)	Bodies Corporate	43948980	-	43948980	66.30	43948980	-	43948980	66.30	-
(e)	Bank/FI	-	-	-	-	-	-	-	-	-
(f)	Any other	-	-	-	-	-	-	-	-	-
	<b>Sub Total (A) (1):-</b>	<b>46665700</b>	<b>-</b>	<b>46665700</b>	<b>70.40</b>	<b>46665700</b>	<b>-</b>	<b>46665700</b>	<b>70.40</b>	<b>-</b>

Sl. No	Category of Shareholders	No. of Shares held at the beginning of the year (as on 01.04.2015)				No. of Shares held at the end of the year (as on 31.03.2016)				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
2	Foreign									
(a)	NRI-Individuals	-	-	-	-	-	-	-	-	-
(b)	Other-Individuals	-	-	-	-	-	-	-	-	-
(c)	Bodies Corporates	-	-	-	-	-	-	-	-	-
(d)	Banks/FI	-	-	-	-	-	-	-	-	-
(e)	Any other	-	-	-	-	-	-	-	-	-
	<b>Sub Total (A) (2):-</b>	-	-	-	-	-	-	-	-	-
	<b>Total Share holding of Promoter (A) = (A) (1)+(A)(2)</b>	<b>46665700</b>	-	<b>46665700</b>	<b>70.40</b>	<b>46665700</b>	-	<b>46665700</b>	<b>70.40</b>	-
<b>B.</b>	<b>Public Shareholding</b>									
1	Institutions	-	-	-	-	-	-	-	-	-
(a)	Mutual Funds	-	-	-	-	-	-	-	-	-
(b)	Banks/FI	-	-	-	-	-	-	-	-	-
(c)	Central Government	-	-	-	-	-	-	-	-	-
(d)	State Government(s)	-	-	-	-	-	-	-	-	-
(e)	Venture Capital Funds	-	-	-	-	-	-	-	-	-
(f)	Insurance Companies	-	-	-	-	-	-	-	-	-
(g)	FIIS	-	-	-	-	-	-	-	-	-
(h)	Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
(i)	Other (Specify)	-	-	-	-	-	-	-	-	-
	<b>Sub Total (B) (1):-</b>	-	-	-	-	-	-	-	-	-
2	Non-Institutions									
a)	Bodies Corporate	4780120	14130	4794250	7.23	4215496	14000	4229496	6.38	(0.85)
b)	Individuals	-	-	-	-	-	-	-	-	-
i)	Individual Shareholders holding nominal share capital upto Rs. 2 lakh	7652220	3067055	10719275	16.17	8920563	3150205	12070768	18.21	2.04
ii)	Individual Shareholders holding nominal share capital in excess of Rs. 2 lakh	2689260	1164460	3853720	5.81	2089487	888330	2977817	4.50	(1.31)
c)	Other (Specify)	-	-	-	-	-	-	-	-	-
i	Foreign National	-	-	-	-	-	-	-	-	-
ii.	Non Resident Individuals (rep)	76485	-	76485	0.12	171919	-	171919	0.26	0.14
iii.	Non Resident Individuals (non-rep)	157700	16600	174300	0.27	151430	16600	168030	0.25	(0.02)
iii.	Overseas Corporate Bodies	-	-	-	-	-	-	-	-	-
iv.	<b>Sub - Total (B) (2):-</b>	<b>15355785</b>	<b>4262245</b>	<b>19618030</b>	<b>29.60</b>	<b>15548895</b>	<b>4069135</b>	<b>19618030</b>	<b>29.60</b>	-
	<b>Total Public Shareholding (B)=(B)(1)+B(2)</b>	<b>15355785</b>	<b>4262245</b>	<b>19618030</b>	<b>29.60</b>	<b>15548895</b>	<b>4069135</b>	<b>19618030</b>	<b>29.60</b>	-
<b>C.</b>	<b>Share held by Custodian for GDR &amp; ADRs</b>	-	-	-	-	-	-	-	-	-
	<b>Grand Total (A+B+C)</b>	<b>62021485</b>	<b>4262245</b>	<b>66283730</b>	<b>100.00</b>	<b>62214595</b>	<b>4069135</b>	<b>66283730</b>	<b>100.00</b>	-

**Note:** The number of equity shares of the previous year has been restated on account on sub-division of equity shares of face value of Rs. 5/- each to equity shares of face value of Re. 1/- each during the current year

# Associated Stone Industries (Kotah) Ltd.

## ii) Shareholding of Promoters

Sl. No.	Category of Shareholders	No. of Shares held at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No. of Shares	% of total shares of the company	% of Shares Pledged/encumbered to Total Shares	No. of Shares	% of total shares of the company	% of Shares Pledged/encumbered to Total Shares	
1	Deepak Jatia	1126810	1.70	-	1126810	1.70	90.43	-
2	Anita Jatia	769410	1.16	-	769410	1.16	-	-
3	Deepak Jatia HUF	621110	0.94	-	621110	0.94	-	-
4	Tushya Jatia	107390	0.16	-	107390	0.16	-	-
5	Prerna Agarwal	92000	0.14	-	92000	0.14	-	-
6	Sampoorna Exports Pvt. Ltd.	11398160	17.20	-	11398160	17.20	100.00	-
7	Devashish Exports Pvt. Ltd.	11367170	17.15	-	11367170	17.15	100.00	-
8	Sundatta Sirur Pvt. Ltd.	10020380	15.12	-	10020380	15.12	100.00	-
9	Status Impex Pvt. Ltd.	7597530	11.46	-	7597530	11.46	-	-
10	Deejay Mining & Exp. Pvt. Ltd.	3555740	5.36	-	3555740	5.36	-	-
11	Dee Jay Realty Pvt. Ltd.	10000	0.02	-	10000	0.02	-	-
	<b>TOTAL</b>	<b>46665700</b>	<b>70.40</b>		<b>46665700</b>	<b>70.40</b>		

**Note:** The number of equity shares of previous year has been restated on account on sub-division of equity shares of face value of Rs. 5/- each to equity shares of face value of Re. 1/- each during the current year.

## iii) No Change in promoters shareholding during the F. Y 2015-16

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

Sl. No.	Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of Total Shares of the Company	No. of Shares	% of Total Shares of the Company
1	Halan Properties Pvt. Ltd.	3050000	4.60	3050000	4.60
2	Mita Deepak Shah	705000	1.06	690000	1.04
3	Satjit Singh	686460	1.04	686460	1.04
4	Pudumjee Inv. & Finance Co. Ltd.	441535	0.67	174020	0.26
5	Patel Bhupendrabhai Chunibhai	399560	0.60	399560	0.60
6	Sangeeta S	397250	0.60	568690	0.86
7	Gurnam Singh Anand	201870	0.30	201870	0.30
8	Visheshh Jatia	185180	0.28	180180	0.27
9	Agia Kaur Anand	173030	0.26	173030	0.26
10	Kaushailyadevi Kishanlal Saraf	159400	0.24	159400	0.24
11	Rajiv Dayal	0	0.00	226017	0.34
12	Saravjeet Singh Anand	0	0.00	205220	0.31

**Note:** The number of equity shares of previous year has been restated on account on sub-division of equity shares of face value of Rs. 5/- each to equity shares of face value of Re. 1/- each during the current year.

## V) Shareholding of Directors and Key Managerial Personnel

Sl. No	For each of the Director and KMP Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of Total Shares of the Company	No. of Shares	% of Total Shares of the Company
<b>A</b>	<b>Directors</b>				
1	Deepak Jatia	1126810	1.70	1126810	1.70
2	Tushya Jatia	107390	0.16	107390	0.16
3	Anita Jatia	769410	1.16	769410	1.16
4	Pramod G Lath	-	-	-	-
5	Anshul M Sonawala	-	-	-	-
6	Sanjay Seksaria	75000	0.11	40000	0.06



Sl. No	For each of the Director and KMP Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of Total Shares of the Company	No. of Shares	% of Total Shares of the Company
<b>B</b>	<b>Key Managerial Personnel</b>				
1	S.R. Soni	-	-	-	-
2	Pavan Soni	-	-	-	-
3	Uttam Shetty	-	-	-	-

**Note:** The number of equity shares of previous year has been restated on account on sub-division of equity shares of face value of Rs. 5/- each to equity shares of face value of Re. 1/- each during the current year.

## V. INDEBTEDNESS

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

(Rs. in Lacs.)

Particulars	Secured Loan excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the Financial Year</b>				
i) Principal Amount	6903.71	2135.56	-	9039.27
ii) Interest due but not paid	-	-	-	-
iii) Interest Accrued but not due	29.88	-	-	29.88
<b>Total (i+ii+iii)</b>	<b>6933.59</b>	<b>2135.56</b>	-	<b>9069.15</b>
<b>Change in Indebtdness during the Financial Year</b>				
Addition	5225.82	433.76	-	5600.11
Reduction	1790.77	2480.84	-	4228.69
<b>Net Change</b>	<b>3435.05</b>	<b>(2047.08)</b>	-	<b>1371.42</b>
<b>Indebtedness at the end of the Financial Year</b>				
i) Principal Amount	10322.20	88.48	-	10410.68
ii) Interest due but not paid	-	-	-	-
iii) Interest Accrued but not due	46.44	-	-	46.44
<b>Total (i+ii+iii)</b>	<b>10368.64</b>	<b>88.48</b>	-	<b>10457.12</b>

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Sl. No	Particulars of Remuneration	Shri. Deepak Jatia (Managing Director)	Smt. Anita Jatia (Executive Director)*	Shri. Tushya Jatia (Executive Director)**	Total Amount (Rs. in Lacs)
1	Gross Salary				
	a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	56.16	10.50	5.85	<b>72.51</b>
	b) Value of prerequisites u/s. 17(2) of the Income-Tax Act, 1961	8.42	-	-	<b>8.42</b>
	c) Profits in lieu of salary under section 17(3) of the Income-Tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission	-	-	-	-
	- as % of Profit	-	-	-	-
5	Others, specify	-	-	-	-
	<b>Total (A)</b>	<b>64.58</b>	<b>10.50</b>	<b>5.85</b>	<b>80.93</b>

\* Payment made from 1<sup>st</sup> September, 2015.

\*\* Payment made upto 30<sup>th</sup> June, 2015.

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## B Remuneration to other Directors

(Rs. in Lacs)

Sl. No.	Particulars of Remuneration	Name of Directors					Total Amount
		Shri. Pramod G Lath	Shri. Anshul M Sonawala	Shri. Sanjay Seksaria	Smt. Anita Jatia (upto 31.08.2015)	Shri. Tushya Jatia (from 01.07.2015)	
1	Independent Directors Fee for attending board/ committee meetings	0.10	0.10	0.10	-	-	0.30
	Commission	-	-	-	-	-	-
	Others, please specify	-	-	-	-	-	-
	<b>Total (1)</b>	0.10	0.10	0.10	-	-	0.30
2	Other Non-Executive Directors for attending board/ committee meetings	-	-	-	0.06	0.02	0.08
	Commission	-	-	-	-	-	-
	Others, please specify	-	-	-	-	-	-
	<b>Total (2)</b>	-	-	-	0.06	0.02	0.08
	<b>Total (B)=(1+2)</b>	0.10	0.10	0.10	0.06	0.02	0.38

## C Remuneration to Key Managerial Personnel other than MD/Manager/WTD

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			Total
		Chief Executive Officer	Chief Financial Officer	Company Secretary	
		Shri. S.R. Soni	Shri. Pavan Soni	Shri. Uttam Shetty	
1	Gross Salary				
	a) Salary as per provision contained in section 17(1) of the Income Tax Act, 1961	15.02	15.16	16.57	46.75
	b) Value of perquisites u/s. 17(2) of the Income Tax Act, 1961	1.22	1.30	0.49	3.01
	c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission	-	-	-	-
	- as % of profit	-	-	-	-
	- other, Specify ...	-	-	-	-
5	Others, Please Specify	-	-	-	-
	<b>Total</b>	16.24	16.46	17.06	49.76

## VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES

### A. Company

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment / Compounding fees imposed	Authority (RD/NCLT/COURT)	Appeal made, if any (give Details)
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-

### B. Directors

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment / Compounding fees imposed	Authority (RD/NCLT/COURT)	Appeal made, if any (give Details)
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-

### C. Other officers in default

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment / Compounding fees imposed	Authority (RD/NCLT/COURT)	Appeal made, if any (give Details)
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-

## Annexure “E”

### 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 area 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 area 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:

The relevant figures pertaining to Foreign Exchange Earning and Outgo are given in Note No. 34 and 35 of the Financial Statements.

## ANNEXURE “F”

### 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 2015-16:

Sr. No.	Director’s Name	Ratio to median remuneration
1.	Deepak Jatia	51.66
2.	Anita Jatia (w.e.f. 01.09.2015)	NA
3.	Tushya Jatia (remuneration upto 30.06.2015)	NA
4.	Pramod G. Lath (only sitting fee)	NA
5.	Anshul Sonawala (only sitting fee)	NA
6.	Sanjay Seksaria (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 2015-16 compared to financial year 2014-15:

Sr. No.	Director’s Name	% of Increase
1.	Deepak Jatia, Chairman & Managing Director	11%
2.	Anita Jatia, Executive Director (w.e.f 01.09.2015)	Not Applicable
3.	Tushya Jatia, Executive Director (upto 30.06.2015)	Not Applicable
4.	Shiv Ratan Soni, Chief Executive Officer	Not Comparable
5.	Pavan Kumar Soni, Chief Financial Officer	20%
6.	Uttam Shetty, Company Secretary	35%

## Associated Stone Industries (Kotah) Ltd.

3. Percentage increase in the median remuneration of employees in the financial year 2015-16: 11.28%.
4. The median remuneration of employee of the Company during the FY 2015-16: Rs. 1,25,024/-
5. Number of permanent employees on the rolls of the Company : 1200 employees as on 31.03.2016
6. 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.
7. Comparison of the remuneration of Key Managerial Personnel against the performance of Company:

Total Remuneration of the Key Managerial Personnel for the Year 2015-16	130.69
Income from operation (Rs. in Lacs)	17201.30
Total Remuneration of KMP as % of Revenue	0.75
Profit before Tax (Rs. in Lacs)	2313.07
Total Remuneration of KMP as % of PBT	5.65

8. Variation in

Details	31.03.2016	31.03.2015
Market Capitalization (Rs. in Lacs)	9902.78	6760.94
Price Earning Ratio	6.91	3.67
Net worth of the Company (Rs. in Lacs)	11446.18	10225.98

9. Comparison of each remuneration of the Key Managerial Personnel against the performance of the Company.

Name of the Key Managerial Personnel	Remuneration for the years ended			Reason against performance of the Company
	31.03.2016	31.03.2015	% of Change	
Mr. Deepak Jatia, Chairman & Managing Director	64.58	58.37	11%	Profit Before Tax decreased by 26% and Profit After Tax decreased by 22% in the Financial Year 2015-16
Mrs. Anita Jatia, Executive Director (w.e.f. 1.9.2015)*	10.50	NA	NA	
Mr. Tushya Jatia, Executive Director (upto 31.7.2015)**	5.85	21.71	NA	
Mr. Shiv Ratan Soni, Chief Executive Officer	16.24	3.26***	NA	
Mr. Pavan Kumar Soni, Chief Financial Officer	16.46	13.77	20%	
Mr. Uttam Shetty, Company Secretary	17.06	12.61	35%	

\*appointed as Whole Time Director w.e.f. 1.9.2015.

\*\* Cease to be a director w.e.f. 30.6.2015.

\*\*\* Not Comparable as appointed w.e.f. 9.2.2015.

10. 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.
11. Ratio of the remuneration of the highest paid Director to that of the employees who are not directors but receive remuneration in excess the highest paid director during the year: **Not Applicable**

## MANAGEMENT DISCUSSION AND ANALYSIS

GDP has grown to 7.6% during 2015-16, up from 7.2% in 2014-15 as reveal from the data released by the Central Statistical Organization, Government of India which shows that the Indian economy is certainly getting back to a higher growth path and makes India the fastest growing country in the world.

Despite two consecutive years of poor monsoon, we have been fortunate on three counts: lower import bill on account of crude oil prices hitting a low over the last two decades; a comfortable balance of payments situation; and comparatively lower input cost. For 2015-16, inflation based on the consumer price index was low of 4.83%, while wholesale or producer, price inflation was in negative territory at (-)0.85% that induced the Reserve Bank of India to reduce interest rates by a total of 100 basis points (bps) in three instalments, coupled with 25 bps reduction in the Statutory Liquidity Ratio.

Besides that it is believed that the economy has not yet realized its potential as several reform measures are yet to take off and its impact yet to come. For instance, several key initiatives such as 'start-ups' or the 'Make in India' campaign are yet to be meaningfully implemented. Other important reform Goods and Services Tax (GST) remains in legislative halfway in house. The GST Bill expected to be passed in 2016-17, as it is must for India to reap the benefits it deserve.

As regard the infrastructure sector with special focus on the country's construction industry, the situation is quite grim. The Government of India has clearly recognized this and launched several reform measures to boost sectors like roads, railways, power distribution, rural and urban development. The Union Budget 2016-17 has allocated Rs. 2.21 Lacs crores for the sector. The one good news is the pace with which projects are being sanctioned for the construction of highways. In view of development of infrastructure we expect all-round growth of the economy of the country.

Pace of momentum have been created in physical infrastructure and thanks to the opening up of freeze decision making process over the last four years of the previous government which will avoid far reaching adverse consequences on the future execution of work.

Your Company is committed on the growth path as a standalone entity and will generate greater operating income in years to come. We are sure that we will get greater benefits out of efficiency, technological improvement and cost optimization. With an improvement in the overall infrastructure climate, we will also avail potential benefit of the same.

### OVERVIEW AND INDUSTRIAL OUTLOOK

Infrastructure sector is a key driver for the Indian economy. The sector is highly responsible for propelling 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.

The current emphasis on "Make in India", investment in accelerating development of infrastructure, pre-reform approach and effort at fiscal rationalization are positive indicators.

The government has announced 14 more cities to receive funds under the smart cities mission, taking the total number to 34. It require an investment of \$8 billion whereas once all 100 cities were selected it may require investment of \$40 billion.

India needs Rs. 31 trillion (US\$ 454.83 billion) to be spent on infrastructure development over the next five years, with 70 per cent of funds needed for power, roads and urban infrastructure segments.

The mining industry in India has started to shape the future direction towards an inclusive agenda for improving livelihoods of the local populace, bringing in much needed investment, job, wealth creation and government revenues.

Considering the utility of the KOTAH stone, the demand will continue and expected to be more in years to come. The Company has taken advanced precautionary measures to curbing the cost, quality improvement and strengthening the supervision to achieve targeted production with lowest waste.

The Company has been actively considering the use of quarry waste for manufacturing of cement and other products and the Company has taken necessary initiatives in this regard in the interest of stakeholders, environment and the society.

### REVIEW OF OPERATIONS

Financial results for the year ended 31<sup>st</sup> March, 2016, segment wise are as under:-

(Rs. in Lacs)

	Stone		Wind Power		Trading		Total	
	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15
<b>REVENUE</b>								
External Sales	12193.15	11608.01	96.37	111.57	4911.78	9158.71	17201.30	20878.29
Other Income	794.72	657.28	(29.10)	7.57	-	-	765.62	664.85
<b>RESULTS</b>								
Profit before Finance Costs & Tax	3280.24	3146.65	(70.41)	(36.60)	161.50	598.91	3371.33	3708.96
Finance Costs	1186.16	822.61	-	-	-	-	1186.16	822.61
Profit/(Loss) Before Tax & Exceptional Item	2094.08	2324.04	(70.41)	(36.60)	161.50	598.91	2185.17	2886.35
Add: Exceptional Item	127.90	257.10	-	-	-	-	127.90	257.10
<b>Profit/(Loss) Before Tax</b>	<b>2221.98</b>	<b>2581.14</b>	<b>(70.41)</b>	<b>(36.60)</b>	<b>161.50</b>	<b>598.91</b>	<b>2313.07</b>	<b>3143.45</b>
Provision for Taxation								
Current Tax							(885.00)	(1070.00)
Deferred Tax							6.55	(93.10)
Income tax for Earlier Years							(0.72)	(138.40)
<b>Net Profit/(Loss)</b>							<b>1433.90</b>	<b>1841.95</b>

## OPPORTUNITIES AND THREATS

The government's sharper focus on infrastructure development, along with announcements of numerous regulatory reforms, has boosted private investors' confidence. The government is also working to accelerate clearance of infrastructure projects to speed up their implementation. Further, to reduce costs of project financing options for infrastructure projects with long gestation periods, the government plans to establish a National Investment and Infrastructure Fund.

We expect a gradual improvement in the country's business environment as various reforms begin to gain traction and attract greater private investment. By 2020, India is expected to emerge as the world's third-largest construction market. Large infrastructure investments and growing urbanization will fuel this growth.

India's infrastructure sector especially the mining sector has been troubled for quite some time by now. The crisis is becoming apparent as banks are facing increasing difficulties in recovering loans made to the sector. Due to abundant cases of non-performing assets in the sector the banks face today is in large measure the flip side of the unravelling of the infrastructure boom of the past decade.

The crisis not only threatens to blow a large hole in the banking system and ultimately in the fiscal which has also cast a shadow on the long term prospects of the Indian economy. If there's one sector that can simultaneously boost growth and remove inflationary bottlenecks, it is the infrastructure sector. Hence, it is unfortunate that the infrastructure sector is trapped in a pool of debt.

Due to an increased Government funding for infrastructure, demand for our stone both in industrial, public utility and residential segment is set to rise, thereby industry is poised to further growth where your Company will not be an exception. However, the sector is also facing certain challenges like rising input cost and stringent environmental regulations pose as a barrier for growth.

Your Company with the modern technology, has become cost effective and our products have become affordable to all. There are increasing trend of introducing technology in all aspects of mining and processing of the product which entail better days in years to come.

## RISK AND CONCERN

The infrastructure sector is currently in the midst of a correction, with an extended period of lower and volatile commodity prices impacting earnings and investor perceptions. Our businesses are also exposed to a variety of risk including frequent changes in Government policies. It is therefore essential to have in place necessary systems to mitigate these risks.

The Company does not foresee any major risk in near future. However, changes in Government policies and economic slowdown, if any, environmental restrictions and other restrictions

imposed on mining and construction activities may affect the turnover and profitability of the Company.

The Company is very much concerned as quarry area is limited and tend to increase in the price of land which may affect the cost of production in turn profitability of the Company and above all, the competition, however, the initiatives are being taken to mitigate through in-house technological innovation.

Government policies for mining and environmental and any other new restrictions or regulations may have a cause of concern; however, efforts are being made to abide and timely compliance of the same for continuous production.

## OUR EDGE

The Company continues to maintain a high level and consistent relationship with its customers by offering them products of superior quality to their satisfaction and timely execution of order. The Company being in the organized sector of KOTAH Stone mining and processing, the customers within the country and abroad always prefer your Company for their requirements.

The industrial harmony is being maintained in carrying on its operations professionally and economically, utmost care is being taken in compliances of regulatory requirements especially on safety, health and environmental front which will be helpful in maintaining its leadership in the industry.

## OVERSEAS SUBSIDIARY

Your Company has acquired a foreign subsidiary in UAE, Al Rawasi Rock and Aggregates LLC, through its wholly owned subsidiary viz. ASI Global Ltd., Mauritius to tap the opportunity of huge volume of industrial, infrastructure, reclamation and other construction work currently underway in the Arabian Gulf region. The estimated reserve of quarry of this Company is around 200 million tones which is sufficient for about 45 years of its operations.

The Company has commenced the commercial production during the year under review and end up with a marginal loss due to the tuning-up of the plant in the beginning and gradually heading towards the optimum capacity. We expect the Company standalone will achieve the profitability during the year 2016-17.

## SAFETY & ENVIRONMENT

The protection and preservation of environment is a pressing issue. Environmental protection encompasses not only pollution but also sustainable development and conservation of natural resources and the eco-system. Environmental consciousness deserves to be propagated at all levels. Your Company has won so far eleven National Award for safety and two National Award for environment.

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 concern, promptly compliance of environmental regulations and preservation of natural resources.



## PERFORMANCE AND REVIEW OF OPERATIONS

During the year under review, the turnover of KOTAH Stone was increased to Rs. 12193.16 Lacs as compared to previous year's turnover of Rs. 11608.01 Lacs. This is due to better realization as compared to previous year.

The turnover of trading goods was down from Rs. 9158.71 Lacs to Rs. 4911.78 Lacs due to market conditions particularly in steel industries. This is all due to the opportunity, the Company had come across during the year.

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 supplying Electricity to Electricity Boards in the rural areas but consecutive last two years, the generation of power was low due to lower wind in the region.

## INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY

The Company has a well-structured internal control mechanism and the same is monitored by the internal audit conducted by an external professional audit firm, which independently review and help us in strengthen the control measures. The internal audit team regularly brief the Management and the Audit Committee on their findings and also on the steps to be taken with regard to deviations, if any.

Review of internal audit system and compliance of the accounting standards prescribed by the Institute of Chartered Accountants of India by an independent Audit Committee.

The management continuously reviews the internal control systems and procedures for the efficient conduct of the Company's business.

Internal Control Systems are implemented to safeguard the Company's assets from loss or damage, to keep constant check on the cost structure, to prevent revenue leakages, etc.

## DEVELOPMENT IN HUMAN RESOURCE / INDUSTRIAL RELATIONS

Your company lays significant importance for all round development of its Human Resources with special emphasis to train the employees at all levels to enhance their effectiveness in their contribution to the overall performance of the Company through skill up-gradation, knowledge improvement and attitudinal change. The industrial relation climate in your Company continued to remain harmonious and cordial.

## CORPORATE SOCIAL RESPONSIBILITIES

The Company is always committed for social commitment by helping and contributing to various social causes and events. However, as per the provisions of Section 135 of the Companies Act, 2013 and Rule 8 of Companies (Corporate Social Responsibility Policy) Rules, 2014 the Company has constituted a Corporate Social Responsibility (CSR) Committee to take care of CSR activities of the Company. During the Financial Year 2015-16, the Company has spent Rs. 45.01 Lacs towards CSR activities. A detailed report on the CSR activity of the Company has been given as annexure to the Directors Report.

## CORPORATE GOVERNANCE REPORT

The detailed report on Corporate Governance as per the format prescribed by SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is set out below:

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

The Corporate Governance signifies the role of the management as the trustees to the property of the shareholders and acceptance of the inherent rights of the shareholders by the management. Corporate Governance is a framework which helps various participants' viz. shareholders, Board of Directors and Company's management, in shaping company's performance and the way it is proceeding towards attainment of its goals.

Associated Stone Industries (Kotah) Limited (ASIKL) is committed to do business in an efficient, responsible, honest and ethical manner. The core values of the Company's Governance process include independence, integrity, accountability, transparency, responsibility and fairness. The Company's core philosophy on the Code of Corporate Governance is to ensure:

- Fair and transparent business practices;
- Accountability of performance;
- Compliance of applicable statutes;
- Transparent and timely disclosure of financial and management information;
- Effective management control and monitoring of executive performance by the Board;
- Adequate representation of promoter, executive and independent directors on the Board; and
- Adherence to good Corporate Governance is an integral part of the philosophy of the Company with an objective of value creation for its stakeholders.

The Company believes that timely disclosures, transparent accounting policies and a strong and independent Board will go a long way in protecting the shareholders' interest while maximizing long term corporate values.

### II. BOARD OF DIRECTORS

#### (a) Composition and category:

The composition of the Board is in conformity with Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 which *inter alia* stipulates that the Board should have an optimum combination of Executive and Non-executive Directors with at least one Woman Director and at least fifty percent of the Board should consist of Independent Directors, if the Chairman of the Board is an Executive Director.

As on 31<sup>st</sup> March 2016, the Board comprised of six Directors. Of these, two are Executive Directors, including one Chairman & Managing Director who is a Promoter Director and one woman director, one Non-Executive Director and three Independent Directors. The composition of Board also complies with the requirement of the Companies Act, 2013.

All the Directors possess the requisite qualifications and experience in general corporate management, finance, banking and other allied fields enabling them to contribute effectively in their capacity as Directors of the Company.

All the Independent Directors of the Company furnish declaration annually that they qualify the conditions of their being independent. All such declarations are placed before the Board. Further all the Directors provide declarations annually that they have not been disqualified to act as Director under Section 164 (2) of the Companies Act, 2013.

The Composition of the Board as on 31<sup>st</sup> March, 2016 and category of Directors are as under:-

Name of Director	Category of Directorship	Number of Directorship held in other outside Companies (#)	Number of outside Committees	
			Chairman	Member
Deepak Jatia	Promoter/ Executive Chairman	1	-	-
Anita Jatia	Promoter/ Executive	-	-	-
Tushya Jatia	Promoter/ Non- Executive	-	-	-
Pramod G. Lath	Independent/ Non-Executive	2	-	-
Anshul M. Sonawala	Independent/ Non-Executive	-	-	-
Sanjay Seksaria	Independent/ Non-Executive	2	-	-

(#) excludes Directorships in Indian Private Limited Companies & Foreign Company.

#### (b) Attendance of each Director at the Board Meetings and the last Annual General Meeting:

During the financial year ended 31<sup>st</sup> March, 2016, Five Board Meetings were held on 25<sup>th</sup> April, 2015; 30<sup>th</sup> May, 2015; 10<sup>th</sup> August, 2015; 6<sup>th</sup> November, 2015 and 2<sup>nd</sup> February, 2016. The attendance of each Director at Board Meetings and the last Annual General Meeting (AGM) is as under:

Name of the Director	No. of Board Meetings attended	Attendance at last AGM held on 25 <sup>th</sup> September, 2015
Deepak Jatia	5	Present
Anita Jatia	5	Present
Tushya Jatia	2	Present
Pramod G. Lath	5	Present
Anshul M. Sonawala	5	Present
Sanjay Seksaria	5	Present

**(c) Inter-se relationship between Directors:**

Name of the Director	Inter-se relation
Deepak Jatia	Husband of Mrs. Anita Jatia and father of Mr. Tushya Jatia
Anita Jatia	Wife of Mr. Deepak Jatia and mother of Mr. Tushya Jatia
Tushya Jatia	Son of Mr. Deepak Jatia and Mrs. Anita Jatia.

**(d) Shares held by Executive Directors:**

Name of the Director	Number of shares having face value of Re.1/- each	
	As on 31.03.2016	As on 31.03.2015
Deepak Jatia	1126810	1126810
Anita Jatia	769410	769410

**(e) Shares held by Non-Executive Directors:**

Name of the Director	Number of shares having face value of Re.1/- each	
	As on 31.03.2016	As on 31.03.2015
Tushya Jatia	107390	107390
Sanjay Seksaria	40000	75000
Pramod G. Lath	-	-
Anshul M. Sonawala	-	-

**Note:** The number of equity shares of previous year has been restated on account of sub-division of equity shares having face value of Rs. 5/- each into equity shares of Re. 1/- each during the current year.

**(f) Details of familiarization programs:**

The details of familiarization programs imparted to independent directors are disclosed in Company's web site at [www.asistone.com](http://www.asistone.com).

### III. COMMITTEES OF THE BOARD

#### 1. AUDIT COMMITTEE

**(a) 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. Committee also reviews the legal compliance reporting system.

**(b) Attendance at the meeting of Audit Committee:**

During the financial year ended 31<sup>st</sup> March, 2016, four Audit Committee Meetings were held on 30<sup>th</sup> May, 2015; 10<sup>th</sup> August, 2015; 6<sup>th</sup> November, 2015 and 2<sup>nd</sup> February, 2016.

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

Name of the Directors	Nature of Membership	No. of Meetings Attended
Pramod G. Lath	Chairman	4
Anshul M Sonawala	Member	4
Sanjay Seksaria	Member	4

The Company Secretary acts as Secretary to the Committee. The Chairman of the Audit Committee was present at the AGM of the Company held on 25<sup>th</sup> September, 2015 to answer the queries of the members.

**(c) The terms of reference to the Audit Committee inter alia includes:**

- (1) Oversight of the listed entity financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- (2) recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
- (3) reviewing with the management, the annual financial statements and auditors' report thereon before submission to the board for approval with particular reference to:
  - (a) matter required to be included in Directors' Responsibility Statement to be included in the Board's Report in terms of clause (c) of sub-section 134 of the Companies Act, 2013;
  - (b) changes, if any, in accounting policies and practices and reasons for the same;
  - (c) major accounting entries involving estimates based on the exercise of judgment management ;
  - (d) significant adjustments made in the financial statements arising out of audit findings;
  - (e) compliance with listing and other legal requirements relating to financial statements;
  - (f) disclosure of any related party transactions and
  - (g) modified opinion(s) in the draft audit report.

- (4) reviewing with the management, the quarterly financial statements before submission to the board for approval;
- (5) reviewing with the management, the statement of uses/application of funds raised through an issue(public issues, rights issue, preferential issue, etc.) the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of recommendations to the Board to take up steps in this matter;
- (6) approval or any subsequent modification of transactions of the company with related parties;
- (7) scrutiny of inter-corporate loans and investments;
- (8) evaluation of internal financial controls and risk management systems;
- (9) reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
- (10) to review the functioning of Whistle Blower Mechanism.

## 2. NOMINATION AND REMUNERATION COMMITTEE

### (a) Composition and category:

The powers, role and terms of reference of the Nomination and Remuneration Committee covers the areas as contemplated under Regulation 19 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 178 of the Companies Act, 2013 besides other terms as referred by the Board of Directors.

The Nomination and Remuneration Committee of the Board of Directors comprises of three Independent Non-Executive Directors.

### (b) Attendance at the meeting of Nomination and Remuneration Committee:

During the year under review, two meetings of the committee were held on 30<sup>th</sup> May, 2015 and 10<sup>th</sup> August, 2015.

The composition and attendance of the Nomination and Remuneration Committee as on 31<sup>st</sup> March, 2016 is as under:-

Name of the Directors	Nature of Membership	Number of meetings attended
Sanjay Seksaria	Chairman	2
Pramod G. Lath	Member	2
Anshul M Sonawala	Member	2

### (c) Terms of Reference:

- (i) Formulation of criteria of determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees.
- (ii) Formulation of criteria of evaluation of Independent directors, Committees and Board.
- (iii) Devising a policy on Board diversity.
- (iv) Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the Board, their appointment and removal.

### REMUNERATION OF DIRECTORS

The details of remuneration paid / payable to the Directors for the Financial Year 2015-16 are as under:

(Rs. in Lacs)

Name of the Director	Salary & Allowances	Perquisites	Contribution to PF	Sitting Fee	Total
Deepak Jatia Chairman & Managing Director	56.16	8.42	6.74	-	71.32
Tushya Jatia Executive Director (up to 31.07.2015)	5.85	-	0.70	0.02	6.57
Anita Jatia Executive Director (w.e.f. 01.08.2015)	10.50	-	1.26	0.06	11.84
Sanjay Seksaria (Independent Director)	-	-	-	0.10	0.10
Pramod G Lath (Independent Director)	-	-	-	0.10	0.10
Anshul M Sonawala (Independent Director)	-	-	-	0.10	0.10
<b>Total</b>	<b>72.51</b>	<b>8.42</b>	<b>8.70</b>	<b>0.38</b>	<b>89.53</b>

The Company does not have any Employee Stock Option Scheme.

The Executive Directors are not eligible for sitting fees. Remuneration to Executive Directors are paid pursuant to the approval of Nomination and Remuneration Committee, Board of Directors and Members of the Company which is within the limit specified under the Companies Act, 2013.

The Company has no pecuniary relations or transactions with its Non-Executive Directors other than payment of sitting fees to them for attending Board Meetings.

The Remuneration Policy has been posted on the website of the Company at [www.asistone.com](http://www.asistone.com).

### 3. STAKEHOLDERS RELATIONSHIP COMMITTEE

The powers, role and terms of reference of the Stakeholders Relationship Committee covers the areas as contemplated under Regulation 20 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. It deals with matters related to issue of duplicate share certificates, transfer and transmission of shares, review of dematerialized/rematerialized shares, redressal of queries/complaints received from shareholders, expeditious redressal of investors grievance matter received from SEBI, Stock Exchange and ROC and all other matters related to shares of the Company.

#### (a) Composition:

The Stakeholders Relationship Committee of the Company as on 31<sup>st</sup> March, 2016 comprises of three Directors, viz. Mr. Anshul M. Sonawala (Chairman), Mr. Pramod G. Lath and Mr. Sanjay Seksaria as members.

The Company Secretary is the Secretary to the Committee.

#### (b) Meetings of Stakeholders Relationship Committee:

During the financial year ended 31<sup>st</sup> March, 2016, three Committee Meetings were held on 10<sup>th</sup> August, 2015; 6<sup>th</sup> November, 2015 and 2<sup>nd</sup> February, 2016.

#### (c) Terms of Reference:

- (i) Look into redressing of the shareholders complaints and queries and to focus on the strengthening of investors relations.
- (ii) Monitor and review any investor complaints received by the Company or through SEBI, SCORES and ensure its timely and speedy resolution, in consultation with the Company secretary and RTA of the Company.

There were no pending/unattended complaints as on 31<sup>st</sup> March, 2016.

### 4. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The Company has constituted Corporate Social Responsibility (CSR) Committee as per Section 135 of the Companies Act, 2013.

#### (a) Composition:

The CSR Committee consists of two Independent Directors and one Non Independent Non Executive Director viz. Mr. Anshul M. Sonawala (Chairman), Mr. Pramod G. Lath and Mr. Tushya Jatia as members.

#### (b) Meetings of Corporate Social Responsibility Committee:

During the financial year ended 31<sup>st</sup> March, 2016, two Committee meetings were held on 30<sup>th</sup> May 2015 and 2<sup>nd</sup> February, 2016. The Company Secretary acts as the Secretary to the Committee.

#### (c) Terms of Reference:

- (i) Formulate and recommend to the Board, a CSR policy indicating the activities from the specified list of activities in schedule VII of the Act.
- (ii) Recommend the amount of expenditure to be incurred for the chosen activities
- (iii) Monitor the CSR policy from time to time.

A report on the CSR activity is given as annexure to the Directors' Report.

### 5. RISK MANAGEMENT COMMITTEE

#### (a) Composition and Meetings of Risk Management Committee:

The Board of Directors of the Company has constituted Risk Management Committee even though it was not mandatory to the Company. The Committee consists of two Independent Directors and one Non Independent Director and a meeting of the Committee was held on 30<sup>th</sup> May, 2015.

The composition of the Risk Management Committee alongwith details of the meetings and attended by the members of the Committee during the financial year ended 31<sup>st</sup> March, 2016 is detailed as below:

Name of the Directors	Nature of Membership	Number of meeting attended
Pramod G. Lath	Chairman	1
Anshul M Sonawala	Member	1
Tushya Jatia	Member	0

#### (b) Terms of Reference:

The Committee's terms of reference, *inter alia*, including framing risk management policy and identifying Company's risk appetite set out for various elements of risk, review the risk management practices & structures and recommend changes to ensure their adequacy, approve & review the risk treatment plans put in place by management and ensure adequacy of risk management practices in the Company.

It prescribes the roles and responsibilities of various stakeholders within the Company. The Structure for managing risk and the framework for risk management.

The Policy and the internal financial control comprehensively address the key strategic/business risk and operational risks respectively.

### 6. SEPARATE MEETING OF INDEPENDENT DIRECTORS

As stipulated by Code of Independent Directors under the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a separate meeting of the Independent Directors was held on 1<sup>st</sup> April, 2016 to review the performance of Non-Independent Directors and the Board as a whole. The Independent



Directors also review the quality, content and timeliness of the flow of information between the Management and the Board and its Committee which is necessary to effectively and reasonably perform and discharge their duties.

## IV. EVALUATION OF BOARD'S PERFORMANCE

During the year, the Board adopted a formal mechanism for evaluating the performance of the Board and Individual Directors, including the Chairman of the Board. The exercise was carried out through evaluation process covering various aspects.

The Directors were satisfied with the evaluation results, which reflected the overall engagement of the Board and its Committees.

## V. GENERAL BODY MEETINGS

The location and time where last three Annual General Meetings were held are as under:

### 1. Annual General Meeting(s):

AGM	Date	Location of the Meeting	Time
69 <sup>th</sup> AGM	25 <sup>th</sup> September, 2015	419-B, Kalbadevi Road, Joshiwadi 2 <sup>nd</sup> Floor, Mumbai 400 002.	10.00 a.m.
68 <sup>th</sup> AGM	26 <sup>th</sup> September, 2014	419-B, Kalbadevi Road, Joshiwadi 2 <sup>nd</sup> Floor, Mumbai 400 002.	10.00 a.m.
67 <sup>th</sup> AGM	23 <sup>rd</sup> August, 2013	ASI House, Kudayala Industrial Area, Ramganjmandi 326519. Dist. Kota (Rajasthan).	10.00 a.m.

### 2. Special Resolutions passed during the last three Annual General Meeting(s):

69 <sup>th</sup> AGM	(i) Payment of remuneration to Mr. Tushya Jatia as General Manager in Al Rawasi Rock & Aggregate LLC. (ii) Adoption of new Articles of Association.
68 <sup>th</sup> AGM	(i) Authorization to the Board of Directors to borrow monies beyond the paid up capital and free reserves pursuant to section 180(1)(c) of the Companies Act, 2013. (ii) Authorization to the Board of Directors to create mortgage/charge/hypothecation on the properties of the Company for securing loans etc pursuant to section 180(1) (a) of the Companies Act, 2013.
67 <sup>th</sup> AGM	NIL

3. **Details of special resolutions passed last year (i.e. during Financial Year 2015-16) through Postal Ballot, the person who conducted the Postal Ballot exercise and details of the voting pattern: Nil**

4. **None of the business proposed to be transacted in the ensuing Annual General Meeting require passing special resolution conducted through postal ballot : Nil**

## VI. DISCLOSURES

1.	<b><u>Related Party Transactions:</u></b> During the year ended 31 <sup>st</sup> March, 2016, there were no materially significant related party transactions, which had potential conflict with the interest of the Company. The transactions with the related parties in the ordinary course of business and on arms's length basis are disclosed in the notes to the Annual Accounts. Policy on materially related party transaction has been posted on the website of the Company at <a href="http://www.asistone.com">www.asistone.com</a> .
2.	<b><u>Details of Non-Compliance:</u></b> The Company has complied with the requirement of the regulatory authorities on capital markets and no penalty was imposed or stricture passed during the last three years.
3.	<b><u>Disclosure of Accounting Treatment:</u></b> The Company has followed the applicable Accounting Standards in the preparation of its financial statements.
4.	<b><u>Whistle Blower Policy:</u></b> The Company affirms that no personnel have been denied access to the Audit Committee. The Whistle Blower Policy is also hosted on the website of the Company.
5.	<b><u>Subsidiary Company:</u></b> The Company has one wholly owned subsidiary incorporated in Mauritius and one indirect wholly owned subsidiary in UAE. The Audit Committee reviews the financial statements of the subsidiaries and the minutes of the meeting of these subsidiaries are also placed before the Board meeting of the Company.
6.	<b><u>Code of Conduct:</u></b> The Board has laid down a Code of Conduct covering the ethical requirements to be complied with covering all Board Members & Senior Management Personnel of the Company. An Affirmation of Compliance with the code is received from them on an annual basis.
7.	<b><u>Proceeds from Public Issues, Right Issues, Preferential Issues, etc:</u></b> During the year ended 31 <sup>st</sup> March, 2016 there were no proceeds from public issues, right issues, preferential issues, etc.
8.	<b><u>Mandatory Requirements of Corporate Governance:</u></b> The Company has complied with the mandatory requirements of Corporate Governance pursuant to Regulation 17-27 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

## VII. MEANS OF COMMUNICATION

- The quarterly, half yearly and yearly results are published in Business Standard (English daily) news-paper (having all India editions) and in Mumbai Lakshyadeep (Marathi daily) newspaper circulated in Maharashtra State (regional language news-paper). The Financial Results are also posted on website of the Company at [www.asistone.com](http://www.asistone.com).
- For information of Investors, the Company also publishes notice of meeting in which financial results are proposed to be approved by the Board, in a national news-paper and regional news-paper at least seven days in advance.



3. The quarterly, half-yearly and full year results are published in newspapers with adequate disclosures for the knowledge of shareholders. The Company does not have a system of informing shareholders individually about the financial results. The quarterly results as well as the proceedings of the Annual General Meeting are submitted to the Bombay Stock Exchange Limited after the conclusion of the respective meeting and also uploaded on the website of the Company at www.asistone.com and website of the Stock Exchange at www.bseindia.com.
4. Management Discussion and Analysis forms part of the Annual Report.
5. The Company has created dedicated e-mail ID for Investors complaints viz: investors@asistone.com.
6. No presentation has been made to institutional investor or to the analyst.

### VIII. GENERAL SHAREHOLDER INFORMATION

1. **Registered Office:** Marathon Innova,  
'A' Wing, 7<sup>th</sup> Floor,  
Off: Ganpatrao Kadam  
Marg, Lower Parel,  
Mumbai 400013  
(Maharashtra)  
  
Tel : 022-40896100  
Fax: 022-40896199.
2. **Annual General Meeting:**  
**Date and Time:** Friday, 23<sup>rd</sup> September,  
2016 at 10.00 a.m.  
**Venue:** 419-B, Kalbadevi Road,  
Joshiwadi 2<sup>nd</sup> Floor,  
Mumbai 400002  
  
(Land mark: Near Bank  
of India, Round Building,  
Princess Street, Mumbai)
3. **Financial Calendar:**  
The Company follows April – March as its financial year. The financial results for every quarter are declared in the month following the quarter except for the quarter January – March, for which the audited financial results are declared in the month of May as permitted under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
4. **Date of Book Closure:** **17<sup>th</sup> September, 2016 to  
23<sup>rd</sup> September, 2016**  
(Both days inclusive)
5. **Dividend Payment:**  
The Board of Directors at their meeting held on 28<sup>th</sup> May, 2016, have recommended a dividend of Re. 0.30 per equity share of Re 1/- each for the financial year ended 31<sup>st</sup> March, 2016, for approval of shareholders of

the Company at the ensuing Annual General Meeting. If approved, the dividend will be paid to the Shareholders on or after **23<sup>rd</sup> September, 2016**.

#### 6. Listing of Equity Shares on Stock Exchange:

The equity shares of the Company are listed on Bombay Stock Exchange (BSE) at Phiroze Jeejeebhoy Towers Dalal Street, Mumbai- 400 001. The Annual Listing Fees as prescribed has been paid to the Stock Exchange for the year 2016-17.

#### 7. Stock Code: BSE, Mumbai – 502015.

#### 8. Corporate Identification Number:

L14101MH1945PLC256122

#### 9. International Securities Identification Number:

ISIN-INE443A01030

#### 10. Stock Price Data:

The monthly high and low quotations on BSE are as follows:

#### (a) Equity share having face value of Rs. 5/- each (from 01.04.2015 to 25.11.2015)

MONTH	HIGH (in Rs.)	LOW (in Rs.)
April, 2015	70.50	49.25
May, 2015	59.40	52.00
June, 2015	82.40	63.90
July, 2015	115.00	75.00
August, 2015	126.70	75.40
September, 2015	85.00	73.25
October, 2015	89.95	70.00
November, 2015 (upto 25.11.2015)	89.00	62.00

#### (b) Equity share having face value of Re. 1/- each (from 26.11.2015 onwards)

MONTH	HIGH (in Rs.)	LOW (in Rs.)
November, 2015 (from 26.11.2015)	21.50	16.25
December, 2015	25.00	16.05
January, 2016	26.20	17.50
February, 2016	22.70	13.60
March, 2016	17.50	13.90

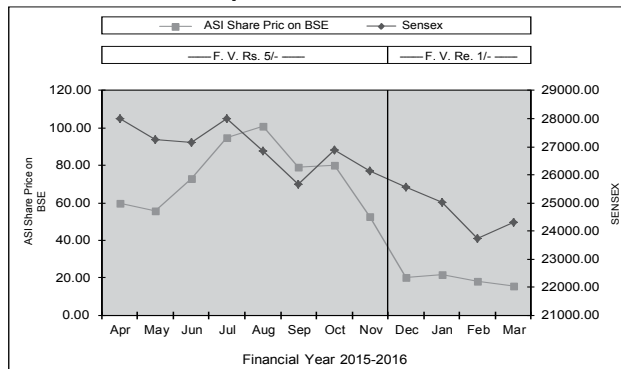
#### 11. Registrar and Share Transfer Agents:

Kindly note that your Company has appointed new Registrar & Transfer Agent, M/s Link Intime India Private Limited in replacement of Sharepro Services (I) Private Ltd.

Therefore, all queries related to Share transfer, dividend payment and other investor related matters are attended to and processed by our Registrar and Share Agents:-

M/s Link Intime India Private Limited, C-13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup (West), Mumbai - 400 078, Tel: 022-2596 3838, Fax: 022-2594 6969. Email: nayna.wakle@linkintime.co.in

## 12. Performance in comparison to BSE SENSEX:



(Sources: BSE India.com)

## 13. Share Transfer System:

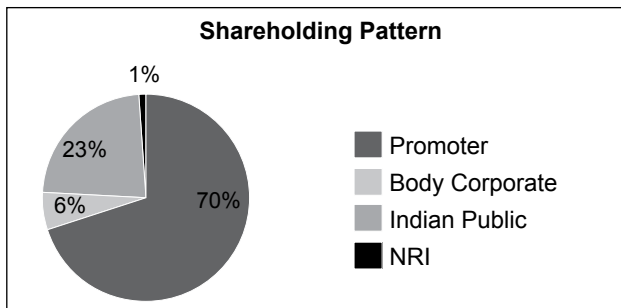
The shares sent for transfer in physical form are transferred expeditiously, provided the documents are complete and valid in all respects and the shares under transfer are not under any dispute. The share certificates duly endorsed are returned immediately to shareholders. Confirmation in respect of requests for dematerialisation of shares is sent to respective depositories i.e. NSDL and CDSL expeditiously.

## 14. Distribution of shareholding as on 31<sup>st</sup> March, 2016:

No. of Equity Shares held	No. of Shareholders	Percentage of Shareholders	No. of Shares held	Percentage of Shareholding
Upto 500	1551	39.186	392990	0.593
501 to 1000	854	21.577	788473	1.190
1001 to 2000	498	12.582	823155	1.242
2001 to 3000	270	6.822	712023	1.074
3001 to 4000	126	3.183	460344	0.695
4001 to 5000	227	5.735	1091033	1.646
5001 to 10000	174	4.396	1368592	2.065
10001 and above	258	6.518	60647120	91.496
<b>Grand Total</b>	<b>3958</b>	<b>100.00</b>	<b>66283730</b>	<b>100.00</b>

## 15. Shareholding Pattern as on 31<sup>st</sup> March, 2016:

Category	No. of Shares held	Percentage
Promoters	46665700	70.40
Banks/ Financial Institutions	-	-
Private Corporate Bodies	4229496	6.38
Indian Public	15048585	22.70
NRI	339949	0.52
<b>Total</b>	<b>66283730</b>	<b>100.00</b>



## 16. Plant Location:

Mining :	Ramganjmandi Dist. Kota, Rajasthan
Wind Power:	1) Beladadi Village, Taluk & Dist. Gadag, Karnataka 2) Rameshwar Village, Taluk Khatau, Dist. Satara, Maharashtra

## 17. Dematerialisation of Shares:

As on 31<sup>st</sup> March, 2016, 6,22,14,595 equity shares representing 93.86% of the total equity share capital of the Company, were held in dematerialised form with National Securities Depository Limited and Central Depository Services (India) Limited. The break-up of equity shares held in physical and dematerialised form as on 31<sup>st</sup> March, 2016 is given below:

Category	No of Shares	Percentage
NSDL	57333671	86.49
CDSL	4880924	7.37
Physical	4069135	6.14
<b>Total</b>	<b>66283730</b>	<b>100.00</b>

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 2016-17 have been paid to the Depositories.

## 18. Outstanding GDRs/ADRs/Warrants or any convertible instruments, conversion date and likely impact on equity:

As on 31<sup>st</sup> March, 2016, 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.

## 19. Commodity price risk or foreign exchange risk and hedging activities:

While the Commodity price risk is not applicable to the Company, please refer to Risk table in the Management Discussion and Analysis Report for the foreign exchange risk and hedging activities.

## 20. Address for Correspondence:

For any assistance regarding transfer, transmission of shares, payment or non-receipt of dividend and any other query relating to the shares of the Company, the shareholders may please correspond with the Registrar and Share Transfer Agents of the Company.

## 21. Chairman of the Board:

Mr. Deepak Jatia is the Chairman of the Board.

## 22. Shareholders Rights:

As the Company's quarterly/half yearly results are published in English newspapers having circulation all over India and in Marathi newspaper widely circulated in Maharashtra, the same are not sent to each household of shareholders.

### 23. CEO/ CFO Certification:

The Chief Executive Officer (CEO) and Chief Financial Officer (CFO) have certified to the Board in accordance with Regulation 17(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the financial year ended 31<sup>st</sup> March, 2016.

- (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.

### 24. Declaration:

As provided under Regulation 26(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board Members and the Management personnel have confirmed compliance with the Code of Conduct, for the year ended 31<sup>st</sup> March, 2016.

**For Associated Stone Industries  
(Kotah) Limited**

Place: Mumbai  
Date : 28<sup>th</sup> May, 2016

Deepak Jatia  
Chairman and Managing Director  
(DIN: 01068689)

### CEO AND CFO CERTIFICATION

We have reviewed the Audited Financial Statements (Standalone & Consolidated) for the year ended **31<sup>st</sup> March, 2016** 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, 2016 which are fraudulent, illegal or violative 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

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

**Pavan K. Soni**  
Chief Financial Officer

Place: Mumbai  
Date : 28<sup>th</sup> May, 2016

### AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

**To the Members,  
Associated Stone Industries (Kotah) Limited,**

We have examined the compliance of conditions of Corporate Governance by Associated Stone Industries (Kotah) Ltd., for the year ended on 31<sup>st</sup> March, 2016, as stipulated in Clause 49 of Listing Agreement of the Company with the Stock Exchange for the period from 1<sup>st</sup> April, 2015 to 30<sup>th</sup> November, 2015 and as per Regulation specified in Part E of Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") for the period from 1<sup>st</sup> December, 2015 to 31<sup>st</sup> March, 2016.

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.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in above mentioned Listing Agreement/Listing Regulations, as applicable.

We further state that such compliance 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 B. L. Ajmera & Co.**  
Chartered Accountants  
(FRN: 001100C)

**Venkatesan Chandra mouli**  
Partner  
Mem. No.010054

Place: Mumbai  
Dated: 28<sup>th</sup> May, 2016

## INDEPENDENT AUDITORS' REPORT

To the Members of

**Associated Stone Industries (Kotah) Limited**

**Report on the Standalone Financial Statements**

We have audited the accompanying standalone financial statements of **Associated Stone Industries (Kotah) Limited** ('the Company'), which comprise the balance sheet as at 31 March 2016, the statement of profit and loss and the cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

**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 Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

**Auditor's Responsibility**

Our responsibility is to express an opinion on these standalone financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial

control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

**Opinion**

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 Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2016 and its profit and its cash flows for the year ended on that date.

**Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "**Annexure - A**", a statement on the matters specified in the paragraph 3 and 4 of the order.
2. As required by Section 143 (3) of the Act, we report that:
  - (a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - (b) in our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - (c) the balance sheet, the statement of profit and loss and the cash flow statement dealt with by this Report are in agreement with the books of account;
  - (d) in our opinion, the aforesaid standalone financial statements comply with the Accounting Standards 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 31 March 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2016 from being appointed as a director in terms of Section 164 (2) of the Act;
  - (f) with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "**Annexure - B**"; and
  - (g) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, 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 did not have any long term contract including derivative contract for which there were any material foreseeable losses;
- iii. there has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

**For B. L. Ajmera & Co.**  
Chartered Accountants  
(FRN: 001100C)

**(Venkatesan Chandra mouli)**

Place: Mumbai  
Date: 28 May, 2016

Partner  
Mem. No. 010054

### ANNEXURE - A TO THE INDEPENDENT AUDITORS' REPORT

**Referred to in paragraph 1 of Report on other Legal and Regulatory Requirements of the Independent Auditors' Report of even date to the members of Associated Stone Industries (Kotah) Limited on the financial statements for the year ended 31 March 2016,**

- (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 and explanations 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) a) The physical verification of inventory has been conducted at reasonable intervals by the management during the year.
- b) The procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- c) On the basis of our examination of records of inventory, we are of the opinion that the Company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stocks and the book records were not material.

(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, with respect to the loans and investments made.

(v) The Company has not accepted any deposits from the public within the meaning of Sections 73 and 74 of the Act and the rules framed there under to the extent notified.

(vi) We have broadly reviewed the books of account maintained by the Company in respect of products where, pursuant to the rules made by the Government of India, the maintenance of cost records has been specified under sub-section (1) of Section 148 of the Act, and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.

- (vii) (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is regular in depositing the undisputed statutory dues, including provident fund, employees' state insurance, income tax, sales tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, with the appropriate authorities.
- (b) According to the information and explanations given to us and the records of the Company examined by us, the particulars of cess and dues of income tax as at 31 March 2016 which have not been deposited on account of a dispute, are as follows:

Name of the statute	Nature of dues	Amount (Rs. in Lacs)	Period to which the amount relates	Forum where dispute pending
Cess Matters	Land Tax	35.22	2006-2013	DIG Registration & Stamp Mining Dept./ High Court
	Royalty	2.75	1977-78, 1990-91, 1992-93, 1993-94	
Income Tax	Income Tax Demand	6.48	2007-08	CIT(Appeal)

According to the information and explanations given to us and the records of the Company examined by us, there are no dues of duty of sales tax, wealth tax, service tax or customs duty, excise duty or value added tax which have not been deposited on account of any dispute.

- (viii) The Company has not defaulted in repayment of loans or borrowing to a financial institutions, banks, Government or dues to debenture holders.
- (ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year, the term loan raised during the year have been applied for the purpose 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 course of our audit.
- (xi) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- (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 sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (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.
- (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 him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

**For B. L. Ajmera & Co.**  
Chartered Accountants  
(FRN: 001100C)

**(Venkatesan Chandra mouli)**

Place: Mumbai  
Date: 28 May, 2016

Partner  
Mem. No. 010054

## **ANNEXURE - B TO THE INDEPENDENT AUDITORS' REPORT**

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

We have audited the internal financial controls over financial reporting of **Associated Stone Industries (Kotah) Limited** ("the Company") as of 31 March 2016 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

### **Management's Responsibility for Internal Financial Controls**

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

### **Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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



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

### **Meaning of Internal Financial Controls over Financial Reporting**

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

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with 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 Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2016, 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 B. L. Ajmera & Co.**  
Chartered Accountants  
(FRN: 001100C)

**(Venkatesan Chandra mouli)**  
Partner  
Mem. No. 010054

Place: Mumbai  
Date: 28 May, 2016

# Associated Stone Industries (Kotah) Ltd.

## BALANCE SHEET AS AT 31ST MARCH, 2016

	Note No.	As at 31-03-2016 Rs. in Lacs		As at 31-03-2015 Rs. in Lacs	
<b>EQUITY AND LIABILITIES</b>					
<b>Shareholders' Fund</b>					
Share Capital	1	662.84		662.84	
Reserves and Surplus	2	<u>19639.84</u>	20302.68	<u>18480.66</u>	19143.50
<b>Non-Current Liabilities</b>					
Long Term Borrowings	3	6693.52		3073.96	
Deferred Tax Liabilities (Net)	4	<u>364.55</u>	7058.07	<u>371.10</u>	3445.06
<b>Current Liabilities</b>					
Short Term Borrowings	5	2825.66		5247.60	
Trade Payables	6				
a) Dues to Micro and Small Enterprises		-		-	
b) Other than dues to Micro and Small Enterprises		<u>2500.66</u>		<u>6233.61</u>	
		2500.66		6233.61	
Other Current Liabilities	7	2538.10		2846.54	
Short Term Provisions	8	<u>351.19</u>	8215.61	<u>511.66</u>	14839.41
<b>Total</b>			<u><u>35576.36</u></u>		<u><u>37427.97</u></u>
<b>ASSETS</b>					
<b>Non-Current Assets</b>					
<b>Fixed Assets</b>					
Tangible Assets	9				
Intangible Assets		15966.57		16032.34	
Capital Work-in-Progress		29.05		2.48	
		<u>223.14</u>		<u>4.46</u>	
		16218.76		16039.28	
Non-Current Investments	10	2843.30		177.35	
Long Term Loans and Advances	11	<u>4635.48</u>	23697.54	<u>387.50</u>	16604.13
<b>Current Assets</b>					
Inventories	12	995.68		1178.99	
Trade Receivables	13	7633.83		11651.85	
Cash and Cash Equivalents	14	1247.44		866.34	
Short Term Loans and Advances	15	1897.87		7021.11	
Other Current Assets	16	<u>104.00</u>	11878.82	<u>105.55</u>	20823.84
<b>Total</b>			<u><u>35576.36</u></u>		<u><u>37427.97</u></u>
Significant Accounting Policies Notes on Financial Statements	1 to 42				

As per our Report of even date

**B. L. AJMERA & CO.**

Chartered Accountants  
Firm Regn. No. 001100C

**Venkatesan Chandra mouli**

Partner  
Membership No. 010054

Place : Mumbai  
Date : 28<sup>th</sup> May, 2016

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)

**Anita Jatia**

Director  
(DIN: 01068774)

Place : Mumbai  
Date : 28<sup>th</sup> May, 2016

## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2016

		2015-16 Rs. in Lacs	2014-15 Rs. in Lacs
<b>INCOME</b>			
Revenue from Operations	17	17201.30	20878.29
Other Income	18	765.62	664.85
<b>Total Revenue</b>		<u>17966.92</u>	<u>21543.14</u>
<b>EXPENDITURE</b>			
Purchase of Traded Goods	19	4746.86	8559.80
Change in Inventories of Finished Goods, Work-in-Progress and Stock in Trade	20	177.00	19.47
Employee Benefit Expenses	21	2927.21	3035.51
Finance Costs	22	1186.16	822.61
Depreciation & Amortisation Expenses	23	532.37	643.41
Other Expenses	24	6212.15	5575.99
<b>Total Expenses</b>		<u>15781.75</u>	<u>18656.79</u>
<b>Profit Before Exceptional &amp; Extraordinary Items and Tax</b>		2185.17	2886.35
Exceptional Items (Ref. Note No. 29)		127.90	257.10
<b>Profit Before Tax</b>		2313.07	3143.45
Less: Tax Expenses			
Current Tax		885.00	1070.00
Deferred Tax		(6.55)	93.10
Earlier Years Adjustments		0.72	138.40
		<u>879.17</u>	<u>1301.50</u>
<b>Profit for the period</b>		<u>1433.90</u>	<u>1841.95</u>
Earnings per Equity Share (Face value Re. 1/- each)			
Basic & Diluted Rs.	36	2.16	2.78
Significant Accounting Policies			
Notes on Financial Statements	1 to 42		

**As per our Report of even date**

**B. L. AJMERA & CO.**

Chartered Accountants  
Firm Regn. No. 001100C

**Venkatesan Chandra mouli**

Partner  
Membership No. 010054

Place : Mumbai

Date : 28<sup>th</sup> May, 2016

**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)

**Anita Jatia**

Director  
(DIN: 01068774)

Place : Mumbai

Date : 28<sup>th</sup> May, 2016

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2016**

	2015-16 Rs. in Lacs	2014-15 Rs. in Lacs
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit Before Tax	2313.07	3143.45
Depreciation & Amortisation Expenses	532.37	643.41
Interest Income	(444.82)	(454.30)
Prior Period Expenses	1.73	10.17
(Profit)/Loss on Sale of Fixed Assets	(32.17)	(28.72)
Finance Cost	1186.16	822.61
Operating Profit before Working Capital Changes	3556.34	4136.62
Adjusted for changes in		
Trade & Other Receivables	3053.34	(7706.48)
Inventories	183.31	16.50
Trade Payables	(6496.67)	9581.87
Cash Generated from Operations	296.32	6028.51
Interest Paid	(1169.60)	(825.24)
Direct Taxes Paid	(1208.24)	(591.08)
Prior Period Expenses	(1.73)	(10.17)
<b>NET CASH FLOW FROM OPERATING ACTIVITIES (A)</b>	<b>(2083.25)</b>	<b>4602.02</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets	(1217.85)	(272.79)
Sales of Fixed Assets	512.31	167.19
Sale / (Purchase) of Investments	(2665.95)	263.69
Movement in Loans & Deposits	1830.41	(6153.16)
Interest Received	446.37	452.29
<b>NET CASH USED IN INVESTMENT ACTIVITIES (B)</b>	<b>(1094.71)</b>	<b>(5542.78)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from Long Term Borrowings	4759.27	2245.13
Repayment of Long Term Borrowings	(965.92)	(677.68)
Dividend Paid	(234.29)	(190.78)
<b>NET CASH FROM FINANCING ACTIVITIES (C)</b>	<b>3559.06</b>	<b>1376.67</b>
<b>NET INCREASE IN CASH &amp; CASH EQUIVALENT (A+B+C)</b>	<b>381.10</b>	<b>435.91</b>
<b>OPENING BALANCE OF CASH &amp; CASH EQUIVALENT</b>	<b>866.34</b>	<b>430.43</b>
<b>CLOSING BALANCE OF CASH &amp; CASH EQUIVALENT</b>	<b>1247.44</b>	<b>866.34</b>

As per our Report of even date

**B. L. AJMERA & CO.**

Chartered Accountants  
Firm Regn. No. 001100C

**Venkatesan Chandra mouli**

Partner  
Membership No. 010054

Place : Mumbai  
Date : 28<sup>th</sup> May, 2016

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

**Pavan Kumar Soni**  
Chief Financial Officer

**Manoj Jain**  
Company Secretary

On behalf of the Board of Directors

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

**Anita Jatia**  
Director  
(DIN: 01068774)

Place : Mumbai  
Date : 28<sup>th</sup> May, 2016

## SIGNIFICANT ACCOUNTING POLICIES

### a) Basis of preparation

The financial statements of the Company have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). The Company has prepared these financial statements to comply in all material respects with the accounting standards notified in the Companies (Accounting Standards) Rules, 2006 which continue to apply under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and other relevant provisions of the Companies Act, 2013. The financial statements have been prepared on an accrual basis and under the historical cost convention, except for land acquired before 01-04-2007 which are carried at revalued amounts.

The accounting policies adopted in the preparation of financial statements are consistent with those of previous year, except for the change in accounting policy explained below.

### b) Use of Estimates

The preparation of financial statements requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenue, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

### c) Revenue Recognition

(a) Revenue/income and cost/expenditure are generally accounted on accrual basis as they are earned or incurred.

(b) Dividend on investment is accounted on cash basis.

### d) Fixed Assets

#### Tangible and Intangible Fixed Assets

All fixed assets are stated at cost of acquisition (including all other costs till commencement of commercial production/put to use) except land which has been revalued during the F.Y. 2006-2007.

#### Capital Work in Progress

Capital work-in-progress represents amount incurred on the respective assets including cost directly attributable to such asset is stated at cost until the assets is ready to put to use.

#### Depreciation on Tangible Fixed Assets

Depreciation on tangible fixed assets is provided by the Company using the Straight Line Method based on the useful life of the assets in the manner prescribed in Part

C of Schedule II of the Companies Act, 2013. Subsequent expenditures related to an item of tangible assets are add to its book value only if they increase the future benefits from the existing assets beyond its previously assessed standard performance.

#### Component Depreciation

The application of the depreciation on component of Company's assets are based on materiality of amount and useful life of a particular component. If the useful life of the component is lower than the useful life of the principal assets as per schedule II of the Companies Act, 2013, such lower useful life is used for calculation of depreciation, however, in case higher useful life of the component normal depreciation applies.

#### Depreciation on Intangible Fixed Assets

Intangible assets are amortised by the Company on a Straight Line basis over the estimated useful economic life of the asset in the manner prescribed in Part C of Schedule II of the Companies Act, 2013.

### e) Impairment of Tangible and Intangible Assets

Impairment Loss is charged to the Statement of Profit & Loss in the period in which, an asset is identified as impaired, when the carrying value of the assets exceeds its recoverable value. The impairment loss recognised in the prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

After recognition of an impairment loss or reversal of an impairment loss, as applicable, the depreciation charged for the asset is adjusted in future periods to allocate the assets revised carrying amount, less its residual value (if any), over its remaining useful life.

### f) Inventories

Inventories are valued at cost or net realisable value, whichever is less.

### g) Borrowing Costs

Borrowing cost includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are considered in the period they occur.

### h) Foreign Currency Transaction

(i) All transactions in foreign currency, are recorded at the rates of exchange prevailing on the dates when the relevant transactions take place.

(ii) Monetary items in the form of Loans, Current Assets and Current Liabilities in foreign currency, outstanding at the close of the year, are converted in Indian Currency at the appropriate rates of exchange prevailing on the date of the Balance Sheet. Resultant gain or loss is accounted during the year.

(iii) Non-monetary foreign currency items are carried at cost.

(iv) All other incomes or expenditure in foreign currency, are recorded at the rates of exchange prevailing on the dates when the relevant transactions take place.

## i) **Investments**

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as non-current investments.

Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Non-current investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments.

In accordance with the Schedule III of the Companies Act, 2013, the portion of the non-current investments classified above, and expected to be realised within 12 months of the reporting date, have been classified as current investments.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the Statement of Profit and Loss.

## j) **Retirement and other employee benefits**

Retirement benefits to employees comprise payment of gratuity and provident fund under approved schemes of the company. Annual contribution to gratuity fund is determined based on an actuarial valuation as at the balance sheet date by an independent actuary.

## k) **Income Taxes**

(i) Provision for current tax is made on the basis of estimated tax liability as per the applicable provisions of tax laws.

(ii) Deferred tax for timing differences between tax profits and book profits is accounted for using the tax rates and laws that have been enacted or substantially enacted as of the Balance Sheet date. Deferred tax assets are recognised to the extent there is reasonable certainty that these assets can be either realised in future or adjusted against deferred tax liability.

## l) **Contingent Liabilities**

A contingent liabilities is a possible obligation that arise from past events whose existence will be confirmed by the occurrence or non occurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The company does not recognize a contingent liability but discloses its existence in the financial statements.



## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

	As at 31-03-2016 Rs. in Lacs	As at 31-03-2015 Rs. in Lacs
<b>1. SHARE CAPITAL</b>		
<b>Authorised :</b>		
23,00,00,000 (Previous year 23,00,00,000) Equity Shares of Re. 1/- each	2300.00	2300.00
2,00,000 (Previous year 2,00,000) Redeemable Preference Shares of Rs. 100/- each	200.00	200.00
	<u>2500.00</u>	<u>2500.00</u>
<b>Issued, Subscribed and Paid up :</b>		
6,62,83,730 (Previous year 6,62,83,730) Equity Shares of Re. 1/- each fully paid	662.84	662.84
	<u>662.84</u>	<u>662.84</u>

### Out of the above equity shares :

- (a) 320000 Shares have been allotted as fully paid up pursuant to a contract without payment being received in cash.  
 (b) 500000 Shares have been allotted as fully paid up on conversion of 500000 Deferred Shares of Re. 1/- each and  
 (c) 38910000 Shares have been issued as fully paid Bonus Shares by capitalisation of General Reserve.

### Reconciliation of the Shares outstanding at the beginning and at the end of the reporting period

Particulars	As at 31-03-2016		As at 31-03-2015	
	Nos. in Lacs	Rs. in Lacs	Nos. in Lacs	Rs. in Lacs
Equity Shares at the beginning of the period	662.84	662.84	662.84	662.84
Issued during the period	-	-	-	-
Equity Shares at the end of the period	662.84	662.84	662.84	662.84

### Terms/Rights attached to Equity Shares:

The Company has only one class of equity share having a par value of Re. 1/- per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. During the year ended 31<sup>st</sup> March, 2016, the amount of per share dividend recognized as distributions to equity shareholders was Re. 0.30 per share (Previous year Re. 0.30 per share).

### Details of shareholders holding more than 5% Share in the Company

Name of the shareholder	As at 31-03-2016		As at 31-03-2015	
	Nos. in Lacs	% held	Nos. in Lacs	% held
<b><u>Equity shares of Re. 1/- each fully paid</u></b>				
a) Sampoorna Exports Private Limited	113.98	17.20%	113.98	17.20%
b) Devashish Exports Private Limited	113.67	17.15%	113.67	17.15%
c) Sundatta Sirur Private Limited	100.20	15.12%	100.20	15.12%
d) Status Impex Private Limited	75.98	11.46%	75.98	11.46%
e) Deejay Mining & Exports Private Limited	35.56	5.36%	35.56	5.36%

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.

**Note:** During the year under review, the Company has sub-divided Equity Share having face value of Rs. 5/- each into 5 (five) Equity Shares of Re. 1/- each. Consequently, the number of shares, face value and dividend paid per share forming part of authorised, issued, subscribed and paid up share capital as on 31.03.2015 have been restated accordingly.

	As at 31-03-2016 Rs. in Lacs	As at 31-03-2015 Rs. in Lacs
<b>2. RESERVES &amp; SURPLUS</b>		
<b>Revaluation Reserve</b>		
Balance as per the last Financial Statements	8816.61	8890.01
Less: Reduction due to sale of Revalued Assets	61.02	73.40
<b>Closing balance</b>	<b>8755.59</b>	<b>8816.61</b>
<b>General Reserve</b>		
Balance as per the last Financial Statements	2607.79	2375.88
Add: Amount transferred from surplus in the Statement of Profit and Loss	200.00	200.00
Add : Profit on sale of Revalued Assets (Ref. Note No. 28)	25.63	31.91
<b>Closing balance</b>	<b>2833.42</b>	<b>2607.79</b>
<b>Surplus in the Statement of Profit and Loss</b>		
Balance as per the last Financial Statements	7056.26	5703.58
Add: Profit for the year	1433.90	1841.95
Less: Appropriations		
Adjustment relating to Fixed Assets	-	50.66
Proposed Equity Dividend [Re. 0.30 per share (P.Y. Re. 0.30 per share)]	198.85	198.85
Tax on Proposed Equity Dividend	40.48	39.76
Transfer to General Reserve	200.00	200.00
<b>Net Surplus in the Statement of Profit and Loss</b>	<b>8050.83</b>	<b>7056.26</b>
<b>Total Reserves and Surplus</b>	<b>19639.84</b>	<b>18480.66</b>

### 3. LONG TERM BORROWINGS

	Current		Non-Current	
	31-03-2016 Rs. in Lacs	31-03-2015 Rs. in Lacs	31-03-2016 Rs. in Lacs	31-03-2015 Rs. in Lacs
<b>Term Loans</b>				
<b>Secured</b>				
From Banks	555.67	402.44	6693.52	2738.13
From Other Parties	335.83	315.27	-	335.83
	<b>891.50</b>	<b>717.71</b>	<b>6693.52</b>	<b>3073.96</b>

#### Nature of Security & Terms of Repayment

- Term loan from Bank, balance outstanding amounting to Rs. 1198.35 lacs (P.Y. Rs. 1364.89 lacs) is secured by first charge on the specific immovable property and guaranteed by Directors. Repayable in 115 EMI of Rs. 24.94 lacs starting from Nov, 2011. Last installment due in May, 2021 (Current Rate of Interest as on 31.03.2016 is 10.00% p.a.)
- Term loan from Bank, balance outstanding amounting to Rs. 1289.95 lacs (P.Y. Rs. 1375.29 lacs) is secured by first charge on the specific immovable property and guaranteed by Directors. Repayable in 116 EMI of Rs. 20.09 lacs starting from Dec, 2014. Last installment due in July, 2024 (Current Rate of Interest as on 31.03.2016 is 11.35% p.a.)
- Term loan from Bank, balance outstanding amounting to Rs. 195.00 lacs (P.Y. Nil) is secured by first charge on the specific immovable property and guaranteed by Directors. Repayable in 36 EMI of Rs. 7.22 lacs (excluding interest) starting from July, 2015. Last installment due in June, 2018 (Current Rate of Interest as on 31.03.2016 is 11.60% p.a.)
- Equipment and vehicle loan, balance outstanding amounting to Rs. 335.83 lacs (P.Y. Rs. 634.42 lacs) is secured by hypothecation of specific assets and guaranteed by Directors. Repayable in 30 EMI of Rs. 29.81 lacs installment starting from Nov, 2014. Last installment due in March, 2017 (Current Rate of Interest as on 31.03.2016 is 11.85% p.a.)
- Vehicle loans balance outstanding amounting to Rs. 316.62 lacs (P.Y. Rs. 158.80 lacs) is secured by hypothecation of specific vehicle and guaranteed by Directors. Various payment dates starting from Aug, 2013 and last installment due in Feb, 2021. (Rate of Interest ranging from 9.26% to 11.00% p.a.)
- ECB Loan from Bank, balance outstanding amounting to Rs. 4249.27 lacs (P.Y. Nil) is secured by first charge on the specific immovable property and guaranteed by Directors. Repayable in 26 quarterly installments starting from February, 2017. Last installment due in May, 2023 (Current Rate of Interest as on 31.03.2016 is 6.16% p.a.)

	As at 31-03-2016 Rs. in Lacs	As at 31-03-2015 Rs. in Lacs
<b>4. DEFERRED TAX LIABILITY (NET)</b>		
<b>Deferred Tax Liability</b>		
Related to Fixed Assets	420.05	514.15
Gross Deferred Tax Liability	420.05	514.15
<b>Deferred Tax Assets</b>		
Disallowances U/s 43B of Income Tax Act, 1961	40.21	123.98
Other disallowances under the Income Tax Act, 1961	15.29	19.07
Gross Deferred Tax Asset	55.50	143.05
<b>Net Deferred Tax Liability</b>	<b>364.55</b>	<b>371.10</b>
<b>5. SHORT TERM BORROWINGS</b>		
<b>Secured from Banks</b>		
Cash Credit/WCDL/Overdraft	2737.18	3112.04
<b>Unsecured</b>		
From Directors	88.48	-
From Others	-	2135.56
	<b>2825.66</b>	<b>5247.60</b>
<b><u>Nature of Security</u></b>		
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 second charge over the fixed assets of the Company and guaranteed by Director.		
b) Bank overdraft is secured by fixed deposits of the Company.		
<b>6. TRADE PAYABLES (including acceptance)</b>		
a) Dues to Micro and Small Enterprises	-	-
b) Other than dues to Micro and Small Enterprises	2500.66	6233.61
	<b>2500.66</b>	<b>6233.61</b>
<b><u>Notes</u></b>		
a) Trade Payables includes bills to the extent Rs. 2493.03 lacs (Previous year Rs. 2999.17 lacs) accepted by the Company under letter of credit facility granted by Bank. LC facility secured by first charge by way of hypothecation of trading business related stock, book debts etc. and equitable mortgage on specific immovable property and guaranteed by Directors.		
b) 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.		
<b>7. OTHER CURRENT LIABILITIES</b>		
Current maturities of Long Term Loans (Ref. Note No. 3)	891.50	717.71
Interest accrued but not due on Loans	46.44	29.88
Unclaimed Dividend #	30.05	25.73
Unclaimed matured Public Deposits #	0.17	2.36
Other Security Deposits	4.15	2.77
Advance from Customers	540.76	518.80
Statutory Liabilities	200.54	399.26
Income Tax Payable (Net of Advance)	21.40	343.92
Other Payables	803.09	806.11
	<b>2538.10</b>	<b>2846.54</b>

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

# Associated Stone Industries (Kotah) Ltd.

## 8. SHORT TERM PROVISIONS

	As at 31-03-2016 Rs. in Lacs	As at 31-03-2015 Rs. in Lacs
Provision for Employee Benefits	111.86	273.05
Proposed Dividend	198.85	198.85
Tax on Proposed Dividend	40.48	39.76
	<u>351.19</u>	<u>511.66</u>

## 9. FIXED ASSETS (AT COST)

(Rs. in Lacs)

	GROSS BLOCK			DEPRECIATION / AMORTIZATION			NET BLOCK			
	As at 01.04.2015	Additions	Sale/ Other Adj.	As at 31.03.2016	As at 01.04.2015	For the year	Sale/ Other Adj.	As at 31.03.2016	As at 31.03.2016	As at 31.03.2015
<b>Tangible Assets</b>										
Land	9496.34	160.22	73.29	9583.27	-	-	-	-	9583.27	9496.34
Buildings	4381.90	-	-	4381.90	709.08	69.31	-	778.39	3603.51	3672.82
Plant and Machinery	3716.63	191.91	561.11	3347.43	1899.54	193.27	226.71	1866.10	1481.33	1817.09
Vehicles	2383.64	611.96	300.23	2695.37	1575.77	225.11	192.41	1608.47	1086.90	807.87
Electrical Installation & Equipments	273.81	8.88	0.07	282.62	85.72	26.09	0.07	111.74	170.88	188.09
Furniture and Fixtures	104.53	0.17	0.13	104.57	64.44	7.52	0.13	71.83	32.74	40.09
Computer & Data Processing Unit	74.56	3.95	-	78.51	69.09	5.06	-	74.15	4.36	5.47
Office Equipments	21.13	1.60	0.03	22.70	16.56	2.57	0.01	19.12	3.58	4.57
<b>Total (A)</b>	<b>20452.54</b>	<b>978.69</b>	<b>934.86</b>	<b>20496.37</b>	<b>4420.20</b>	<b>528.93</b>	<b>419.33</b>	<b>4529.80</b>	<b>15966.57</b>	<b>16032.34</b>
<b>Intangible Assets</b>										
Surface Right	112.55	30.01	-	142.56	110.07	3.44	-	113.51	29.05	2.48
<b>Total (B)</b>	<b>112.55</b>	<b>30.01</b>	<b>-</b>	<b>142.56</b>	<b>110.07</b>	<b>3.44</b>	<b>-</b>	<b>113.51</b>	<b>29.05</b>	<b>2.48</b>
<b>Total (A+B)</b>	<b>20565.09</b>	<b>1008.70</b>	<b>934.86</b>	<b>20638.93</b>	<b>4530.27</b>	<b>532.37</b>	<b>419.33</b>	<b>4643.31</b>	<b>15995.62</b>	<b>16034.82</b>
Capital Work- in Progress									223.14	4.46
Previous Year	20809.86	211.66	456.43	20565.09	4112.66	643.42	225.81	4530.27	16034.82	16697.20

Note: Land value includes Rs. 8755.59 Lacs (Previous Year Rs. 8816.61 Lacs) on account of revaluation during the Financial Year 2006-07.

## 10. NON-CURRENT INVESTMENTS

( Long Term Investment)

### a) Investment in Equity (Unquoted)

4,10,000 (P.Y. 4,10,000) Equity Shares of Stone Masters (India) Pvt. Limited of Rs. 10/- each fully paid up

41.00

41.00

100 (P.Y. 100) Equity Shares of Oasis Cement Limited of Rs. 10/- each fully paid up

0.01

0.01

100 (P.Y. 100) Equity Shares of Sarvodaya Sahakari Samiti Limited of Rs. 25/- each fully paid up

0.03

0.03

### b) Investment in Foreign Subsidiary (Unquoted)

41,50,000 (P.Y. 1,50,000) Equity Shares of ASI Global Limited, Mauritius of USD 1/- each fully paid (USD 41,50,000/-)

2756.42

90.47

100 (P.Y. 100) Equity Shares of AL-Rawasi Rock & Aggregate LLC, UAE of AED 1000 each fully paid (AED 2,84,695/-)

45.84

45.84

2843.30

177.35

	As at 31-03-2016 Rs. in Lacs	As at 31-03-2015 Rs. in Lacs
<b>11. LONG TERM LOANS AND ADVANCES</b>		
(Unsecured and Considered Good)		
Capital Advances	257.09	266.62
Security Deposit	105.86	120.88
Loan to Wholly Owned Subsidiary	4272.53	-
	<u>4635.48</u>	<u>387.50</u>
<b>12. INVENTORIES</b>		
(At Cost or Net Reliasable Value, whichever is lower)		
Work-in-Progress	114.82	509.76
Finished Goods	735.97	514.61
Traded Goods	-	3.42
Stores & Spares [includes Goods-in-Transit Rs. 12.17 lacs (P.Y. Rs.4.10 lacs)]	144.89	151.20
	<u>995.68</u>	<u>1178.99</u>
<b>13. TRADE RECEIVABLES</b>		
(Unsecured, Considered Good unless stated otherwise)		
Less than six months	6149.36	11103.43
More than six months	1484.47	548.32
More than six months - doubtful	44.19	56.21
	<u>7678.02</u>	<u>11707.96</u>
Less: Provision for doubtful receivables	44.19	56.11
	<u>7633.83</u>	<u>11651.85</u>
<b>14. CASH AND BANK BALANCES</b>		
<b>Cash and Cash equivalents</b>		
<b>Cash on Hand</b>	21.47	44.38
<b>Balance with Banks</b>		
Current Accounts	210.89	252.32
	<u>232.36</u>	<u>296.70</u>
<b>Other Bank Balances</b>		
Margin Money Deposit *	776.10	331.23
Unclaimed Dividend Accounts	30.05	25.73
Others #	208.93	212.68
	<u>1015.08</u>	<u>569.64</u>
	<u>1247.44</u>	<u>866.34</u>

\* Pledged with the Bank towards Letter of Credit, Bank Guarantee and overdraft facilities availed by the Company. Deposits having maturity period of more than twelve months amounting Rs. 4.99 Lacs.

# Pledged with Government Department as security Rs. 208.93 Lacs (Previous year Rs. 208.93 Lacs). Deposits having maturity period of more than twelve months amounting Rs. 158.93 Lacs.

# Associated Stone Industries (Kotah) Ltd.

	As at 31-03-2016 Rs. in Lacs	As at 31-03-2015 Rs. in Lacs
<b>15. SHORT TERM LOANS &amp; ADVANCES</b>		
(Unsecured and Considered Good)		
Deposits	11.56	11.56
Capital Advances	16.64	-
Loans to Employees	13.08	7.22
Advances against Purchase & Expenses	40.52	22.92
Balances with Government Authorities	329.33	336.33
Advance / Receivable from Subsidiary/JV	50.22	6153.16
Others	1436.52	489.92
	<u>1897.87</u>	<u>7021.11</u>
<b>16. OTHER CURRENT ASSETS</b>		
Interest accrued on Fixed Deposits	3.09	4.64
Miscellaneous Expenditure (To the extent not w/o)	100.91	100.91
	<u>104.00</u>	<u>105.55</u>
<b>17. REVENUE FROM OPERATIONS</b>	<b>2015-16</b>	<b>2014-15</b>
Particulars of Products sold	<b>Rs. in Lacs</b>	<b>Rs. in Lacs</b>
Finished Goods Sold		
Stones *	12193.15	11608.01
Wind Power	96.37	111.57
Traded Goods Sold	4911.78	9158.71
	<u>17201.30</u>	<u>20878.29</u>
* Sale of Stones includes royalty recovered Rs. 1723.42 Lacs (previous year Rs. 1576.33 Lacs)		
<b>18. OTHER INCOME</b>		
Interest on Bank Deposits	46.95	33.44
Interest from Others	123.40	64.76
Interest from Wholly Owned Subsidiary	274.47	334.03
Commission from Subsidiary/JV	11.21	-
Interest on Income Tax Refund	-	22.07
Gain on Foreign Exchange Transaction (Net)	236.93	106.15
Surplus on Sale of Fixed Assets	32.17	28.72
Misc. Receipts	40.49	75.68
	<u>765.62</u>	<u>664.85</u>
<b>19. PURCHASE OF TRADED GOODS</b>	<b>4746.86</b>	<b>8559.80</b>
	<u>4746.86</u>	<u>8559.80</u>



	2015-16 Rs. in Lacs	2014-15 Rs. in Lacs
<b>20. CHANGE IN INVENTORIES OF FINISHED GOODS, WORK IN PROGRESS AND STOCK IN TRADE</b>		
<b>Inventories (at close)</b>		
Work-in-Progress	114.82	509.76
Finished Goods	735.97	514.61
Traded Goods	-	3.42
	<u>850.79</u>	<u>1027.79</u>
<b>Inventories (at commencement)</b>		
Work-in-Progress	509.76	533.02
Finished Goods	514.61	510.82
Traded Goods	3.42	3.42
	<u>1027.79</u>	<u>1047.26</u>
<b>(Increase)/Decrease in Inventories</b>	<u>177.00</u>	<u>19.47</u>
<b>21. EMPLOYEE BENEFIT EXPENSES</b>		
Salaries, Wages and Bonus	2469.29	2366.28
Directors' Remuneration	72.51	72.47
Contribution to Provident Fund	234.66	232.33
Contribution to Approved Gratuity Fund (Ref. Note No.38)	113.91	327.49
Staff Welfare Expenses	36.84	36.94
	<u>2927.21</u>	<u>3035.51</u>
<b>22. FINANCE COST</b>		
Interest	958.21	766.02
Interest on Income Tax	-	30.53
Bank Charges	227.95	26.06
	<u>1186.16</u>	<u>822.61</u>
<b>23. DEPRECIATION AND AMORTISATION EXPENSES</b>		
Depreciation on Tangible Assets	528.93	639.70
Depreciation on Intangible Assets	3.44	3.71
	<u>532.37</u>	<u>643.41</u>
<b>24. OTHER EXPENSES</b>		
<b>Mining &amp; Production Expenses</b>		
Purchase	284.28	258.05
Consumption of Stores & Spares	411.40	371.87
Raising & Mining Expenses	544.10	230.18
Power and Fuel	1892.14	2015.28
Repairs to Machinery	142.43	142.60
Royalty on Stone	1749.96	1587.25
Others	335.73	149.19
	<u>5360.04</u>	<u>4754.42</u>
<b>Selling &amp; Distribution Expenses</b>		
Commission on Sales	269.72	283.63
Other Selling and Distribution Expenses	39.70	37.79
	<u>309.42</u>	<u>321.42</u>

## Associated Stone Industries (Kotah) Ltd.

	2015-16 Rs. in Lacs	2014-15 Rs. in Lacs
<b>Establishment Expenses</b>		
Rent	1.27	0.77
Rates and Taxes	44.53	74.88
Insurance	38.95	41.09
Repairs to Building & Others	39.95	58.61
Legal and Professional Fees	49.97	47.30
Travelling Expenses	43.76	34.99
Directors' Sitting Fees	0.38	0.30
Payment to Auditor (Refer details below)	11.31	8.02
Charity & Donations	3.89	2.94
Corporate Social Responsibility Expenses	45.01	25.00
General Expenses	261.94	196.08
Prior Period Expenses	1.73	10.17
	<u>542.69</u>	<u>500.15</u>
	<u>6212.15</u>	<u>5575.99</u>
<b>Payment to Auditors</b>		
Audit Fees	5.78	3.93
Tax Audit Fees	0.87	0.84
Limited Review Fees	0.87	0.84
Reimbursement of Expenses	3.79	2.41
	<u>11.31</u>	<u>8.02</u>
	As at 31-03-2016 Rs. in Lacs	As at 31-03-2015 Rs. in Lacs
<b>25. Contingent Liability and Commitments</b>		
<b>(i) Contingent Liabilities</b>		
a) Claims against the Company not acknowledge as debts	177.69	103.59
b) Guarantees		
i) Counter guarantees given by the Company in respect of guarantees given by the Bank to Government authorities & others	25.58	25.58
ii) Corporate Guarantee in favour of Foreign Bank for Working Capital facility sanctioned to Subsidiary/JV (USD 3.71 million)	2460.84	-
c) Liabilities disputed for which no provision has been made in the accounts as same is contested in appeal by the Company		
i) Royalty	67.37	67.37
ii) Others	132.81	132.10
<b>(ii) Commitments</b>		
Estimated amount of contracts remaining to be executed on capital account not provided for (net of advances)	435.40	441.14
<b>26. Particulars of unhedged Foreign Currency exposure as at the reporting date</b>		
a) Import Trade Payable	USD 1014590	-
b) ECB Loan from ICICI Bank (including interest)	USD 6441328	-
c) Export Trade Receivable	Euro 14135	19180
d) Loan to Wholly Owned Subsidiary (including interest)	USD -	9713441
e) Other Receivable from Subsidiary/JV	USD 79437	131855
f) ECB Loan to Wholly Owned Subsidiary (including interest)	USD 6441328	-

27. Company has purchased mining machinery under EPCG scheme in respect of which the Company has an Export obligation of USD 968641 (Previous year USD 1096336) to be completed before June, 2016.
28. During the year, the Company has sold some of the land revalued in the earlier year. The profit on sale of such assets to the extent of revalued amount Rs. 25.63 lacs has been credited to General Reserve Account and the Revaluation Reserve Account has been debited to the extent of assets revalued earlier.
29. The exceptional items contains reversal of earlier years provisions of entry tax and waiver of the interest on entry tax amounting to Rs. 127.90 lacs under "Voluntary Amnesty Scheme for Entry Tax 2015" by the appropriate authority.
30. During the year under review, loan of USD 4 million to Wholly Owned Subsidiary viz. ASI Global Limited, Mauritius has been converted into Equity Share Capital.

**31. Value of Stores, Spare Parts & Components Consumed**

(Rs.in Lacs)

	2015-16		2014-15	
	Value	%	Value	%
Imported	3.34	0.81%	11.27	3.03
Indigenous	408.06	99.19%	360.60	96.97
	<u>411.40</u>	<u>100.00%</u>	<u>371.87</u>	<u>100.00</u>

**32. Captive Consumption of Raw Materials**

	2015-16 Rs. in Lacs	2014-15 Rs. in Lacs
Rough Stone Quantity (Lacs sq. fts.)	3.62	3.80
Value (Rs. in Lacs)	24.47	24.04

**33. Value of Imports (CIF Basis)**

	2015-16 Rs. in Lacs	2014-15 Rs. in Lacs
Stores, Spare Parts & Components	-	15.42
Import (Trade Purchase)	678.25	-

**34. Expenditure in Foreign Currency**

	2015-16 Rs. in Lacs	2014-15 Rs. in Lacs
Travelling	16.17	12.19
Usance Interest	17.96	-
Interest on ECB Loan	238.11	-
Bank Charges	0.02	-

**35. Earning in Foreign Currency**

	2015-16 Rs. in Lacs	2014-15 Rs. in Lacs
Exports at F.O.B.Value	43.40	41.40
Interest on Loan given to Wholly Owned Subsidiary	36.36	334.03
Interest on onward lending of ECB loan to Wholly Owned Subsidiary	238.11	-
Commission from Subsidiary/JV	11.21	-

# Associated Stone Industries (Kotah) Ltd.

## 36. Earning Per Share (Basic/Diluted)

Particulars	2015-16	2014-15
Net Profit (After Tax) as per Statement of Profit & Loss available for equity shareholders (Rs. in Lacs)	1433.90	1841.95
Equity shares for calculation of earning per share of Re. 1/- each (nos.)	66283730	66283730
Earning per share - Basic & Diluted (Rs.)	2.16	2.78

## 37. Related Parties Disclosure

### Name of related parties and description of relationship

#### A Key Management Persons and Relatives

1. Shri. Deepak Jatia
2. Shri. Tushya Jatia
3. Smt. Anita Jatia

#### B Foreign Subsidiary Companies

1. ASI Global Limited, Mauritius
2. Al Rawasi Rocks & Aggregate LLC, UAE

#### C Other Related Parties

1. Stone Masters (India) Private Ltd.
2. Deejay Mining & Exports Private Limited
3. Sampoorna Exports Pvt. Ltd.

#### a) Transactions with related parties referred to in A above, in ordinary course of business (Rs. in Lacs)

Sr. No	Nature of transaction	2015-16	2014-15
1	Salary	72.51	72.47
2	Contribution to Provident and Other Fund	8.70	8.69
3	Sitting Fee paid to Non Executive Promoter Directors	0.08	0.06
4	Interest paid on Loan	23.36	-
		104.65	81.22

#### b) Transactions with related parties referred to in B above, in ordinary course of business (Rs. in Lacs)

Sr. No	Nature of transaction	2015-16	2014-15
1	Investment in Subsidiary/JV	2665.95	136.31
2	Loan given to Wholly Owned Subsidiary	(5736.87)	5736.87
3	Onward Lending of ECB Loan to Wholly Owned Subsidiary	4100.00	-
4	Reimbursement of Expenses from Subsidiary/JV	39.01	82.26
5	Commission from Subsidiary/JV	11.21	-
6	Interest from Wholly Owned Subsidiary	274.47	334.03

Loans to subsidiaries have been given for acquisition of business/assets and have been utilised for the same.

c) Transactions with related parties referred to in C above in the ordinary course business & at arm's length price (Rs. in Lacs)

Sr. No.	Nature of transaction	2015-16	2014-15
1	Purchase of Material	51.68	43.33
2	Sale of Material	25.26	12.66
3	Purchase of Assets	50.70	-
4	Sale of Assets	51.50	35.00

### 38. Employee Benefits

(a) **Plan Description**

The Company makes annual contributions to the Gratuity Fund managed by Trust.

(b) **Defined benefit plans - As per actuarial valuation on 31<sup>st</sup> March, 2016**

(Rs. in Lacs)

	Particulars	Gratuity (Funded) 31-03-16	Gratuity (Funded) 31-03-15
<b>I</b>	<b>Change in present value defined benefit obligation</b>		
	Present value of benefit obligation at the beginning of the year	1361.19	1079.28
	Interest cost	108.90	102.53
	Current service cost	46.83	37.39
	Past Service Cost- Vested benefit incurred during the period	49.14	-
	Benefit paid	(159.31)	(140.48)
	Actuarial (gain)/loss on obligation	30.64	282.47
	Present value of benefit obligation at the end of the year	1437.39	1361.19
<b>II</b>	<b>Fair Value of Plan Assets</b>		
	Fair value of plan assets at the beginning of the year	1163.69	1046.11
	Expected return on plan assets	93.10	99.38
	Contributions	277.49	163.16
	Benefit paid	(159.31)	(140.48)
	Actuarial gains/(loss) on plan assets	28.50	(4.48)
	Fair value of plan assets at the end of the year	1403.47	1163.69
<b>III</b>	<b>Actuarial gains/(loss) recognised in the statement of P &amp; L account</b>		
	Actuarial (gain)/loss on obligation	30.64	282.47
	Actuarial gains/(loss) on plan assets	(28.50)	4.48
	Actuarial gains/(loss) recognised in the statement of P & L account	2.14	286.95
<b>IV</b>	<b>Actual return on Plan Assets</b>		
	Expected return on plan assets	93.09	99.38
	Actual gain/(loss) on plan assets	28.50	(4.48)
	Actual return on plan assets	121.59	94.90

## Associated Stone Industries (Kotah) Ltd.

(Rs. in Lacs)

	Particulars	Gratuity (Funded) 31-03-16	Gratuity (Funded) 31-03-15
<b>V</b>	<b>Amount recognized in the Balance Sheet</b>		
	Liability at the end of the year	1437.39	1361.19
	Fair value of plan assets at the end of the year	1403.47	1163.69
	Amount recognized in the balance sheet	33.92	197.50
<b>VI</b>	<b>Net interest cost for the current period</b>		
	Present value of benefit obligation at the beginning of the year	1361.19	1079.28
	Fair value of plan assets at the beginning of the year	(1163.69)	(1046.11)
	Expected return on plan assets	197.50	33.17
	Interest cost	108.90	102.53
	Expected return on plan assets	(93.10)	(99.38)
	Net interest cost for the current period	15.80	3.15
<b>VII</b>	<b>Expenses recognized in the Statement of Profit and Loss</b>		
	Current service cost	46.83	37.39
	Net interest cost	15.80	3.15
	Past Service Cost- Vested benefit incurred during the period	49.14	-
	Net actuarial gain/(loss) to be recognized	2.14	286.95
	Expenses recognized in Statement of Profit & Loss	113.91	327.49
<b>VIII</b>	<b>Amount recognized in the Balance Sheet</b>		
	Opening net liability	197.49	33.17
	Expenses as above	113.91	327.49
	Contributions by employers/benefits paid	(277.49)	(163.17)
	Amount recognized in the balance sheet	33.91	197.49
<b>IX</b>	<b>Actuarial assumptions for the year</b>		
	Discount rate	8.00%	8.00%
	Rate of return on plan Assets	8.00%	8.00%
	Rate of increase in compensation levels	4.00%	4.00%

### 39. Turnover, Purchases, Opening and Closing Stock of Goods

	Turnover		Purchases		Opening Stock		Closing Stock	
	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15
Value (Stone) (Rs. in Lacs)	12193.15	11608.01	284.28	258.05	514.61	510.82	735.97	514.61
Value (Wind Power) (Rs. in Lacs)	96.37	111.57	-	-	-	-	-	-
Trading (Rs. in Lacs)	4911.78	9158.71	4746.86	8559.80	3.42	3.42	-	3.42
Value (Rs. in Lacs)	17201.30	20878.29	5031.14	8817.85	518.03	514.24	735.97	518.03



#### 40. Segmental Reporting

The information pursuant to Accounting Standard 17- "Segment Reporting" issued by the Institute of Chartered Accountants of India is as under:

The key business segments of the Company are Stone, Wind Power & Trading.

##### (i) Business Segments

(Rs. in Lacs)

	Stone		Wind Power		Trading		Total	
	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15
<b>REVENUE</b>								
External Sales	12193.15	11608.01	96.37	111.57	4911.78	9158.71	17201.30	20878.29
Other Operating Income	-	-	-	-	-	-	-	-
Other Income	794.72	657.28	(29.10)	7.57	-	-	765.62	664.85
<b>RESULTS</b>								
Profit before Finance Costs & Tax	3280.24	3146.65	(70.41)	(36.60)	161.50	598.91	3371.33	3708.96
Finance Costs	1186.16	822.61	-	-	-	-	1186.16	822.61
Profit/(Loss) Before Tax & Exceptional Item	2094.08	2324.04	(70.41)	(36.60)	161.50	598.91	2185.17	2886.35
Add: Exceptional Item	127.90	257.10	-	-	-	-	127.90	257.10
Profit/(Loss) Before Tax Provision for Taxation	2221.98	2581.14	(70.41)	(36.60)	161.50	598.91	2313.07	3143.45
Current Tax							(885.00)	(1070.00)
Deferred Tax							6.55	(93.10)
Income tax for Earlier Years							(0.72)	(138.40)
<b>Net Profit/ (Loss)</b>							1433.90	1841.95
Other Information								
Segment Assets (Including Revaluation)	31937.35	29532.07	1087.84	1476.52	2551.17	6419.38	35576.36	37427.97
Segment Liability	5706.99	8589.16	15.58	17.46	2493.04	6232.79	8215.61	14839.41
Capital Expenditure Incurred	1227.38	201.39	-	-	-	-	1227.38	201.39
Depreciation	449.74	548.36	82.63	95.05	-	-	532.37	643.41

##### (ii) Geographical Segments

The following table shows the distribution of the Company's sales by geographical market

(Rs. in Lacs)

	2015-16	2014-15
India	17157.90	20836.89
Outside India	43.40	41.40
	17201.30	20878.29

Note: Segment assets include all operating assets used by the business segment and consist principally fixed assets, debtors and inventories and segment liabilities primarily include creditors and other liabilities, as allocated by the management.

41. Balances of Sundry Creditors, Sundry Debtors and Loans & Advances are subject to confirmation.
42. Previous year figures have been regrouped/ reclassified wherever considered necessary to confirm to the current year presentation.

#### As per our Report of even date

##### B. L. AJMERA & CO.

Chartered Accountants  
Firm Regn. No. 001100C

##### Venkatesan Chandra mouli

Partner  
Membership No. 010054

Place : Mumbai  
Date : 28<sup>th</sup> May, 2016

#### 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)

##### Anita Jatia

Director  
(DIN: 01068774)

Place : Mumbai  
Date : 28<sup>th</sup> May, 2016

## INDEPENDENT AUDITORS' REPORT

### To the Members of

### Associated Stone Industries (Kotah) Limited

### Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of **Associated Stone Industries (Kotah) Limited** (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") comprising of the Consolidated Balance Sheet as at 31 March, 2016, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

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

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The Holding Company's Board of Directors is also responsible for ensuring accuracy of records and financial information considered necessary for the preparation of Consolidated Financial Statements. The respective Board of Directors of the companies included in the Group are responsible for maintenance of 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; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

### Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act and Rules made thereunder including the accounting standards and matters which are required to be included in the audit report.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

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

presentation of the consolidated financial statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph (a) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

### Opinion

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 Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group, as at 31 March, 2016, and their consolidated profit and their consolidated cash flows for the year ended on that date.

### Other Matters

We did not audit the financial statements of subsidiaries, whose financial statements reflect total assets of Rs. 14271.03 Lacs as at 31 March, 2016, total revenues of Rs. 2500.82 Lacs and net cash outflows amounting to Rs. 197.07 Lacs for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net profit of Rs. 775.88 Lacs for the year ended 31 March, 2016, as considered in the consolidated financial statements. These financial statements of subsidiaries have been audited by other auditors whose reports have been furnished to us by the Management and 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-sections (3) and (11) of Section 143 of the Act, insofar as it relates to the aforesaid subsidiaries is based solely on the reports of the other auditors.

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 work done and the reports of the other auditors and the financial statements certified by the management.

### Report on Other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, we report, to the extent applicable, 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 maintained by the holding Company, its subsidiaries included in the Group relevant records relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
- (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained by the Holding Company and its subsidiaries included in the Group relating to the preparation of the consolidated financial statements.
- (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards 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 31 March, 2016 taken on record by the Board of Directors of the Holding Company, none of the directors of the Company incorporated in India is disqualified as on 31 March, 2016 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”; and

- (g) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditor’s) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of subsidiaries as noted in the “Other Matter” paragraph:
- i. There were no pending litigations which would impact the consolidated financial position of the Holding Company, its subsidiary companies in the Group
  - ii. The Holding Company, its subsidiary companies in the Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
  - 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 B.L. Ajmera & Co.**

Chartered Accountants

(FRN 001100C)

**(Venkatesan Chandra mouli)**

Place: Mumbai

Partner

Date: 28 May, 2016

M No. 010054

#### **ANNEXURE - A TO THE INDEPENDENT AUDITORS’ REPORT**

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

In conjunction with our audit of the Consolidated Financial Statement of **Associated Stone Industries (Kotah) Limited** (hereinafter referred to as “the Holding Company”) as of and for the year ended 31 March, 2016, 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 Holding Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (‘ICAI’). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

##### **Auditors’ Responsibility**

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over

financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained and the audit evidence obtained by other auditors in terms of their reports referred to in the other Matters paragraph is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system over financial reporting.

##### **Meaning of Internal Financial Controls over Financial Reporting**

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

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with 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 31 March 2016, 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 B.L. Ajmera & Co.**

Chartered Accountants

(FRN 001100C)

**(Venkatesan Chandra mouli)**

Place: Mumbai

Partner

Date: 28 May, 2016

M No. 010054

**CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2016**

	Note No.	As at 31-03-2016 Rs. in Lacs		As at 31-03-2015 Rs. in Lacs	
<b>EQUITY AND LIABILITIES</b>					
<b>Shareholders' Fund</b>					
Share Capital	1	662.84		662.84	
Reserves and Surplus	2	<u>18519.06</u>	<u>19181.90</u>	<u>18082.95</u>	18745.79
<b>Non-Current Liabilities</b>					
Long Term Borrowings	3	12767.84		4234.37	
Deferred Tax Liabilities (Net)	4	<u>364.55</u>	<u>13132.39</u>	<u>371.10</u>	4605.47
<b>Current Liabilities</b>					
Short Term Borrowings	5	3158.21		5247.60	
Trade Payables	6				
a) Dues to Micro and Small Enterprises		-		-	
b) Other than dues to Micro and Small Enterprises		<u>2598.70</u>		<u>6233.61</u>	
		2598.70		6233.61	
Other Current Liabilities	7	4264.18		3399.01	
Short Term Provisions	8	<u>376.55</u>	<u>10397.64</u>	<u>514.74</u>	15394.96
<b>Total</b>			<u><u>42711.93</u></u>		<u><u>38746.22</u></u>
<b>ASSETS</b>					
<b>Non-Current Assets</b>					
Fixed Assets	9				
Tangible Assets		24954.47		17301.31	
Intangible Assets		29.04		2.48	
Goodwill on Consolidation		1928.54		1840.53	
Capital Work-in-Progress		<u>223.14</u>		<u>2683.20</u>	
		27135.19		21827.52	
Non-Current Investments	10	41.04		41.04	
Long Term Loans and Advances	11	<u>362.95</u>	<u>27539.18</u>	<u>620.97</u>	22489.53
<b>Current Assets</b>					
Inventories	12	2344.96		1729.87	
Trade Receivables	13	8731.81		11651.85	
Cash and Cash Equivalents	14	1928.26		1693.53	
Short Term Loans and Advances	15	2063.72		1075.89	
Other Current Assets	16	<u>104.00</u>	<u>15172.75</u>	<u>105.55</u>	16256.69
<b>Total</b>			<u><u>42711.93</u></u>		<u><u>38746.22</u></u>
Significant Accounting Policies Notes on Financial Statements	1 to 35				

**As per our Report of even date**

**B. L. AJMERA & CO.**

Chartered Accountants  
Firm Regn. No. 001100C

**Venkatesan Chandra mouli**

Partner  
Membership No. 010054

Place : Mumbai

Date : 28<sup>th</sup> May, 2016

**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)

**Anita Jatia**  
Director  
(DIN: 01068774)

Place : Mumbai  
Date : 28<sup>th</sup> May, 2016

## CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2016

		2015-16 Rs. in Lacs	2014-15 Rs. in Lacs
<b>INCOME</b>			
Revenue from Operations	17	19702.12	20878.29
Other Income	18	514.55	376.67
<b>Total Revenue</b>		<b>20216.67</b>	<b>21254.96</b>
<b>EXPENDITURE</b>			
Purchase of Traded Goods	19	4746.86	8559.80
Change in Inventories of Finished Goods Work-in-Progress and Stock in Trade	20	(591.66)	19.47
Employee Benefit Expenses	21	3621.60	3035.51
Finance Costs	22	1363.67	823.32
Depreciation & Amortisation Expenses	23	1410.49	643.41
Other Expenses	24	8138.56	5683.57
<b>Total Expenses</b>		<b>18689.52</b>	<b>18765.08</b>
<b>Profit Before Exceptional &amp; Extraordinary Items and Tax</b>		<b>1527.15</b>	<b>2489.88</b>
Exceptional Items (Ref. Note No.26)		127.90	257.10
<b>Profit Before Tax</b>		<b>1655.05</b>	<b>2746.98</b>
Less: Tax Expenses			
Current Tax		885.00	1070.00
Deferred Tax		(6.55)	93.10
Earlier Years Adjustments		0.72	138.40
		<b>879.17</b>	<b>1301.50</b>
<b>Profit for the period</b>		<b>775.88</b>	<b>1445.48</b>
Earnings per Equity Share (Face value Re. 1/- each)			
Basic & Diluted Rs.	27	1.17	2.18
Significant Accounting Policies			
Notes on Financial Statements	1 to 35		

**As per our Report of even date**

**B. L. AJMERA & CO.**

Chartered Accountants

Firm Regn. No. 001100C

**Venkatesan Chandra mouli**

Partner

Membership No. 010054

Place : Mumbai

Date : 28<sup>th</sup> May, 2016

**On behalf of the Board of Directors**

**S. R. Soni**

Chief Executive Officer

**Deepak Jatia**

Chairman & Managing Director  
(DIN: 01068689)

**Pavan Kumar Soni**

Chief Financial Officer

**Anita Jatia**

Director  
(DIN: 01068774)

**Manoj Jain**

Company Secretary

Place : Mumbai

Date : 28<sup>th</sup> May, 2016



**CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2016**

	2015-16 Rs. in Lacs	2014-15 Rs. in Lacs
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit Before Tax	1655.05	2746.98
Depreciation & Amortisation Expenses	1410.49	643.41
Interest Income	(170.35)	(120.27)
Prior Period Expenses	1.73	10.17
Exchange Fluctuation on Consolidation	(65.05)	(1.24)
(Profit)/Loss on Sale of Fixed Assets	(56.04)	(74.57)
Finance Cost	1363.67	823.32
Operating Profit before Working Capital Changes	4139.50	4027.80
Adjusted for changes in		
Trade & Other Receivables	1947.23	(7914.41)
Inventories	(615.09)	(534.38)
Trade Payables	(5711.35)	10137.42
Cash Generated from Operations	(239.71)	5716.43
Interest Paid	(1347.11)	(825.95)
Direct Taxes Paid	(1208.24)	(591.08)
Prior Period Expenses	(1.73)	(10.17)
<b>NET CASH FLOW FROM OPERATING ACTIVITIES (A)</b>	<b>(2796.79)</b>	<b>4289.23</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets	(7440.34)	(6363.52)
Sales of Fixed Assets	985.83	282.06
Sale / (Purchase) of Investments	-	400.00
Interest Received	171.90	118.26
<b>NET CASH USED IN INVESTMENT ACTIVITIES (B)</b>	<b>(6282.61)</b>	<b>(5563.20)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from Long Term Borrowings	8147.53	3405.53
Repayment of Long Term Borrowings	1400.89	(677.68)
Dividend Paid	(234.29)	(190.78)
<b>NET CASH FROM FINANCING ACTIVITIES (C)</b>	<b>9314.13</b>	<b>2537.07</b>
<b>NET INCREASE IN CASH &amp; CASH EQUIVALENT (A+B+C)</b>	<b>234.73</b>	<b>1263.10</b>
<b>OPENING BALANCE OF CASH &amp; CASH EQUIVALENT</b>	<b>1693.53</b>	<b>430.43</b>
<b>CLOSING BALANCE OF CASH &amp; CASH EQUIVALENT</b>	<b>1928.26</b>	<b>1693.53</b>

As per our Report of even date

**B. L. AJMERA & CO.**

Chartered Accountants  
Firm Regn. No. 001100C

**Venkatesan Chandra mouli**

Partner  
Membership No. 010054

Place : Mumbai  
Date : 28<sup>th</sup> May, 2016

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)

**Anita Jatia**  
Director  
(DIN: 01068774)

Place : Mumbai  
Date : 28<sup>th</sup> May, 2016



## SIGNIFICANT ACCOUNTING POLICIES

### a) Basis of preparation of Consolidated Financial Statements

The consolidated financial statements of the Company have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). The Company has prepared these financial statements to comply in all material respects with the accounting standards notified in the Companies (Accounting Standards) Rules, 2006 which continue to apply under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and other relevant provisions of the Companies Act, 2013. The financial statements have been prepared on an accrual basis and under the historical cost convention, except for land acquired before 01-04-2007 which are carried at revalued amounts.

The accounting policies adopted in the preparation of consolidated financial statements are consistent with those of previous year, except for the change in accounting policy explained below.

### b) Functional & Presentation Currency, etc.

- i) The financial statement of individual Company are prepared in functional currencies of respective parent and subsidiary Companies viz. Associated Stone Industries (Kotah) Limited (ASIKL) – Indian Rupees(INR), ASI Global Ltd.(ASIGL) – US Dollar (USD) and Al Rawasi Rock & Aggregate LLC. (RRA) - United Arab Emirates Dirham (AED).
- ii) The consolidated financial statements are presented in Indian Rupees which is also the group's functional currency. All financial information presented in indian rupees in lacs.
- iii) The consolidated financial statements comprises of the Audited Financial Statements of the Company and its subsidiaries for the year ended 31<sup>st</sup> March, 2016 which are as under:

Sr. No	Name of the Subsidiary	Country of Incorporation	ASIKL ownership interest (%)	% of Shareholding and voting power alongwith subsidiary
1	ASI Global Ltd.	Mauritius	100	100
2	Al Rawasi Rock & Aggregate LLC	UAE	1	100

### c) Principles of Consolidation

The consolidated financial statements relate to ASIKL and its subsidiaries viz ASIGL and RRA. The Consolidated financial statements have been prepared on the following basis.

- i) The financial statements of the subsidiaries used in consolidation are drawn upto the same reporting date as that of the parent company i.e. year ended 31<sup>st</sup> March.
- ii) The financial statements of the Company and its subsidiary Companies are combined on a line-by-line basis by adding together the book value of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balance and intra-group transactions in accordance with Accounting Standard (AS) 21- "Consolidated Financial Statements"
- iii) The difference between the cost of investment in the subsidiaries, over the net assets at the time of acquisition

of share in the subsidiaries is recognized in the financial statements as Goodwill or Capital Reserve, as the case may be.

- iv) As far as possible the consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented in the same manner as the Company's separate financial statements.
- v) Goodwill arising on consolidation is initially recognised as an asset and is subsequently tested for impairment as at each balance sheet date by comparing its recoverable amount with its carrying amount.

### d) Use of Estimates

The preparation of financial statements requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenue, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

### e) Revenue Recognition

- (a) Revenue/income and cost/expenditure are generally accounted on accrual basis as they are earned or incurred.
- (b) Dividend on investment is accounted on cash basis.

### f) Fixed Assets

#### Tangible and Intangible Fixed Assets

All fixed assets are stated at cost of acquisition (including all other costs till commencement of commercial production / put to use) except land which has been revalued during the F.Y. 2006-2007.

#### Goodwill on Consolidation

Goodwill arising on consolidation is initially recognised as an asset and is subsequently tested for impairment as at each balance sheet date by comparing its recoverable amount with its carrying amount.

#### Capital Work in Progress

Capital work-in-progress represents amount incurred on the respective assets including cost directly attributable to such asset is stated at cost until the assets is ready to put to use.

#### Depreciation on Tangible Fixed Assets

Depreciation on tangible fixed assets Indian Company is provided using the Straight Line Method based on the useful life of the assets in the manner prescribed in Part C of Schedule II of the Companies Act, 2013.

Depreciation on tangible fixed assets of foreign subsidiary companies is provided using the straightline method over based on estimated useful life as determined by the management.

Subsequent expenditures related to an item of tangible assets are add to its book value only if they increase the future benefits from the existing assets beyond its previously assessed standard performance.

## Component Depreciation

The application of the depreciation on component of Company's assets are based on materiality of amount and useful life of a particular component. If the useful life of the component is lower than the useful life of the principal assets as per schedule II of the Companies Act, 2013, such lower useful life is used for calculation of depreciation, however, in case higher useful life of the component normal depreciation applies.

## Depreciation on Intangible Fixed Assets

Intangible assets are amortised by the Indian Company on a Straight Line basis over the estimated useful economic life of the asset in the manner prescribed in Part C of Schedule II of the Companies Act, 2013.

Depreciation on intangible fixed assets of foreign subsidiary companies is provided using the straightline method over based on estimated useful life as determined by the management.

## g) Inventories

Inventories are valued at cost or net realisable value, whichever is less.

## h) Borrowing Costs

Borrowing cost includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are considered in the period they occur.

## i) Foreign Currency Transaction

- (i) All transactions in foreign currency, are recorded at the rates of exchange prevailing on the dates when the relevant transactions take place.
- (ii) Monetary items in the form of Loans, Current Assets and Current Liabilities in foreign currency, outstanding at the close of the year, are converted in Indian Currency at the appropriate rates of exchange prevailing on the date of the Balance Sheet. Resultant gain or loss is accounted during the year.
- (iii) All other incomes or expenditure in foreign currency, are recorded at the rates of exchange prevailing on the dates when the relevant transactions take place.
- (iv) In case of subsidiary companies, being non-integral operations, revenue items are consolidated at the average rate prevailing during the year. All assets and liabilities are converted at rate prevailing at the end of the year. Any exchange difference arising on consolidation is recognized in the Exchange Fluctuation Reserve.

## j) Impairment of Tangible and Intangible Assets

Impairment Loss is charged to the Statement of Profit & Loss in the period in which, an asset is identified as impaired, when the carrying value of the assets exceeds its recoverable value. The impairment loss recognised in the prior accounting period

is reversed if there has been a change in the estimate of recoverable amount.

After recognition of an impairment loss or reversal of an impairment loss, as applicable, the depreciation charged for the asset is adjusted in future periods to allocate the assets revised carrying amount, less its residual value (if any), over its remaining useful life.

## k) Investments

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as non-current investments.

Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Non-current investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments.

In accordance with the Schedule III of the Companies Act, 2013, the portion of the non-current investments classified above, and expected to be realised within 12 months of the reporting date, have been classified as current investments.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of Profit and Loss.

## l) Retirement and other employee benefits

Retirement benefits to employees comprise payment of gratuity and provident fund under approved schemes of the company. Annual contribution to gratuity fund is determined based on an actuarial valuation as at the balance sheet date by an independent actuary.

Retirement benefits to employees benefit 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.

## m) Income Taxes

- (a) Provision for current tax is made on the basis of estimated tax liability as per the applicable provisions of tax laws.
- (b) Deferred tax for timing differences between tax profits and book profits is accounted for using the tax rates and laws that have been enacted or substantially enacted as of the Balance Sheet date. Deferred tax assets are recognised to the extent there is reasonable certainty that these assets can be either realised in future or adjusted against deferred tax liability.

## n) Contingent Liabilities

A contingent liabilities is a possible obligation that arise from past events whose existence will be confirmed by the occurrence or non occurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The company does not recognize a contingent liability but discloses its existence in the financial statements.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

	As at 31-03-2016 Rs. in Lacs	As at 31-03-2015 Rs. in Lacs
<b>1. SHARE CAPITAL</b>		
<b>Authorised :</b>		
23,00,00,000 (Previous year 23,00,00,000) Equity Shares of Re. 1/- each	2300.00	2300.00
2,00,000 (Previous year 2,00,000) Redeemable Preference Shares of Rs. 100/- each	200.00	200.00
	<u>2500.00</u>	<u>2500.00</u>
<b>Issued, Subscribed and Paid up :</b>		
6,62,83,730 (Previous year 6,62,83,730) Equity Shares of Re. 1/- each fully paid	662.84	662.84
	<u>662.84</u>	<u>662.84</u>

### Out of the above equity shares :

- 320000 Shares have been allotted as fully paid up pursuant to a contract without payment being received in cash.
- 500000 Shares have been allotted as fully paid up on conversion of 500000 Deferred Shares of Re. 1/- each and
- 38910000 Shares have been issued as fully paid Bonus Shares by capitalisation of General Reserve.

### Reconciliation of the Shares outstanding at the beginning and at the end of the reporting period

Particulars	As at 31-03-2016		As at 31-03-2015	
	Nos. in Lacs	Rs. in Lacs	Nos. in Lacs	Rs. in Lacs
Equity Shares at the beginning of the period	662.84	662.84	662.84	662.84
Issued during the period	-	-	-	-
Equity Shares at the end of the period	662.84	662.84	662.84	662.84

### Terms/Rights attached to Equity Shares:

The Company has only one class of equity share having a par value of Re. 1/- per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. During the year ended 31<sup>st</sup> March, 2016, the amount of per share dividend recognized as distributions to equity shareholders was Re.0.30 per share (Previous year Re.0.30 per share).

### Details of shareholders holding more than 5% Share in the Company

Name of the shareholder	As at 31-03-2016		As at 31-03-2015	
	Nos. in Lacs	% held	Nos. in Lacs	% held
<b>Equity shares of Re. 1/- each fully paid</b>				
a) Sampoorna Exports Private Limited	113.98	17.20%	113.98	17.20%
b) Devashish Exports Private Limited	113.67	17.15%	113.67	17.15%
c) Sundatta Sirur Private Limited	100.20	15.12%	100.20	15.12%
d) Status Impex Private Limited	75.98	11.46%	75.98	11.46%
e) DeeJay Mining & Exports Private Limited	35.56	5.36%	35.56	5.36%

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.

**Note: During the year under review, the Company has sub-divided Equity Share having face value of Rs. 5/- each into 5 (five) Equity Shares of Re. 1/- each. Consequently, the number of shares, face value and dividend paid per share forming part of authorised, issued, subscribed and paid up share capital as on 31.03.2015 have been restated accordingly.**

# Associated Stone Industries (Kotah) Ltd.

	As at 31-03-2016 Rs. in Lacs	As at 31-03-2015 Rs. in Lacs
<b>2. RESERVES &amp; SURPLUS</b>		
<b>Revaluation Reserve</b>		
Balance as per the last Financial Statements	8816.61	8890.01
Less: Reduction due to sale of Revalued Assets	61.02	73.40
<b>Closing balance</b>	<b>8755.59</b>	<b>8816.61</b>
<b>General Reserve</b>		
Balance as per the last Financial Statements	2607.79	2375.88
Add: Amount transferred from surplus in the Statement of Profit and Loss	200.00	200.00
Add : Profit on sale of Revalued Assets	25.63	31.91
<b>Closing balance</b>	<b>2833.42</b>	<b>2607.79</b>
<b>Exchange Fluctuation Reserve</b>		
Balance as per the last Financial Statements	(1.24)	-
Add: During the year	(65.05)	(1.24)
<b>Closing balance</b>	<b>(66.29)</b>	<b>(1.24)</b>
<b>Surplus in the Statement of Profit and Loss</b>		
Balance as per the last Financial Statements	6659.79	5703.58
Add: Profit for the year	775.88	1445.48
Less: Appropriations		
Adjustment relating to Fixed Assets	-	50.66
Proposed Equity Dividend [Re. 0.30 per share (P.Y. Re. 0.30 per share)]	198.85	198.85
Tax on Proposed Equity Dividend	40.48	39.76
Transfer to General Reserve	200.00	200.00
<b>Net Surplus in the Statement of Profit and Loss</b>	<b>6996.34</b>	<b>6659.79</b>
<b>Total Reserves and Surplus</b>	<b>18519.06</b>	<b>18082.95</b>

3. LONG TERM BORROWINGS	<b>Current</b>		<b>Non-Current</b>	
	31-03-2016 Rs. in Lacs	31-03-2015 Rs. in Lacs	31-03-2016 Rs. in Lacs	31-03-2015 Rs. in Lacs
<b>Term Loans</b>				
<b>Secured</b>				
From Banks	1307.66	402.44	8646.85	2738.13
From Other Parties	425.00	315.27	147.88	335.83
	<b>1732.66</b>	<b>717.71</b>	<b>8794.73</b>	<b>3073.96</b>
<b>Unsecured</b>				
From Other Parties	-	-	3973.11	1160.41
	<b>1732.66</b>	<b>717.71</b>	<b>12767.84</b>	<b>4234.37</b>

## **Nature of Security & Terms of Repayment**

- Term loan from Bank, balance outstanding amounting to Rs. 1198.35 lacs (P.Y. Rs. 1364.89 lacs) is secured by first charge on the specific immovable property and guaranteed by Directors. Repayable in 115 EMI of Rs. 24.94 lacs starting from Nov, 2011. Last installment due in May, 2021 (Current Rate of Interest as on 31.03.2016 is 10.00% p.a.)
- Term loan from Bank, balance outstanding amounting to Rs. 1289.95 lacs (P.Y. Rs. 1375.29 lacs) is secured by first charge on the specific immovable property and guaranteed by Directors. Repayable in 116 EMI of Rs. 20.09 lacs starting from Dec, 2014. Last installment due in July, 2024 (Current Rate of Interest as on 31.03.2016 is 11.35% p.a.)
- Term loan from Bank, balance outstanding amounting to Rs. 195.00 lacs (P.Y. Nil) is secured by first charge on the specific immovable property and guaranteed by Directors. Repayable in 36 EMI of Rs. 7.22 lacs (excluding interest) starting from July, 2015. Last installment due in June, 2018 (Current Rate of Interest as on 31.03.2016 is 11.60% p.a.)

- d) Equipment and vehicle loan, balance outstanding amounting to Rs. 335.83 lacs (P.Y. Rs. 634.42 lacs) is secured by hypothecation of specific assets and guaranteed by Directors. Repayable in 30 EMI of Rs. 29.81 lacs installment starting from Nov, 2014. Last installment due in March, 2017 (Current Rate of Interest as on 31.03.2016 is 11.85% p.a.)
- e) Vehicle loans balance outstanding amounting to Rs. 316.62 lacs (P.Y. Rs. 158.80 lacs) is secured by hypothecation of specific vehicle and guaranteed by Directors. Various payment dates starting from Aug, 2013 and last installment due in Feb, 2021. (Rate of Interest ranging from 9.26% to 11.00% p.a.)
- f) ECB Loan from Bank, balance outstanding amounting to Rs. 4249.27 lacs (P.Y. Nil) 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 31.03.2016 is 6.16% p.a.)
- g) Term loan availed by Subsidiary/JV from Bank, balance outstanding amounting to Rs. 2705.31 (P.Y. Nil) is secured against hypothecation of specific assets and guaranteed by Directors. Various payment dates starting from July, 2015 and Last installment due in Dec, 2019. (Rate of Interest 5.5% p.a.)
- h) Term loan availed by the Subsidiary/JV from others, balance outstanding amounting to Rs. 237.05 Lacs (P.Y. Nil) is secured against specific equipment. Repayable in 33 EMI of Rs. 8.06 lacs starting from March, 2016 and Last installment due in Nov, 2018. (Rate of Interest 3% p.a.)
- i) Unsecured loans availed by the Subsidiary/JV from parties amounting to Rs. 3973.12 lacs (P.Y. Rs. 1160.41 Lacs) repayable on completion of 5 years. (Rate of Interest LIBOR + 1%)

	As at 31-03-2016 Rs. in Lacs	As at 31-03-2015 Rs. in Lacs
<b>4. DEFERRED TAX LIABILITY (NET)</b>		
<b>Deferred Tax Liability</b>		
Related to Fixed Assets	420.05	514.15
Gross Deferred Tax Liability	420.05	514.15
<b>Deferred Tax Assets</b>		
Disallowances U/s 43B of Income Tax Act, 1961	40.21	123.98
Other disallowances under the Income Tax Act, 1961	15.29	19.07
Gross Deferred Tax Asset	55.50	143.05
<b>Net Deferred Tax Liability</b>	<b>364.55</b>	<b>371.10</b>
<b>5. SHORT TERM BORROWINGS</b>		
<b>Secured from Banks</b>		
Cash Credit/WCDL/Overdraft	3069.73	3112.04
<b>Unsecured</b>		
From Directors	88.48	-
From Others	-	2135.56
	<b>3158.21</b>	<b>5247.60</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 second charge over the fixed assets of the Company and guaranteed by Director.
- b) Bank overdraft is secured by fixed deposits of the Company.
- c) WCDL availed by Subsidiary/JV from Bank is secured against hypothecation of current assets, pledge over certain equipments/machineries, corporate guarantee of the holding company and guaranteed by Directors. (Rate of Interest LIBOR + 3%).



# Associated Stone Industries (Kotah) Ltd.

## 6. TRADE PAYABLES (including acceptance)

- (a) Dues to Micro and Small Enterprises  
(b) Other than dues to Micro and Small Enterprises

	As at 31-03-2016 Rs. in Lacs	As at 31-03-2015 Rs. in Lacs
(a)	-	-
(b)	2598.70	6233.61
	<u>2598.70</u>	<u>6233.61</u>

### Notes

- a) Trade Payables includes bills to the extent Rs. 2493.03 lacs (Previous year Rs. 2999.17 lacs) accepted by the Company under letter of credit facility granted by Bank. LC facility secured by first charge by way of hypothecation of trading business related stock, book debts, etc. and equitable mortgage on specific immovable property and guaranteed by Directors.  
b) 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.

## 7. OTHER CURRENT LIABILITIES

- Current maturities of Long Term Loans (Ref. Note No.3)  
Interest accrued but not due on Loans  
Unclaimed Dividend #  
Unclaimed matured Public Deposits #  
Other Security Deposits  
Advance from Customers  
Statutory Liabilities  
Income Tax Payable (Net of Advance)  
Other Payables

Current maturities of Long Term Loans (Ref. Note No.3)	1732.66	717.71
Interest accrued but not due on Loans	46.44	29.88
Unclaimed Dividend #	30.05	25.73
Unclaimed matured Public Deposits #	0.17	2.36
Other Security Deposits	4.15	2.77
Advance from Customers	592.82	518.80
Statutory Liabilities	200.54	399.26
Income Tax Payable (Net of Advance)	21.40	343.92
Other Payables	1635.95	1358.58
	<u>4264.18</u>	<u>3399.01</u>

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

## 8. SHORT TERM PROVISIONS

- Provision for Employee Benefits  
Proposed Dividend  
Tax on Proposed Dividend

Provision for Employee Benefits	137.22	276.13
Proposed Dividend	198.85	198.85
Tax on Proposed Dividend	40.48	39.76
	<u>376.55</u>	<u>514.74</u>

## 9. FIXED ASSETS (AT COST)

(Rs. in Lacs)

	GROSS BLOCK			As at 31.03.2016	DEPRECIATION / AMORTIZATION			NET BLOCK		
	As at 01.04.2015	Additions	Sale/ Other Adj.		As at 01.04.2015	For the year	Sale/ Other Adj.	As at 31.03.2016	As at 31.03.2016	As at 31.03.2015
<b>Tangible Assets</b>										
Land	9496.34	160.22	73.29	9583.27	-	-	-	-	9583.27	9496.34
Buildings	4854.33	119.97	-	4974.30	1140.29	101.50	(26.86)	1,268.65	3705.65	3714.04
Plant and Machinery	5333.24	4044.89	872.51	8505.62	3150.70	397.25	451.40	3096.55	5409.07	2182.54
Heavy & Mobile Equipment	2873.46	4222.90	741.65	6354.71	2573.95	406.12	578.39	2401.68	3953.03	299.51
Vehicles	2512.58	782.01	336.29	2958.30	1698.95	242.83	220.68	1721.10	1237.20	813.63
Electrical Installation & Equipments	273.80	8.88	0.07	282.61	85.72	26.09	0.07	111.74	170.87	188.08
Furniture and Fixtures	340.12	68.22	0.13	408.21	298.83	16.05	(14.35)	329.23	78.98	41.29
Computer & Data Processing Unit	74.57	3.95	-	78.52	69.09	5.06	-	74.15	4.37	5.48
Office Equipments	21.13	1.60	0.03	22.70	16.57	2.58	0.02	19.13	3.57	4.56
Quarry Development	2966.33	612.74	-	3579.07	2410.49	209.56	(150.56)	2770.61	808.46	555.84
<b>Total (A)</b>	<b>28745.90</b>	<b>10025.38</b>	<b>2023.97</b>	<b>36747.31</b>	<b>11444.59</b>	<b>1407.04</b>	<b>1058.79</b>	<b>11792.84</b>	<b>24954.47</b>	<b>17301.31</b>
<b>Intangible Assets</b>										
Surface Right	112.55	30.01	-	142.56	110.07	3.45	-	113.52	29.04	2.48
<b>Total (B)</b>	<b>112.55</b>	<b>30.01</b>	<b>-</b>	<b>142.56</b>	<b>110.07</b>	<b>3.45</b>	<b>-</b>	<b>113.52</b>	<b>29.04</b>	<b>2.48</b>
<b>Total (A+B)</b>	<b>28858.45</b>	<b>10055.39</b>	<b>2023.97</b>	<b>36889.87</b>	<b>11554.66</b>	<b>1410.49</b>	<b>1058.79</b>	<b>11906.36</b>	<b>24983.51</b>	<b>17303.79</b>
Capital Work- in Progress									223.14	2683.20
Previous Year	20809.86	8574.04	525.45	28858.45	11137.04	643.41	225.79	11554.66	17303.79	

Note: Land value includes Rs. 8755.59 Lacs (Previous Year Rs. 8816.61 Lacs) on account of revaluation during the Financial Year 2006-07.



	As at 31-03-2016 Rs. in Lacs	As at 31-03-2015 Rs. in Lacs
<b>10. NON-CURRENT INVESTMENTS</b>		
( Long Term Investment)		
<b>Investment in Equity (Unquoted)</b>		
4,10,000 (P.Y. 4,10,000) Equity Shares of Stone Masters (India) Pvt. Limited of Rs. 10/- each fully paid up	41.00	41.00
100 (P.Y. 100) Equity Shares of Oasis Cement Limited of Rs. 10/- each fully paid up	0.01	0.01
100 (P.Y. 100) Equity Shares of Sarvodaya Sahakari Samiti Limited of Rs. 25/- each fully paid up	0.03	0.03
	<u>41.04</u>	<u>41.04</u>
<b>11. LONG TERM LOANS AND ADVANCES</b>		
(Unsecured and Considered Good)		
Capital Advances	257.09	500.09
Security Deposit	105.86	120.88
	<u>362.95</u>	<u>620.97</u>
<b>12. INVENTORIES</b>		
(At Cost or Net Reliasable Value, whichever is lower)		
Work-in-Progress	158.85	509.76
Finished Goods	1460.60	514.61
Traded Goods	-	3.42
Stores & Spares [includes Goods-in-Transit Rs. 12.17 lacs (P.Y. Rs.4.10 lacs)]	725.51	702.08
	<u>2344.96</u>	<u>1729.87</u>
<b>13. TRADE RECEIVABLES</b>		
(Unsecured, Considered Good unless stated otherwise)		
Less than six months	7247.34	11103.43
More than six months	1484.47	548.32
More than six months - doubtful	44.19	56.21
	<u>8776.00</u>	<u>11707.96</u>
Less: Provision for doubtful receivables	44.19	56.11
	<u>8731.81</u>	<u>11651.85</u>
<b>14. CASH AND BANK BALANCES</b>		
<b>Cash and Cash equivalents</b>		
<b>Cash on Hand</b>	30.95	50.09
<b>Balance with Banks</b>		
Current Accounts	882.23	1073.80
	913.18	1123.89
<b>Other Bank Balances</b>		
Margin Money Deposit *	776.10	331.23
Unclaimed Dividend Accounts	30.05	25.73
Others #	208.93	212.68
	<u>1015.08</u>	<u>569.64</u>
	<u>1928.26</u>	<u>1693.53</u>

\* Pledged with the Bank towards Letter of Credit, Bank Guarantee and overdraft facilities availed by the Company. Deposits having maturity period of more than twelve months amounting Rs. 4.99 Lacs.

# Pledged with Government Department as security Rs. 208.93 Lacs (Previous year Rs. 208.93 Lacs). Deposits having maturity period of more than twelve months amounting Rs. 158.93 Lacs.

# Associated Stone Industries (Kotah) Ltd.

	As at 31-03-2016 Rs. in Lacs	As at 31-03-2015 Rs. in Lacs
<b>15. SHORT TERM LOANS &amp; ADVANCES</b>		
(Unsecured and Considered Good)		
Deposits	69.99	28.25
Capital Advances	66.66	-
Loans to Employees	18.87	18.48
Advances against Purchase & Expenses	78.33	101.04
Balances with Government Authorities	329.33	336.33
Others	1500.54	591.79
	<u>2063.72</u>	<u>1075.89</u>
<b>16. OTHER CURRENT ASSETS</b>		
Interest accrued on Fixed Deposits	3.09	4.64
Miscellaneous Expenditure (To the extent not w/o)	100.91	100.91
	<u>104.00</u>	<u>105.55</u>
	<b>2015-16</b>	<b>2014-15</b>
	<b>Rs. in Lacs</b>	<b>Rs. in Lacs</b>
<b>17. REVENUE FROM OPERATIONS</b>		
Particulars of Products sold		
Finished Goods Sold		
Stones *	14693.97	11608.01
Wind Power	96.37	111.57
Traded Goods Sold	4911.78	9158.71
	<u>19702.12</u>	<u>20878.29</u>
* Sale of Stones includes royalty recovered Rs.1723.42 Lacs (previous year Rs.1576.33 Lacs)		
<b>18. OTHER INCOME</b>		
Interest on Bank Deposits	46.95	33.44
Interest from Others	123.40	64.76
Interest on Income Tax Refund	-	22.07
Gain on Foreign Exchange Transaction (Net)	236.73	106.15
Surplus on Sale of Fixed Assets	56.04	74.57
Misc. Receipts	51.43	75.68
	<u>514.55</u>	<u>376.67</u>
<b>19. PURCHASE OF TRADED GOODS</b>	<u>4746.86</u>	8559.80
	<u>4746.86</u>	<u>8559.80</u>

	2015-16 Rs. in Lacs	2014-15 Rs. in Lacs
<b>20. CHANGE IN INVENTORIES OF FINISHED GOODS, WORK IN PROGRESS AND STOCK IN TRADE</b>		
<b>Inventories (at close)</b>		
Work-in-Progress	158.85	509.76
Finished Goods	1460.60	514.61
Traded Goods	-	3.42
	<u>1619.45</u>	<u>1027.79</u>
<b>Inventories (at commencement)</b>		
Work-in-Progress	509.76	533.02
Finished Goods	514.61	510.82
Traded Goods	3.42	3.42
	<u>1027.79</u>	<u>1047.26</u>
<b>(Increase)/Decrease in Inventories</b>	<u>(591.66)</u>	<u>19.47</u>
<b>21. EMPLOYEE BENEFIT EXPENSES</b>		
Salaries, Wages and Bonus	3049.63	2366.28
Directors' Remuneration	126.00	72.47
Contribution to Provident Fund	234.66	232.33
Contribution to Approved Gratuity Fund	113.91	327.49
Staff Welfare Expenses	97.40	36.94
	<u>3621.60</u>	<u>3035.51</u>
<b>22. FINANCE COST</b>		
Interest	1099.78	766.02
Interest on Income Tax	-	30.53
Bank Charges	263.89	26.77
	<u>1363.67</u>	<u>823.32</u>
<b>23. DEPRECIATION AND AMORTISATION EXPENSES</b>		
Depreciation on Tangible Assets	1407.05	639.70
Depreciation on Intangible Assets	3.44	3.71
	<u>1410.49</u>	<u>643.41</u>
<b>24. OTHER EXPENSES</b>		
<b>Mining &amp; Production Expenses</b>		
Purchase	307.15	258.05
Consumption of Stores & Spares	489.57	371.87
Raising & Mining Expenses	820.17	230.18
Power and Fuel	2330.01	2015.28
Repairs to Machinery	152.81	142.60
Royalty on Stone	2220.60	1587.25
Others	365.26	149.19
	<u>6685.57</u>	<u>4754.42</u>

## Associated Stone Industries (Kotah) Ltd.

	2015-16 Rs. in Lacs	2014-15 Rs. in Lacs
<b>Selling &amp; Distribution Expenses</b>		
Commission on Sales	285.44	283.63
Other Selling and Distribution Expenses	167.18	37.79
	<u>452.62</u>	<u>321.42</u>
<b>Establishment Expenses</b>		
Rent	47.63	0.77
Rates and Taxes	64.56	74.88
Insurance	66.01	41.09
Repairs to Building & Others	39.96	58.61
Legal and Professional Fees	107.34	47.30
Travelling Expenses	79.17	34.99
Directors' Sitting Fees	0.38	0.30
Payment to Auditor (Refer details below)	19.87	12.52
Charity & Donations	3.89	2.94
Corporate Social Responsibility Expenses	45.01	25.00
General Expenses	524.82	299.16
Prior Period Expenses	1.73	10.17
	<u>1000.37</u>	<u>607.73</u>
	<u>8138.56</u>	<u>5683.57</u>
<b>Payment to Auditors</b>		
Audit Fees	14.34	8.43
Tax Audit Fees	0.87	0.84
Limited Review Fees	0.87	0.84
Reimbursement of Expenses	3.79	2.41
	<u>19.87</u>	<u>12.52</u>
	<u>As at 31-03-2016 Rs. in Lacs</u>	<u>As at 31-03-2015 Rs. in Lacs</u>
<b>25. Contingent Liability and Commitments</b>		
<b>(i) Contingent Liabilities</b>		
a) Claims against the Company not acknowledge as debts	177.69	103.59
b) Guarantees		
i) Counter guarantees given by the Company in respect of guarantees given by the Bank to Government authorities & others	25.58	25.58
ii) Corporate Guarantee in favour of Foreign Bank for Working Capital facility sanctioned to Subsidiary/JV (USD 3.71 million)	2460.84	-
iii) Employee Visa Guarantee (USD 80926 (Previous Year USD 26158))	53.68	16.35
c) Liabilities disputed for which no provision has been made in the accounts as same is contested in appeal by the Company		
i) Royalty	67.37	67.37
ii) Others	132.81	132.10
<b>(ii) Commitments</b>		
Estimated amount of contracts remaining to be executed on capital account not provided for (net of advances)	435.40	441.14

26. The exceptional items contains reversal of earlier years provisions of entry tax and waiver of the interest on entry tax amounting to Rs. 127.90 Lacs under “Voluntary Amnesty Scheme for Entry Tax 2015” by the appropriate authority.

#### 27. Earning Per Share (Basic/Diluted)

Particulars	2015-16	2014-15
Net Profit (After Tax) as per Statement of Profit & Loss available for equity shareholders (Rs. in Lacs)	775.88	1445.48
Equity shares for calculation of earning per share of Re. 1/- each (nos.)	66283730	66283730
Earning per share - Basic & Diluted (Rs.)	1.17	2.18

#### 28. Related Parties Disclosure

##### Name of related parties and description of relationship

##### A Key Management Persons and Relatives

1. Shri. Deepak Jatia
2. Shri. Tushya Jatia
3. Smt. Anita Jatia

##### B Other Related Parties

1. Stone Masters (India) Private Ltd.
2. DeeJay Mining & Exports Private Limited
3. Sampoorna Exports Pvt. Ltd.

a) Transactions with related parties referred to in A above, in ordinary course of business (Rs. in Lacs)

Sr. No	Nature of transaction	2015-16	2014-15
1	Salary	126.00	72.47
2	Contribution to Provident and Other Fund	8.70	8.69
3	Sitting Fee paid to Non Executive Promoter Directors	0.08	0.06
4	Interest paid on Loan	23.36	-
		158.14	81.22

b) Transactions with related parties referred to in B above in the ordinary course business & at arm's length price (Rs. in Lacs)

Sr. No.	Nature of transaction	2015-16	2014-15
1	Purchase of Material	51.68	43.33
2	Sale of Material	25.26	12.66
3	Purchase of Assets	50.70	-
4	Sale of Assets	51.50	35.00

#### 29. Turnover, Purchases, Opening and Closing Stock of Goods

	Turnover		Purchases		Opening Stock		Closing Stock	
	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15
Value (Stone) (Rs.in Lacs)	14693.97	11608.01	307.15	258.05	514.61	510.82	735.97	514.61
Value (Wind Power) (Rs. in Lacs)	96.37	111.57	-	-	-	-	-	-
Trading (Rs. in Lacs)	4911.78	9158.71	4746.86	8559.80	3.42	3.42	-	3.42
Value (Rs. in Lacs)	19702.12	20878.29	5054.01	8817.85	518.03	514.24	735.97	518.03

# Associated Stone Industries (Kotah) Ltd.

## 30. Segmental Reporting

The information pursuant to Accounting Standard 17- "Segment Reporting" issued by the Institute of Chartered Accountants of India is as under:

The key business segments of the Company are Stone, Wind Power & Trading.

(Rs. in Lacs)

	Stone		Wind Power		Trading		Total	
	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15
<b>REVENUE</b>								
External Sales	14693.97	11608.01	96.37	111.57	4911.78	9158.71	19702.12	20878.29
Other Operating Income	-	-	-	-	-	-	-	-
Other Income	543.65	369.10	(29.10)	7.57	-	-	514.55	376.67
<b>RESULTS</b>								
Profit before Finance Costs & Tax	2799.73	2750.89	(70.41)	(36.60)	161.50	598.91	2890.82	3313.20
Finance Costs	1363.67	823.32	-	-	-	-	1363.67	823.32
Profit/(Loss) Before Tax & Exceptional Item	1436.06	1927.57	(70.41)	(36.60)	161.50	598.91	1527.15	2489.88
Add: Exceptional Item	127.90	257.10	-	-	-	-	127.90	257.10
Profit/(Loss) Before Tax	1563.96	2184.67	(70.41)	(36.60)	161.50	598.91	1655.05	2746.98
Provision for Taxation								
Current Tax							(885.00)	(1070.00)
Deferred Tax							6.55	(93.10)
Income tax for Earlier Years							(0.72)	(138.40)
<b>Net Profit/ (Loss)</b>							775.88	1445.48
Other Information								
Segment Assets (Including Revaluation)	39072.92	30850.31	1087.84	1476.52	2551.17	6419.38	42711.93	38746.21
Segment Liability	7889.02	9144.70	15.58	17.46	2493.04	6232.79	10397.64	15394.95
Capital Expenditure Incurred	7595.33	2880.12	-	-	-	-	7595.33	2880.12
Depreciation	1327.86	548.36	82.63	95.05	-	-	1410.49	643.41

Note: Segment assets include all operating assets used by the business segment and consist principally fixed assets, debtors and inventories and segment liabilities primarily include creditors and other liabilities, as allocated by the management.

## 31. Enterprises consolidated as subsidiary in accordance with AS 21 - Consolidated Financial Statement

Name of the Enterprises	Country of Incorporation	Proportion of ownership interest
ASI Global Limited	Mauritius	100%
Al Rawasi Rock & Aggregate LLC	UAE	100% #

# Aggregate shareholding at it own and through its wholly owned subsidiary

## 32. Additional Information as required under schedule III to the Companies Act, 2013 of Enterprises consolidated as subsidiary

Name of the Enterprise	As % of consolidated net assets	Amount (Rs. in Lacs)	As % of consolidated profit or loss	Amount (Rs. in Lacs)
<b>Parent</b>				
Associated Stone Industries (Kotah) Limited	105.84	20302.68	184.81	1433.90
<b>Subsidiary (Foreign)</b>				
ASI Global Limited, Mauritius	(2.54)	(486.36)	(14.64)	(113.58)
Al Rawasi Rock & Aggregate LLC (UAE)	(3.30)	(634.42)	(70.17)	(544.44)



### 33. Statement Containing Salient Features of the Financial Statements of Subsidiaries, Associates and Joint Ventures

(Pursuant to first proviso to sub-section (3) of Section 129 read with Rule 5 of Companies (Accounts) Rules, 2014)

#### PART "A": SUBSIDIARIES

(Rs. in Lacs)

Name of the Subsidiary Company	ASI Global Limited	AI Rawasi Rock & Aggregate LLC
Reporting Period	01.04.2015 to 31.03.2016	01.04.2015 to 31.03.2016
Reporting Currency	USD	AED
Exchange Rate	Rs. 66.33	Rs. 18.07
Share Capital	2752.70	1807.00
Reserve & Surplus	(350.13)	(372.09)
Total Assets	5455.93	12187.92
Total Liabilities	6999.79	10753.01
Investments	3946.42	-
Turnover/Total Income	240.12	2535.47
Profit/ (Loss) Before Taxation	(65.70)	(539.84)
Provision for Taxation	-	-
Profit/ (Loss) After Taxation	(65.70)	(539.84)
Proposed Dividend	-	-
% of shareholding	100	100 #

# Aggregate shareholding at it own and through its wholly owned foreign subsidiary

Notes:

- The reporting period for the subsidiary is same as that of the holding company i.e. 1<sup>st</sup> April, 2015 to 31<sup>st</sup> March, 2016.
- The assets and liabilities are translated at the exchange rate prevailing at the Balance Sheet date and the income and expenses items are translated at the average rates of exchange for the year.
- Since the Company does not have any Associates or Joint Ventures, information pertaining to Part "B" to this form relating to Associates and Joint Ventures is not given.

34. Balances of Sundry Creditors, Sundry Debtors and Loans & Advances are subject to confirmation.

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**

**B. L. AJMERA & CO.**

Chartered Accountants  
Firm Regn. No. 001100C

**Venkatesan Chandra mouli**

Partner  
Membership No. 010054

Place : Mumbai  
Date : 28<sup>th</sup> May, 2016

**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)

**Anita Jatia**  
Director  
(DIN: 01068774)

Place : Mumbai  
Date : 28<sup>th</sup> May, 2016







**ASSOCIATED STONE INDUSTRIES (KOTAH) LIMITED**

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