



ASSOCIATED STONE
— INDUSTRIES —

(Kotah) Ltd.

Building from a Solid Foundation

www.asistone.com

25.09.2017

To

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

Script Code: 502015

Dear Sir,

Sub: Submission of Annual Report as per Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015

With reference to the above, please find attached here with Annual Report of the Company duly approved and adopted by the Shareholders of the Company at 71st Annual General Meeting held on Friday, 22nd September, 2017.

This is for your information and record.

Thanking you

For Associated Stone Industries (Kotah) Limited

Manoj Jain

Company Secretary



Regd. Office

Marathon Innova,

A Wing, 7th Floor,

Off. Ganpatrao Kadam Marg,

Lower Parel, Mumbai 400 013.

India.

tel +91-22-40896100

fax +91-22-40896199

asistone@asistone.com

CIN: L14101MH1945PLC256122

An ISO 9001, 14001 &
OHSAS 18001 Certified Company



Associated Stone Industries (Kotah) Ltd.

Building from a Solid Foundation

**71st Annual Report
2016 - 2017**

Associated Stone Industries (Kotah) Ltd.

BOARD OF DIRECTORS

MR. DEEPAK JATIA	Chairman & Managing Director
MRS. ANITA JATIA	Executive Director
MR. TUSHYA JATIA	Executive Director
MR. GAURANG GANDHI	Independent Director
MR. ANSHUL M. SONAWALA	Independent Director
MR. SANJAY SEKSARIA	Independent Director

COMPANY SECRETARY & COMPLIANCE OFFICER

MR. MANOJ JAIN

MANAGEMENT EXECUTIVES

MR. S.R. SONI	Chief Executive Officer
MR. PAVAN SONI	Chief Financial Officer
MR. A.K.YADAV	Vice President (Operations)
MR. GEORGE MATHEW	General Manager (Import & Export)

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Annual General Meeting	
Date: 22 nd September, 2017 at 10.00 a.m	
Venue: 419-B, Kalbadevi Road, Joshiwadi 2 nd 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, 7th Floor,
Off: Ganpatrao Kadam Marg,
Lower Parel, Mumbai - 400013

BOARD'S REPORT

To
The Members,

Associated Stone Industries (Kotah) Limited

The Directors have pleasure in presenting the 71st Annual Report together with the Audited Financial Statements of the Company for the year ended 31st March, 2017:

FINANCIAL RESULTS

(Rs. in Lacs)

	2016-17	2015-16
Total Revenue	24616.41	17966.92
Profit before Finance Cost & Depreciation	3793.87	3903.70
Less : Finance Cost	930.05	1186.16
Depreciation	542.68	532.37
Profit before Taxation & Exceptional Item	2321.14	2185.17
Add: Exceptional Item	-	127.90
Profit Before Tax	2321.14	2313.07
Provision for Taxation		
Current Tax	(786.00)	(885.00)
Deferred Tax	69.34	6.55
Earlier Years Adjustments	45.79	(0.72)
Profit After Tax	1650.27	1433.90
Add: Balance in Statement of Profit & Loss	8290.16	7294.87
Profit available for Appropriation	<u>9940.43</u>	<u>8728.77</u>
Appropriation		
Transfer to General Reserve	200.00	200.00
Dividend	198.85	198.85
Tax on Dividend	40.48	39.76
Closing Balance	9501.10	8290.16
	<u>9940.43</u>	<u>8728.77</u>

DIVIDEND

The Board, in its meeting held on 30th May, 2017 has recommend a final dividend of Re.0.30 (equivalent to 30%) per equity share for the financial year 2016-17. The proposal is subject to the approval of shareholders at ensuing Annual General Meeting to be held on Friday, 22nd September, 2017. The total outflow as dividend declared (excluding dividend tax) is Rs. 248.56 Lacs against Rs. 198.85 Lacs of previous year.

RESERVES

Your Directors propose to transfer Rs. 200.00 Lacs to the General Reserve Account. An amount of Rs. 9501.10 Lacs is proposed to be retained in the Statement of Profit & Loss.

PERFORMANCE

Standalone

During the year under review, the Company has registered total revenue from operations of Rs. 23506.67 Lacs as against that of previous year Rs. 17201.30 Lacs and Gross Profit of Rs. 3793.87 Lacs (previous year Rs. 3903.70 Lacs). This included revenue from the trading activity which during the year under review was Rs. 11344.74 Lacs as against Rs. 4911.78 Lacs in the previous year.

The profit before taxation during the year under review was Rs. 2321.14 Lacs as compared to Rs. 2313.07 Lacs during the previous year.

Consolidated

During the year under review, the Company has registered total revenue from operations of Rs 30762.89 Lacs as against that of previous year Rs. 19702.12 Lacs an increase of 36% and the profit before taxation during the year under review was Rs. 2888.38 Lacs as compared to Rs. 1655.05 Lacs during the previous year an increase of 43%.

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

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.

Bonus Shares

During the period under review, the Company has allotted 1,65,70,933 fully paid up equity shares of face value Re.1/- each to the shareholders of the Company in proportion of 1 fully paid up share for every 4 fully paid up shares and consequently, the number of shares has increased from 6,62,83,730 to 8,28,54,663.

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

Your directors draw attention of the members to the Note No. 36 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 31st March, 2017, 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 31st March, 2017 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.

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.

The Company has made a budget of Rs. 51.00 Lacs (including short fall of Rs. 6.49 Lacs of previous year). During the year under review, CSR expenditure was short by Rs. 6.81 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.

Your Company is having 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

The Board met nine times during the financial year. The meeting details are provided under Corporate Governance Report that forms part of this Annual Report. The maximum gap between two board meetings did not exceed 120 days as prescribed under the Companies Act, 2013.

Policy of Directors' Appointment and Remuneration

The current policy is to have an appropriate mix of executive and independent directors to maintain the independence of the board. As of 31st March, 2017, the board had 6 members three of whom were executive or whole time and managing director and three were independent director.

The policy of Company on director's appointment and remuneration, including, the criteria for determining qualification, positive attributes and other matters as required under sub-section 3 of section 178 of the Companies Act, 2013 is available on Company's website at www.asistone.com.

There has been no change in the policy. We affirm that remuneration paid to the directors is as per the terms laid out in the Nomination and Remuneration Policy of the Company.

Directors

During the year under review, Mr. Pramod G Lath has resigned from the Board as an Independent Director w.e.f. 4th July, 2016 and Mr. Gaurang Gandhi was appointed as an Independent Director.

In accordance with the provisions of Section 152(6)(c) of the Companies Act, 2013 and Articles of Association of the Company, Mrs. Anita Jatia (DIN:01068774) is liable to retire by rotation at the forth coming Annual General Meeting and being eligible, has offered herself for re-appointment. The Board recommends her 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 re-designated Mr. Tushya Jatia as Whole Time Director of the Company for a period of five years w.e.f. 12th November, 2016 subject to the approval of the members in the ensuing Annual General Meeting.

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 section 149 (6) of the Companies Act, 2013 and Regulation 25 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015.

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.	Mr. Manoj Jain	Appointed as Company Secretary and Compliance Officer of the Company
2.	Mr. Tushya Jatia	Re-designated from Non-Executive Director to Whole Time Director

AUDIT REPORTS AND AUDITORS

Audit Reports

The Auditors' Reports for the financial year 2016-17 does not contain any qualification, reservation and adverse remark. The Auditors' Reports is enclosed with the financial statements in this Annual Report. During the year under review, the Auditors have not reported any matter under Section 143(12) of the Companies Act, 2013.

The Secretarial Auditors' Report for the financial year 2016-17 not contain any qualification, reservation and adverse remark. The Secretarial Auditors' Report is enclosed as **Annexure "B"** of the Board's Report of this Annual Report.

As required by the Listing Regulations, the auditors' certificate on corporate governance is enclosed in this Annual Report. The auditors' certificates for the financial year 2016-17 not contain any qualification, reservation and adverse remark.

AUDITORS

Statutory Auditors

Under section 139 of the Companies Act, 2013 and rules made thereunder, it is mandatory to rotate the statutory auditors on completion of the maximum terms permitted under the said section. The audit committee of the Company has proposed and on 30th May, 2017, the Board of Directors of the Company has recommended the appointment of M/s. S.C.Bandi & Co., Chartered Accountants (firm registration no.130850W) as the statutory auditors of the Company.

M/s. S.C.Bandi & Co. will hold office for a period of five consecutive years from the conclusion of the 71st Annual General Meeting of the Company schedule to be held on Friday, 22nd September, 2017, till the conclusion of the 76th Annual General Meeting to be held in the year of 2022, subject to the approval of the shareholders of the Company.

Secretarial Auditor

As required under section 204 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board has appointed M/s. GMJ & Associates, Company Secretaries, as Secretarial Auditor of the Company in relation to the financial year 2017-18. The Company has received their consent for such appointment.

Cost Auditors

As per the requirement of the Central Government and pursuant to Section 148 of the Companies Act, 2013 read with Companies (Cost Records and Audit) Rules, 2014 as amended from time to time, your Company has been carrying out audit of cost records. Accordingly, M/s. N.D. Birla & Co., a firm of Cost Accountants in practice was appointed to undertake the Cost audit for the financial year ended 31st March, 2017.

Further, the Board of Directors, on the recommendation of the Audit Committee, have appointed M/s. N.D. Birla & Co., a firm of Cost Accountants to undertake the audit of cost records of the Company for the financial year ended 31st March, 2018.

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 transaction.

Since all related party transactions entered into by the Company were in ordinary course of business and were on arm's 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.

Your Directors draw attention of the members to Note No. 39 to the financial statements which sets out related party disclosures.

DISCLOSURES

Audit Committee

The Audit Committee comprises of Independent Directors namely Mr. Gaurang Gandhi, 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. Gaurang Gandhi 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.

Whistle Blower Policy/Vigil Mechanism

In compliance with the requirements of Section 177 of the 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.

Particulars of Loans, Guarantees or Investments by the Company

During the year, the Company has provided Loans and Corporate Guarantee to its Subsidiaries for business purpose. Please refer Note No. 12(b) for the Investment in subsidiaries, Note No. 13 for Loans and Advances and Note No. 28(i) (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.

Investors Education and Protection Fund (IEPF)

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

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 Note No. 39 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.

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

Deepak Jatia

Chairman & Managing Director

DIN: 01068689

Place: Mumbai

Date: 30th May, 2017

Annexure "A"

ANNUAL REPORT ON THE CSR ACTIVITIES

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

1. A brief outline of the Company's CSR policy, including overview of projects or programmes proposed to be undertaken by the Company has been given on the website of the Company. A brief area of CSR activities are given below:
 - eradicating hunger, poverty and malnutrition, promoting preventive health care and sanitation and making available safe drinking water;
 - promoting education, including special education and employment enhancing vocational 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

Associated Stone Industries (Kotah) Ltd.

2. Composition of CSR Committee:

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

3. Average Net profit for last three Financial Years:

Net Profit	For the Financial Year ended 31 st March (Rs. in Lacs)		
	2016	2015	2014
	1982.27	3141.91	1527.93
Average Net Profit for the preceding three Financial Years	2217.37		

4. Prescribed CSR expenditure (2% of Average Net Profit) : **Rs. 44.35 Lacs**

5. Amount unspent during previous year : **Rs. 6.49 Lacs**

6. Total eligible fund for expenditure : **Rs. 50.84 Lacs**

7. Details of CSR spend & Unspent for the financial year

a. Total amount spent for the financial year : **Rs. 44.04 Lacs**

b. Amount unspent, if any : **Rs. 6.80 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	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) Contribution towards Mukhyamantri Jal Swavlamban Abhiyan Kota. b) Water Supply at Rly Station for providing drinking water to passengers	Providing Safe Drinking Water	Local Area, Ramganjmandi , Dist: Kota, Rajasthan	11.00	10.47	10.47	Amount spent Directly
2.	a) Paid to Rajasthan Medicare Relief Society, Govt. Hospital, Ramganjmandi towards cleaning Charges b) Expenses incurred for Maternity Hall Construction at Kudayala Panchyat Sub Health Center. c) Expenses incurred for Alcohol De-addiction Camp.	Medical and Healthcare	Local Area, Ramganjmandi , Dist: Kota, Rajasthan	14.00	13.10	23.57	Amount spent Directly

Sr. No.	CSR project or activity identified	Sector in which the project is covered	Projects or programs (1)Local area or other (2) Specify the state and district where projects or programs was undertaken	Amount outlay (budget) project or programs wise	Amount spent on the projects or programs Sub heads: (1) Direct expenditure on projects or programs (2)Overheads (Rs. in Lacs)	Cumulative expenditure upto the reporting period (Rs. in Lacs)	Amount spent: Direct or through implementing agency
3.	Providing sports material and other help for sports activities	Promoting Sports	Amount Spent at various Districts in Rajasthan	2.00	1.18	24.75	Amount spent Directly
4	Providing Cattle Food to Goshala	Animal Welfare	Local Area, Ramganjmandi , Dist: Kota, Rajasthan	1.50	1.13	25.83	Amount spent Directly
5	Expenditure for running of School and providing bus facilities to girls students	Promoting Education	Local Area, Ramganjmandi , Dist: Kota, Rajasthan	11.00	9.52	35.40	Amount spent Directly
6.	Expenditure incurred on construction and repairing of Road and Cleaning work	Rural Development Project	Local Area, Ramganjmandi , Dist: Kota, Rajasthan	4.50	4.16	39.56	Amount spent Directly
7.	Construction of wall around the government hospital	Restoration work	Local Area, Ramganjmandi , Dist: Kota, Rajasthan	4.00	2.70	42.26	Amount spent Directly
8.	Distribution of foods packets, clothes and ceiling fans to Orphanage and girls shelter	Eradicating of Hunger and Poverty	Local Area, Ramganjmandi , Dist: Kota, Rajasthan	1.00	0.78	43.04	Amount spent Directly
9.	Expenses incurred for Mass Marriage for girls	Empowering Women	Local Area, Ramganjmandi , Dist: Kota, Rajasthan	2.00	1.00	44.04	Amount spent Directly
Total				51.00	44.04		

The Company has made a budget of Rs. 51.00 Lacs (including previous unspent amount of Rs. 6.49 Lacs). During the year under review, CSR expenditure was short by Rs. 6.80 Lacs.

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 :30th May, 2017

Anshul M. Sonawala
Chairman – CSR Committee
DIN: 00133376

Deepak Jatia
Managing Director
DIN: 01068689

FORM NO. MR - 3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2017

(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, 7th floor,
Off Ganpatrao Kadam Marg, Lower Parel,
Mumbai - 400 013.

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **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 31st March, 2017 complied with the statutory provisions of the applicable acts listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company, for the financial year ended on 31st March, 2017 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 Contract Labour (Regulations & Abolition) Act, 1970
- n. The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.
- o. The Noise Pollution (Regulation and Control) Rules, 2000
- p. The Environment (Protection) Act, 1986.
- q. The Water (Prevention and Control of Pollution) Act, 1974.
- r. The Air (Prevention & Control) of Pollution Act, 1981
- s. Mineral Conservation & Development Rules, 1988
- t. The Trade Marks Act, 1991.
- u. The Bombay Shops & Establishment Act, 1948.
- v. The Central Sales Tax Act, 1956 & other applicable state Sales Tax Acts
- w. The Profession Tax Act, 1975.
- x. The Income Tax Act, 1961.
- y. 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 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 audit period, the Company had following event which had bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, etc. referred to above.

During the audit period under review, the Company has issued Bonus Shares in the proportion of 1 (One) fully paid up equity share of face value of Rs.1/- for every 4 (Four) fully paid up equity shares, resulting in increase in the paid up share capital from Rs.6,62,83,730/- to Rs.8,28,54,663/-.

For **GMJ & ASSOCIATES**
Company Secretaries

[CS PRABHAT MAHESHWARI]
PARTNER

FCS No.: 2405
COP No. : 1432

Place : Mumbai
Date : 30th May, 2017

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, 7th floor,
Off Ganpatrao Kadam Marg, Lower Parel,
Mumbai - 400 013.

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

1. Maintenance of secretarial records is the responsibility of management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and books of accounts of the company.
4. Wherever required, we have obtained the Management Representation about the compliance of laws, rules 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 PRABHAT MAHESHWARI**]
PARTNER
FCS No.: 2405
COP No. : 1432

Place: Mumbai
Date: 30th May, 2017

Annexure "C"

DISCLOSURE AS PER SECTION 186 OF THE COMPANIES ACT, 2013

(Rs. in Lacs)

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	As at 31.03.2017	As at 31.03.2016
ICD's (Loan) Given	Forum IT Parks Pvt. Ltd.	925.23	1029.09
	Saraf Agencies Pvt. Ltd.	1460.06	-

On behalf of the Board of Directors

Place: Mumbai
Date: 30th May, 2017

Deepak Jatia
Chairman & Managing Director
DIN: 01068689

Form No. MGT - 9
EXTRACT OF ANNUAL RETURN

as on the financial year ended on 31st March, 2017

[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-101, 247 Park, L.B.S.Marg,Vikhroli (West) , Mumbai-400083. Phone: 022-4918 6000, Fax: 022-4918 6060

II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sl. No.	Name and Description of main Products/Services	NIC Code of the Product/Service	% to total turnover of the company
1	Kotah Stone	8103	51.40
2	Fabric	46411	27.78
3	Steel and Allied Product	46620	20.48

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	AI 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 AI Rawasi Rock & Aggregate LLC. UAE (RRA), having Limestone Quarry at Fujairah,UAE. The Company also holds 1% share in RRA accordingly RRA is also a Wholly Owned Subsidiary of the Company.

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 01.04.2016)				No. of Shares held at the end of the year (as on 31.03.2017)				% Change during the year
		Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
A.	Promoters									
1	Indian									
(a)	Individual/ HUF	2716720	-	2716720	4.10	3395898	-	3395898	4.10	-
(b)	Central Government	-	-	-	-	-	-	-	-	-
(c)	State Government(s)	-	-	-	-	-	-	-	-	-
(d)	Bodies Corporate	43948980	-	43948980	66.30	54936224	-	54936224	66.30	-
(e)	Bank/FI	-	-	-	-	-	-	-	-	-
(f)	Any other	-	-	-	-	-	-	-	-	-
	Sub Total (A) (1):-	46665700	-	46665700	70.40	58332122	-	58332122	70.40	-

Associated Stone Industries (Kotah) Ltd.

Sl. No.	Category of Shareholders	No. of Shares held at the beginning of the year (as on 01.04.2016)				No. of Shares held at the end of the year (as on 31.03.2017)				% 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	-	-	-	-	-	-	-	-	-
	Sub Total (A) (2):-	-	-	-	-	-	-	-	-	-
	Total Share holding of Promoter (A) = (A) (1)+(A)(2)	46665700	-	46665700	70.40	58332122	-	58332122	70.40	-
B.	Public Shareholding									
1	Institutions									
(a)	Mutual Funds	-	-	-	-	-	-	-	-	-
(b)	Banks/FI	-	-	-	-	-	-	-	-	-
(c)	Central Government	-	-	-	-	-	-	-	-	-
(d)	State Government(s)	-	-	-	-	-	-	-	-	-
(e)	Venture Capital Funds	-	-	-	-	-	-	-	-	-
(f)	Insurance Companies	-	-	-	-	-	-	-	-	-
(g)	FII/S	-	-	-	-	-	-	-	-	-
(h)	Foreign Portfolio Investor	-	-	-	-	82900	-	82900	0.10	0.10
(i)	Other (Specify)	-	-	-	-	-	-	-	-	-
	Sub Total (B) (1):-	-	-	-	-	82900	-	82900	0.10	0.10
2	Non-Institutions									
a)	Bodies Corporate	4215496	14000	4229496	6.38	4576252	-	4576252	5.52	(0.86)
b)	Individuals									
i)	Individual Shareholders holding nominal share capital upto Rs. 2 lakh	8920563	3150205	12070768	18.21	10719753	3422188	14141941	17.07	(1.14)
ii)	Individual Shareholders holding nominal share capital in excess of Rs. 2 lakh	2089487	888330	2977817	4.50	2392025	1326699	3718724	4.49	(0.01)
c)	Other (Specify)									
i)	HUF/Clearing Member/Director	-	-	-	-	1202258	-	1202258	1.45	1.45
ii)	Foreign National	-	-	-	-	-	-	-	-	-
iii)	Non Resident Individuals (rep)	171919	-	171919	0.26	442985	-	442985	0.54	0.28
iv)	Non Resident Individuals (non-rep)	151430	16600	168030	0.25	336731	20750	357481	0.43	0.18
v)	Overseas Corporate Bodies	-	-	-	-	-	-	-	-	-
	Sub Total (B) (2):-	15548895	4069135	19618030	29.60	19670004	4769637	24439641	29.50	(0.10)
	Total Public Shareholding (B)=(B) (1)+B(2)	15548895	4069135	19618030	29.60	19752904	4769637	24522541	29.60	-
C.	Share held by Custodian for GDR & ADRs	-	-	-	-	-	-	-	-	-
	Grand Total (A+B+C)	62214595	4069135	66283730	100.00	78085026	4769637	82854663	100.00	-

Note: During the year the Company has issued Bonus Shares in ratio of One Fully Paid Up Equity Share of Re.1/- for Every Four Fully Paid Up Equity Shares of Re.1/-.

ii) Shareholding of Promoters

Sl. No.	Category of Shareholders	Shareholding 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 share	No. of Shares	% of total shares of the company	% of Shares Pledged/encumbered to total shares	
1	Deepak Jatia	1126810	1.70	1.23	1408512	1.70	1.70	-
2	Anita Jatia	769410	1.16	-	961762	1.16	-	-
3	Deepak Jatia HUF	621110	0.94	-	776387	0.94	-	-
4	Tushya Jatia	107390	0.16	-	134237	0.16	0.16	-
5	Prerna Agarwal	92000	0.14	-	115000	0.14	-	-
6	Sampoorna Exports Pvt. Ltd.*	11398160	17.20	17.20	-	-	-	(17.20)
7	Devashish Exports Pvt. Ltd.*	11367170	17.15	17.15	-	-	-	(17.15)
8	Sundatta Sirur Pvt. Ltd.*	10020380	15.12	15.12	-	-	-	(15.12)
9	Status Impex Pvt. Ltd*	7597530	11.46	-	-	-	-	(11.46)
10	Deejay Mining and Exports Pvt. Ltd	3555740	5.36	-	40714762	49.14	49.14	43.78
11	Dee jay Realty Pvt. Ltd.*	10000	0.01	-	-	-	-	(0.01)
12	Stone Masters (India) Private Limited	-	-	-	14221462	17.16	-	17.16
	TOTAL	46665700	70.40	50.70	58332122	70.40	51.00	-

Note: During the year the Company has issued Bonus Shares in ratio of One Fully Paid Up Equity Share of Re.1/- for Every Four Fully Paid Up Equity Shares of Re.1/-.

* Companies merged as per the Order of Amalgamation of Bombay High Court dated 12th August, 2016.

iii) During the year promoters holding has been changed due to issue of Bonus Shares and merger of certain group companies.

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		Shareholding at the end of the year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
1	Halan Properties Pvt. Ltd	3050000	4.60	3812500	4.60
2	Mita Deepak Shah	690000	1.04	862500	1.04
3	Satjit Singh	686460	1.04	858075	1.04
4	Sangeeta S	568690	0.86	-	-
5	Patel Bhupendrabhai Chinubhai	399560	0.60	428100	0.52
6	Rajiv Dayal	226017	0.34	-	-
7	Saravjeet Singh Anand	205220	0.31	256525	0.31
8	Gurnam Singh Anand	201870	0.30	252337	0.30
9	Visheshh Jatia	180180	0.27	175857	0.21
10	Pudumjee Inv. & Finance Co. Ltd	174020	0.26	-	-
11	Agia Kaur Anand	173030	0.26	216287	0.26
12	Subramanian P	-	-	844900	1.02
13	Bijal Suresh Dalal	-	-	193750	0.23

Note: During the year the Company has issued Bonus Shares in ratio of One Fully Paid Up Equity Share of Re.1/- for Every Four Fully Paid Up Equity Shares of Re.1/-.

v) Shareholding of Directors and Key Managerial Personnel

Sl. No.	For each of the Directors and KMP Particulars	Shareholding at the beginning of the year		Shareholding at the end of the year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
A	Directors				
1	Deepak Jatia	1126810	1.70	1408512	1.70
2	Tushya Jatia	107390	0.16	134237	0.16
3	Anita Jatia	769410	1.16	961762	1.16
4	Pramod G. Lath	-	-	-	-
5	Anshul M. Sonawala	-	-	-	-
6	Gaurang Gandhi	-	-	-	-
7	Sanjay Seksaria	40000	0.06	15000	0.02

Associated Stone Industries (Kotah) Ltd.

Sl. No.	For each of the Directors and KMP Particulars	Shareholding at the beginning of the year		Shareholding at the end of the year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
B	Key Managerial Personnel				
1	S.R. Soni	-	-	-	-
2	Pavan Soni	-	-	-	-
3	Manoj Jain	-	-	-	-

Note: During the year the Company has issued Bonus Shares in ratio of One Fully Paid Up Equity Share of Re.1/- for Every Four Fully Paid Up Equity Shares of Re.1/-.

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
Indebtedness at the beginning of the Financial Year				
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
Total (i+ii+iii)	10368.64	88.48	-	10457.12
Change in Indebtedness during the Financial Year				
Addition	1313.93	231.78	-	1545.71
Reduction	1461.44	252.22	-	1713.66
Net Change	(147.51)	(20.44)	-	(167.95)
Indebtedness at the end of the Financial Year				
i) Principal Amount	10181.68	68.04	-	10249.72
ii) Interest due but not paid	-	-	-	-
iii) Interest Accrued but not due	39.45	-	-	39.45
Total (i+ii+iii)	10221.13	68.04	-	10289.17

VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

(Rs. in Lacs)

Sl. No.	Particulars of Remuneration	Mr. Deepak Jatia (Managing Director)	Mrs. Anita Jatia (Executive Director)	Mr. Tushya Jatia (Executive Director)*	Total Amount
1	Gross Salary				
	a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	65.40	20.10	18.53	104.03
	b) Value of prerequisites u/s. 17(2) of the Income-Tax Act,1961	10.20	0.05	0.60	10.85
	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	-	-	-	-
	Total (A)	75.60	20.15	19.13	114.88

*Payment made from November, 2016.

B. Remuneration to other Directors

(Rs. in Lacs)

Sl. No.	Particulars of Remuneration	Name of Directors					Total Amount
		Mr. Pramod G Lath	Mr. Anshul M Sonawala	Mr. Sanjay Seksaria	Mr. Gaurang Gandhi	Mr. Tushya Jatia	
1	Independent Directors Fee for attending board/committee meetings	0.04	0.18	0.18	0.12	0.10	0.62
	Commission	-	-	-	-	-	-
	Others, please specify	-	-	-	-	-	-
	Total (1)	0.04	0.18	0.18	0.12	0.10	0.62
2	Other Non-Executive Directors Fee for attending board/ committee meetings	-	-	-	-	-	-
	Commission	-	-	-	-	-	-
	Others, please specify	-	-	-	-	-	-
	Total (2)	-	-	-	-	-	-
	Total (B)=(1+2)	0.04	0.18	0.18	0.12	0.10	0.62

Note:

1. Mr. Pramod G. Lath has resigned w.e.f. 4th July, 2016
2. Mr. Gaurang Gandhi was appointed as an Independent Director w.e.f. 4th July, 2016
3. Mr. Tushya Jatia was appointed as Whole Time Director w.e.f. 12th November, 2016

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

(Rs. in Lacs)

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			Total Amount
		Chief Executive Officer	Chief Financial Officer	Company Secretary	
		Mr. S.R. Soni	Mr. Pavan Soni	Mr. Manoj Jain	
1	Gross Salary				
	a) Salary as per provision contained in section 17(1) of the Income Tax Act, 1961	15.75	15.95	13.33	45.03
	b) Value of perquisites u/s. 17(2) of the Income Tax Act, 1961	0.95	0.86	0.35	2.16
	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, Please Specify	-	-	-	-
	Total	16.70	16.81	13.68	47.19

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	-	-	-	-	-

Associated Stone Industries (Kotah) Ltd.

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 areas is as under:

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

B. TECHNOLOGY ABSORPTION:

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

C. FOREIGN EXCHANGE EARNINGS AND OUT GO:

The relevant figures pertaining to Foreign Exchange Earnings and Outgo are given in Note No.36 and 37 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 2016-17:

Sr. No.	Name of the Directors	Ratio to Median Remuneration
1.	Mr. Deepak Jatia	50.77
2.	Mrs. Anita Jatia	13.53
3.	Mr. Tushya Jatia	NA
4.	Mr. Pramod G. Lath (only sitting fee)	NA
5.	Mr. Anshul M. Sonawala (only sitting fee)	NA
6.	Mr. Sanjay Seksaria (only sitting fee)	NA
7.	Mr. Gaurang Gandhi (only Sitting fee)	NA

- Mr. Tushya Jatia was appointed as Executive Director w.e.f. 12th November, 2016.
- Mr. Pramod G. Lath has resigned w.e.f. 4th July, 2016.
- Mr. Gaurang Gandhi was appointed as an Independent Director w.e.f. 4th July, 2016.

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 2016-17 compared to financial year 2015-16:

Sr. No.	Name of the Directors	% of Increase
1.	Mr. Deepak Jatia, Chairman & Managing Director	17
2.	Mrs. Anita Jatia, Executive Director	Not Comparable
3.	Mr. Tushya Jatia, Executive Director	Not Applicable
4.	Mr. S.R.Soni, Chief Executive Officer	3
5.	Mr. Pavan Kumar Soni, Chief Financial Officer	2
6.	Mr. Manoj Jain, Company Secretary	Not Comparable

- Mrs. Anita Jatia had drawn salary only for the part of the F.Y. 2015-16
- Mr. Tushya Jatia was appointed as Executive Director w.e.f. 12th November, 2016.
- Mr. Manoj Jain was appointed as Company Secretary in the F.Y. 2016-17.

3. The Median Remuneration of Employee (MRE) excluding executive director was Rs. 148895 and Rs. 112369 in fiscal year 2017 and 2016 respectively. The increase in MRE in fiscal year is 32.50% as compared to fiscal year 2016.
4. Number of permanent employees on the rolls of the Company: 1271 employees as on 31.03.2017.
5. Explanation on the relationship between average increase in remuneration and the Company performance: - The Company's reward principle is influenced by individual performance as well as various factors operating in competitive market practice and cost considerations. The salary increase that were made during the year were based on the individual performance as well as the Company's market competitiveness.

Associated Stone Industries (Kotah) Ltd.

6. Key parameters for any variable component of remuneration availed by the Directors: - Considered by the Board of Directors based on the recommendations of the Nomination and Remuneration Committee as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.

Remuneration of Top 10 Employees of the Company

(Rs. in Lacs)

Employees Name	Designation	Education Qualification	Experience in Year	Remuneration	Previous employment and designation
Mr. Deepak Jatia	CMD	Graduate	30 Years	75.60	NA
Mrs. Anita Jatia	WTD	Graduate	15 Years	20.15	NA
Mr. Tushya Jatia	WTD	Master in Finance and Investment	10 Years	19.13	NA
Mr. Pavan Kumar Soni	CFO	F.C. A.	24 Years	16.81	Kesari Vanspati Limited as Finance Controller
Mr. S.R.Soni	CEO	F.C.A. & F.C.S.	33 Years	16.70	Orbit Corporation as Company Secretary
Mr. Ashwani K. Yadav	VP (Operation)	B.E.(Production)	10 Years	15.51	Prerna Syntex as G.M. (Engg.)
Mr. Manoj Jain	Company Secretary	F.C.S. and JAIIB	12 Years	13.68	Ess Dee Aluminum Limited as Company Secretary
Mr. Kundan Vijayvergiya	DGM (F & A)	A.C.A.	12 Years	11.87	HDFC Bank Ltd as Branch Manager
Mr. Govind K Gupta	Sr. DGM (Sales)	M.Com	30 Years	10.81	S.B.B.J Bank
Mr. Anil Kumar Baid	DGM (Cost & MIS)	B.Com	16 Years	10.22	Prerna Syntex as D.G.M. (Budget & MIS)

On behalf of the Board of Directors

Place: Mumbai
Date: 30th May, 2017

Deepak Jatia
Chairman & Managing Director
DIN: 01068689

MANAGEMENT DISCUSSION AND ANALYSIS

INDIAN ECONOMIC SCENARIO

After witnessing demonetization in F.Y. 2017, the Indian economy is going to see another major reform in the form of implementation of GST in F.Y. 2018. Indian's GDP growth, which is expected to be expand by 6.7% in F.Y. 2017, is set to increase in the range of 7.7% in F.Y. 2018, due to accelerated pace of remonetization, stepping of capital expenditure, boosting of rural economy, demand for affordable housing, a normal monsoon and roll out of GST by July, 2017.

Based on the new base year (2011-12) index of Industrial Production grew by 5% in F.Y. 2017 compared to 3.4% in F.Y. 2016 hence defying the negative impact of demonetization. The manufacturing sector, which have been the most volatile, grew by 4.9% in F.Y. 2017 as against 3% in F.Y. 2016. Mining and Electricity sector grew by 5.3% and 5.8% respectively in F.Y. 2017.

Both Wholesale Price Index and Consumer Price Index inflation have remain under control throughout F.Y. 2017. The inflation trajectory will remain in the range of 4.5% for the next two years with the possibility of downward bias, due to government initiatives, adoption of inflation trajectory framework by RBI and constitution of Monetary Policy Committee.

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 Central Government has announced target of Rs. 25 trillion (US\$ 376.53 billion) investment in infrastructure over a period of three years, which will include Rs. 8 trillion (US\$ 120.49 billion) for developing 27 industrial clusters and an additional Rs. 5 trillion (US\$ 75.30 billion) for road, railway and port connectivity projects, Infrastructure sector includes power, bridges, dams, roads and urban infrastructure development.

To boost the infrastructure sector Government announced various measure in the Union Budget 2017-18 viz. infrastructure status to affordable housing and reducing lock in period from three years to two years for long term capital gain arising from investment in land and building.

The real estate sector got its own regulator from 1st May, 2017, the date when the Real Estate (Regulation and Development) Act, 2016 (RERA) became effective in the entire country. Each State and Union Territory will have its own Regulatory Authority which will frame regulations and rules according to the Act. The RERA Act will bring more transparency into the real estate sector and which will further encourage investors.

Your Company is very optimistic about the growth in the segment due to various step taken by the government to improve the health of infrastructure sector.

REVIEW OF OPERATION

Financial results for the year ended 31st March, 2017, segment wise are as under:-

(Rs. in Lacs)

Particulars	Stone		Wind Power		Trading		Total	
	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16
REVENUE								
External Sales	12083.34	12193.15	78.59	96.37	11344.74	4911.78	23506.67	17201.30
Other Income	1109.74	794.72	-	(29.10)	-	-	1109.74	765.62
RESULTS								
Profit before Finance Costs & Tax	2766.44	3280.24	(37.37)	(70.41)	522.12	161.50	3251.19	3371.33
Finance Costs	930.05	1186.16	-	-	-	-	930.05	1186.16
Profit/(Loss) Before Tax & Exceptional Item	1836.39	2094.08	(37.37)	(70.41)	522.12	161.50	2321.14	2185.17
Add: Exceptional Item	-	127.90	-	-	-	-	-	127.90
Profit/(Loss) Before Tax	1836.39	2221.98	(37.37)	(70.41)	522.12	161.50	2321.14	2313.07
Provision for Taxation								
Current Tax							(786.00)	(885.00)
Deferred Tax							69.34	6.55
Income tax for Earlier Years							45.79	(0.72)
Net Profit/(Loss)							1650.27	1433.90

OPPORTUNITIES AND THREATS

As compared to last year the real estate industry will show signs of revival in the year 2017. By introducing regulations like RERA, Benami Transaction Prohibition, REITS, GST there is a long-term industrial growth and it also impacts on ease of business by transparency at work. In the year 2017 a lot is expected from Government to offer some relief for the sector and its stakeholders.

These regulations compiled with low inflations proposals like deduction in profit for affordable housing construction, interest subsidy from first time home buyer and reduction in overall interest rates would outcome the very contours of real estate 2017. With the recent Demonetization the affordable housing segment is benefited as compared to the luxury housing segment as this segment comes under that category of people who are dependent on home loans for transactions. Fall in interest rates would further add on to the growth of affordable housing which would be visible more in the longer term.

The Company looks for better market in the year to come and it appear no threat from the industries as characteristic of the product is unique considering utility and cost. Your company is also planning to increase its productivity by utilizing some of the new sakes, which was not suitable, by innovative methods.

RISK AND CONCERN

Despite the real demand for physical infrastructure, the sector is facing significant challenges, as the developers, the financial community and the government grapple with stalled projects, non-performing loans and widening gap between performance and targets.

However your Company has mechanism and capability to face this hurdle and keep competitive.

OUR EDGE

The Company hold the good position in stone segment and offer quality of stone and service at competitive price. Further, the Company has maintain good relations with customers and having long association with them. Having subsidiary in UAE may also give certain advantage to tap the international market.

OVERSEAS SUBSIDIARY

Your Company have two foreign subsidiaries namely AI Rawasi Rock and Aggregates LLC, UAE and 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.

Total turnover of AI Rawasi Rock and Aggregates LLC has increased from Rs. 2535.47 Lacs to Rs. 7255.23 Lacs and net profit has increased from Loss of Rs. 539.84 Lacs to profit of Rs. 592.58 Lacs in year under review.

SAFETY & ENVIRONMENT

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

Your Company has been taken lot of step in this regard and won various prestigious award for adoption of various measure in safety and environment protection which show our commitment towards these issues.

PERFORMANCE AND REVIEW OF OPERATIONS

During the year under review, the turnover of Stone was Rs. 12083 Lacs and the turnover of trading goods was substantially increased to Rs. 11344.74 Lacs having steel product Rs. 4815.84 Lacs and fabric Rs. 6528.90 Lacs

The Generation of Power depends on flow of wind. However, as a part of its efforts to augment "Green Power", the Company continue to operate Wind Power Plant at Gadag District of Karnataka and at Satara District of Maharashtra with the total installed capacity of 3.625 MW. During the year company generate 2082.77 mwh of electricity and total turnover was Rs. 78.59 Lacs.

INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY

Your Company has an effective internal control and risk-mitigation system, which are constantly assessed and strengthened with new/ revised standard operating procedures. The Company's internal control system is commensurate with its size, scale

and complexities of its operations. The internal and operational audit is entrusted to M/s. L.B.Jha & Co., a firm of Chartered Accountants. The main thrust of internal audit is to test and review controls and business processes, besides benchmarking controls with best practices in the industry.

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

The Audit Committee of the Board of Directors, Statutory Auditors and the Business Heads are periodically apprised of the internal audit findings and corrective actions taken. Audit plays a key role in providing assurance to the Board of Directors. Significant audit observations and corrective actions taken by the management are presented to the Audit Committee of the Board. To maintain its objectivity and independence, the Internal Audit function reports to the Chairman of the Company and Audit Committee.

DEVELOPMENT IN HUMAN RESOURCE / INDUSTRIAL RELATIONS

The Company takes pride in the commitment, competence and dedication of its employees in all areas of the business. The Company has a structured induction process and management development programs to upgrade skills of managers. Objective appraisal systems based on key result areas are in place for senior management staff.

The Company is committed to nurturing, enhancing and retaining its top talent through organizational development. This is a part of our Corporate HR function and is a critical pillar to support the organization's growth and its sustainability in the long run.

CORPORATE SOCIAL RESPONSIBILITIES

As a part of its initiative under the "Corporate Social Responsibility" (CSR) drive, the Company has undertaken projects in the area of urban and rural development, eradicating hunger, promoting health care and education. These projects are in accordance with Schedule VII of the Companies Act, 2013 and the Company's CSR policy. The Report on CSR activities as required under the Companies (Corporate Social Responsibility Policy) Rules, 2014 is annexed as **Annexure "A"** and forms an integral part of this Report. Apart from the CSR activities under the Companies Act, 2013, the Company continues to voluntarily support various social initiatives.

CAUTIONARY STATEMENT

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

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

Our corporate governance is a reflection of our value systems encompassing our culture, policies and relationship with our stakeholders. Integrity and transparency are key to our corporate governance practice to ensure that we can gain and retain the trust of our stakeholders at all times.

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 31st March 2017, the Board comprised of six Directors. Of these, three are Executive Directors, including one Chairman & Managing Director who is a Promoter Director and other two of which one is a woman director and other three are 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 31st March, 2017 and category of Directors are as under:

Name of the Directors	Category of Directorship	Number of Directorship held in other outside Companies (#)	Number of outside Committees	
			Chairman	Member
Mr. Deepak Jatia	Promoter/ Executive Chairman	-	-	-
Mrs. Anita Jatia	Promoter/ Executive	-	-	-
Mr. Tushya Jatia	Promoter/ Executive	-	-	-
Mr. Gaurang Gandhi	Independent/ Non-Executive	6	-	1
Mr. Anshul M. Sonawala	Independent/ Non-Executive	-	-	-
Mr. Sanjay Seksaria	Independent/ Non-Executive	1	-	-

(#) 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 31st March, 2017, Nine Board Meetings were held on 1st April, 2016, 28th May, 2016, 4th July, 2016, 6th August, 2016, 1st October, 2016, 12th November, 2016, 29th December, 2016, 13th February, 2017 and 7th March, 2017. The attendance of each Director at Board Meetings and the last Annual General Meeting (AGM) is as under:

Name of the Directors	No. of Board Meetings Attended	Attendance at last AGM held on 23 rd September, 2016
Mr. Deepak Jatia	7	Present
Mrs. Anita Jatia	7	Absent
Mr. Tushya Jatia	9	Present
Mr. Gaurang Gandhi*	6	Present*
Mr. Anshul M. Sonawala	9	Present
Mr. Sanjay Seksaria	9	Absent
Mr. Pramod G. Lath**	2	Not Applicable**

* Mr. Gaurang Gandhi was appointed as an Independent Director w.e.f. 4th July, 2016

**Mr. Pramod G Lath has resigned from the directorship w.e.f. 4th July, 2016

(c) Inter-se relationship between Directors:

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

(d) Shares held by Executive Directors:

Name of the Directors	Number of shares having face value of Re.1/- each	
	As on 31 st March, 2017	As on 31 st March, 2016
Mr. Deepak Jatia	1408512	1126810
Mrs. Anita Jatia	961762	769410
Mr. Tushya Jatia	134237	107390

(e) Shares held by Non-Executive Directors:

Name of the Directors	Number of shares having face value of Re.1/- each	
	As on 31 st March, 2017	As on 31 st March, 2016
Mr. Sanjay Seksaria	15000	40000
Mr. Gaurang Gandhi	-	-
Mr. Anshul M. Sonawala	-	-

Note: During the year, the Company has issued Bonus Shares in the ratio of one fully paid up equity share of Re.1/- each for every 4 fully paid up equity shares of Re.1/- each as per the Shareholder's Resolution passed at the previous AGM.

(f) Details of Familiarization Programs:

The details of familiarization programs imparted to independent directors are disclosed in Company's website at 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 31st March, 2017, five Audit Committee Meetings were held on 1st April, 2016, 28th May, 2016, 6th August, 2016, 12th November, 2016 and 13th February, 2017.

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
Mr. Gaurang Gandhi*	Chairman	3
Mr. Anshul M. Sonawala	Member	5
Mr. Sanjay Seksaria	Member	5
Mr. Pramod G. Lath**	Member	2

* Mr. Gaurang Gandhi was appointed as an Independent Director w.e.f. 4th July, 2016

**Mr. Pramod G Lath has resigned from the directorship w.e.f. 4th July, 2016

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 23rd September, 2016 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, five meetings of the committee were held on 1st April, 2016, 28th May, 2016, 4th July, 2016, 12th November, 2016 and 13th February, 2017.

The composition and attendance of the Nomination and Remuneration Committee as on 31st March, 2017 is as under:

Name of the Directors	Nature of Membership	Number of Meetings Attended
Mr. Sanjay Seksaria	Chairman	5
Mr. Pramod G. Lath*	Member	2
Mr. Anshul M. Sonawala	Member	5
Mr. Gaurang Gandhi**	Member	3

* Mr. Gaurang Gandhi was appointed as an Independent Director w.e.f. 4th July, 2016.

**Mr. Pramod G Lath has resigned from the directorship w.e.f. 4th July, 2016.

(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 2016-17 are as under:

(Rs. in Lacs)

Name of the Directors	Salary & Allowances	Perquisites	Contribution to PF	Sitting Fee	Total
Mr. Deepak Jatia (Chairman & Managing Director)	65.40	10.20	7.85	-	83.45
Mr. Tushya Jatia* (Executive Director)	18.53	0.60	2.22	0.10	21.45
Mrs. Anita Jatia Executive Director	20.10	0.05	2.41	-	22.56
Mr. Sanjay Seksaria (Independent Director)	-	-	-	0.18	0.18
Mr. Pramod G. Lath** (Independent Director)	-	-	-	0.04	0.04
Mr. Anshul M. Sonawala (Independent Director)	-	-	-	0.18	0.18
Mr. Gaurang Gandhi*** (Independent Director)	-	-	-	0.12	0.12
Total	104.03	10.85	12.48	0.62	127.98

* Mr. Tushya Jatia was appointed as a Whole Time Director w.e.f. 12th November, 2016.

** Mr. Pramod G. Lath has resigned from the directorship w.e.f. 4th July, 2016.

*** Mr. Gaurang Gandhi was appointed as an Independent Director w.e.f. 4th July, 2016.

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 details of the remuneration policy is disclosed in Company's website at 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, Meeting and Attendance:

During the financial year ended 31st March, 2017, four Committee Meetings were held on 1st April, 2016, 4th July, 2016, 29th December, 2016 and 13th February, 2017.

The composition and attendance of the Stakeholder Grievance Committee as on 31st March, 2017 is as under:

Name of the Directors	Nature of Membership	Number of Meetings Attended
Mr. Anshul M. Sonawala	Chairman	4
Mr. Sanjay Seksaria	Member	4
Mr. Pramod G. Lath*	Member	1
Mr. Gaurang Gandhi**	Member	2

* Mr. Pramod G. Lath has resigned from the directorship w.e.f. 4th July, 2016.

** Mr. Gaurang Gandhi was appointed as an Independent Director w.e.f. 4th July, 2016.

The Company Secretary is the Secretary to the Committee.

(b) Terms of Reference:

- Look into redressing of the shareholders complaints and queries and to focus on the strengthening of investors relations.
- 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 31st March, 2017.

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, Meeting and Attendance Composition:

During the financial year ended 31st March, 2017, one Committee meeting was held on 28th May, 2016.

Name of the Directors	Nature of Membership	Number of Meeting Attended
Mr. Anshul M. Sonawala	Chairman	1
Mr. Pramod G. Lath*	Member	1
Mr. Tushya Jatia	Member	1
Mr. Gaurang Gandhi**	Member	0

* Mr. Pramod G. Lath has resigned from the directorship w.e.f. 4th July, 2016.

** Mr. Gaurang Gandhi was appointed as an Independent Director w.e.f. 4th July, 2016.

The Company Secretary is the Secretary to the Committee.

(b) Terms of Reference:

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

A report on the CSR activity is given as annexure to the Board's 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 1st April, 2016.

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 31st March, 2017 is detailed as below:

Name of the Directors	Nature of Membership	Number of Meeting Attended
Mr. Pramod G. Lath*	Chairman	1
Mr. Anshul M. Sonawala	Member	1
Mr. Tushya Jatia	Member	1
Mr. Gaurang Gandhi**	Chairman	0

* Mr. Pramod G. Lath has resigned from the directorship w.e.f. 4th July, 2016.

** Mr. Gaurang Gandhi was appointed as an Independent Director w.e.f. 4th July, 2016.

(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 13th February, 2017, 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
70 th AGM	23 rd September, 2016	419-B, Kalbadevi Road, Joshiwadi 2 nd Floor, Mumbai 400 002.	10.00 a.m.
69 th AGM	25 th September, 2015	419-B, Kalbadevi Road, Joshiwadi 2 nd Floor, Mumbai 400 002.	10.00 a.m.
68 th AGM	26 th September, 2014	419-B, Kalbadevi Road, Joshiwadi 2 nd Floor, Mumbai 400 002.	10.00 a.m.

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

70 th AGM	(i) Amendment of Article of Association (ii) Change of place of keeping and inspection of Register and index of member, returns etc.
69 th AGM	(i) Payment of remuneration to Mr. Tushya Jatia as General Manager in Al Rawasi Rock & Aggregate LLC. (ii) Adoption of new Article of Association.
68 th 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.

3. Details of special resolutions passed last year (i.e. during Financial Year 2016-17) 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.	<u>Related Party Transactions:</u> During the year ended 31 st March, 2017, 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 www.asistone.com .
2.	<u>Details of Non-Compliance:</u> 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.	<u>Disclosure of Accounting Treatment:</u> The Company has followed the applicable Accounting Standards in the preparation of its financial statements.
4.	<u>Whistle Blower Policy:</u> 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.	<u>Subsidiary Company:</u> 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.	<u>Code of Conduct:</u> 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.	<u>Proceeds from Public Issues, Right Issues, Preferential Issues, etc.:</u> During the year ended 31 st March, 2017 there were no proceeds from public issues, right issues, preferential issues, etc.
8.	<u>Mandatory Requirements of Corporate Governance:</u> 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

1. 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.

2. 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 yearly 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, 7th Floor, Off: Ganpatrao Kadam Marg, Lower Parel, Mumbai 400013 (Maharashtra)
Tel: 022-40896100
Fax: 022-40896199
2. **Annual General Meeting:**
Date and Time: Friday, 22nd September, 2017 at 10.00 a.m.
Venue: 419-B, Kalbadevi Road, Joshiwadi 2nd 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 audited and Unaudited financial results are declared within the statutory time limit as specified under SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015.
4. **Date of Book Closure:** 16th September, 2017 to 22nd September, 2017 (Both days inclusive)

5. Dividend Payment:

The Board of Directors at their meeting held on 30th May, 2017, have recommended a dividend of Re. 0.30 per equity share of Re 1/- each for the financial year ended 31st March, 2017, 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 **22nd September, 2017**.

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 2017-18.

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:

MONTH	HIGH (in Rs.)	LOW (in Rs.)
April, 2016	19.54	14.60
May, 2016	21.00	17.20
June, 2016	20.50	17.00
July, 2016	20.00	16.30
August, 2016	23.80	17.85
September, 2016	24.40	17.10
October, 2016	21.20	18.75
November, 2016	25.50	17.70
December, 2016	24.30	21.05
January, 2017	39.20	21.80
February, 2017	48.85	34.10
March, 2017	46.85	41.90

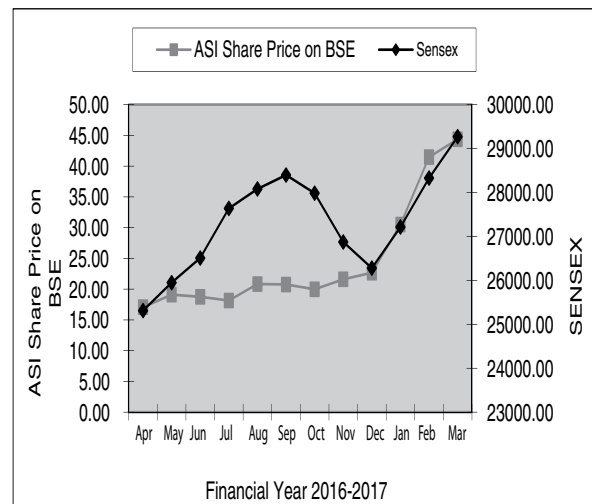
Sources: BSE Limited

11. Registrar and Share Transfer Agents:

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

All queries related to Share transfer, dividend payment and other investor related matters are attended to and processed by the Registrar and Share Agents.

12. Performance in comparison to BSE Sensex



(Sources: BSE India.com)

13. Share Transfer System:

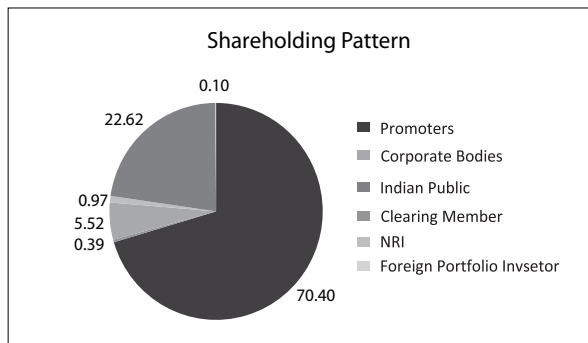
The shares sent for transfer in physical form are transferred expeditiously, provided the documents are complete and valid in all respects and the shares under transfer are not under any dispute. The share certificates duly endorsed are returned immediately to shareholders. Confirmation in respect of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

14. Distribution of shareholding as on 31st March, 2017:

No. of Equity Shares held	No. of Shareholders	Percentage of Shareholders	No. of Shares held	Percentage of Shareholding
Upto 500	3000	49.18	578795	0.70
501 to 1000	863	14.14	686293	0.83
1001 to 2000	915	15.00	1293791	1.56
2001 to 3000	353	5.79	898406	1.08
3001 to 4000	188	3.08	661116	0.80
4001 to 5000	136	2.23	635283	0.77
5001 to 10000	322	5.28	2204061	2.66
10001 and above	323	5.30	75896918	91.60
Grand Total	6100	100.00	82854663	100.00

15. Shareholding Pattern as on 31st March, 2017:

Category	No. of Shares held	Percentage
Promoters	58332122	70.40
Clearing Members	324012	0.39
Private Corporate Bodies	4576252	5.52
Foreign Portfolio Investor	82900	0.10
Indian Public	18738911	22.62
NRI	800466	0.97
Total	82854663	100.00



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. Dematerialization of Shares:

As on 31st March, 2017, 7,80,85,026 equity shares representing 94.24% 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 31st March, 2017, is given below:

Category	No of Share	Percentage
NSDL	67990275	82.06
CDSL	10094751	12.18
Physical	4769637	5.76
Total	82854663	100.00

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 2017-18 have been paid to the Depositories.

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

As on 31st March, 2017, 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, for other factors please refer to Management Discussion and Analysis Report.

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 31st March, 2017.

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 31st March, 2017.

On behalf of Board of Directors

Deepak Jatia

Place: Mumbai
Date: 30th May, 2017

Chairman and Managing Director
DIN: 01068689

CEO AND CFO CERTIFICATION

We have reviewed the Audited Financial Statements (Standalone & Consolidated) for the year ended **31st March, 2017** 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 31st March, 2017 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
 - (3) No instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting has been noticed.

S. R. Soni
Chief Executive Officer

Pavan K. Soni
Chief Financial Officer

Place: Mumbai
Date: 30th May, 2017

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 31st March, 2017, as per Regulation 17-27, clause (b) to clause (i) of Regulation 46(2) and in Para C, D and E of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations")

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 Regulation 17-27, clause (b) to clause (i) of Regulation 46(2) and in Para C, D and E of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations")

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
Date: 30th May, 2017

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 31st March, 2017, 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 31st March, 2017 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 31st March, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2017 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.
- iv. The Company has provided requisite disclosures in its standalone financial statements as to holding as well as dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016 and these are in accordance with the books of accounts maintained by the company. Refer Note 42 to the standalone financial statements

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

(Venkatesan Chandra mouli)

Place: Mumbai
Date: 30th May, 2017

Partner
M. 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 31st March, 2017,

- (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 31st March, 2017 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
	Royalty	2.75	1977-78, 1990-91, 1992-93, 1993-94	Registration & Stamp Mining Dept./ High Court
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)
Partner
M. No. 010054

Place: Mumbai
Date: 30th May, 2017

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 31st March, 2017 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 31st March, 2017, 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
M. No. 010054

Place: Mumbai
Date: 30th May, 2017

Associated Stone Industries (Kotah) Ltd.

BALANCE SHEET AS AT 31ST MARCH, 2017

	Note No.	As at 31-03-2017 Rs. in Lacs		As at 31-03-2016 Rs. in Lacs	
EQUITY AND LIABILITIES					
Shareholders' Fund					
Share Capital	1	828.55		662.84	
Reserves and Surplus	2	<u>21124.40</u>	<u>21952.95</u>	<u>19879.17</u>	20542.01
Non-Current Liabilities					
Long Term Borrowings	3	5746.37		6693.52	
Long Term Provisions	4	107.77		-	
Deferred Tax Liabilities (Net)	5	<u>295.21</u>	<u>6149.35</u>	<u>364.55</u>	7058.07
Current Liabilities					
Short Term Borrowings	6	3521.13		2825.66	
Trade Payables	7				
a) Dues to Micro and Small Enterprises		-		-	
b) Other than dues to Micro and Small Enterprises		<u>3405.86</u>		<u>2500.66</u>	
		<u>3405.86</u>		<u>2500.66</u>	
Other Current Liabilities	8	2868.82		2538.10	
Short Term Provisions	9	<u>248.41</u>	<u>10044.22</u>	<u>111.86</u>	<u>7976.28</u>
Total			<u><u>38146.52</u></u>		<u><u>35576.36</u></u>
ASSETS					
Non-Current Assets					
Property, Plant and Equipment	10	16174.77		15966.57	
Capital Work-in-Progress		18.29		223.14	
Intangible Assets	11	25.77		29.05	
Non-Current Investments	12	2843.30		2843.30	
Long Term Loans and Advances	13	4386.32		4647.04	
Other Non-Current Assets	14	<u>6.55</u>	<u>23455.00</u>	<u>10.08</u>	23719.18
Current Assets					
Inventories	15	1204.43		995.68	
Trade Receivables	16	9329.48		7633.83	
Cash and Cash Equivalents	17	794.41		1247.44	
Short Term Loans and Advances	18	3260.23		1876.23	
Other Current Assets	19	<u>102.97</u>	<u>14691.52</u>	<u>104.00</u>	<u>11857.18</u>
Total			<u><u>38146.52</u></u>		<u><u>35576.36</u></u>
Significant Accounting Policies Notes on Financial Statements	1 to 45				

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 : 30th May, 2017

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)

Tushya Jatia
Executive Director
(DIN: 02228722)

Place : Mumbai
Date : 30th May, 2017

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2017

		2016-17 Rs. in Lacs	2015-16 Rs. in Lacs
INCOME			
Revenue from Operations	20	23506.67	17201.30
Other Income	21	1109.74	765.62
Total Revenue		24616.41	17966.92
EXPENDITURE			
Purchase of Traded Goods	22	10822.62	4746.86
Change in Inventories of Finished Goods Work-in-Progress and Stock in Trade	23	(203.42)	177.00
Employee Benefit Expenses	24	3339.10	2927.21
Finance Costs	25	930.05	1186.16
Depreciation & Amortisation Expenses	26	542.68	532.37
Other Expenses	27	6864.24	6212.15
Total Expenses		22295.27	15781.75
Profit Before Exceptional & Extraordinary Items and Tax		2321.14	2185.17
Exceptional Items		-	127.90
Profit Before Tax		2321.14	2313.07
Less: Tax Expenses			
Current Tax		786.00	885.00
Deferred Tax		(69.34)	(6.55)
Earlier Years Adjustments		(45.79)	0.72
Profit for the period		1650.27	1433.90
Earnings per Equity Share (Face value Re. 1/- each)			
Basic & Diluted Rs.	38	1.99	1.73
Significant Accounting Policies			
Notes on Financial Statements	1 to 45		

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 : 30th May, 2017

On behalf of the Board of Directors

S. R. Soni
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Deepak Jatia
Chairman & Managing Director
(DIN: 01068689)

Tushya Jatia
Executive Director
(DIN: 02228722)

Place : Mumbai
Date : 30th May, 2017

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2017

	2016-17 Rs. in Lacs	2015-16 Rs. in Lacs
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit Before Tax	2321.14	2313.07
Depreciation & Amortisation Expenses	542.68	532.37
Interest Income	(635.88)	(444.82)
Prior Period Expenses	(6.04)	1.73
(Profit)/Loss on Sale of Fixed Assets	(220.74)	(32.17)
Finance Costs	930.05	1186.16
Operating Profit before Working Capital Changes	2931.21	3556.34
Adjusted for changes in		
Trade & Other Receivables	(3099.65)	3053.34
Inventories	(208.75)	183.31
Trade Payables	2110.80	(6496.67)
Cash Generated from Operations	1733.61	296.32
Interest Paid	(937.04)	(1169.60)
Direct Taxes Paid	(800.50)	(1208.24)
Prior Period Expenses	6.04	(1.73)
NET CASH FLOW FROM OPERATING ACTIVITIES (A)	2.11	(2083.25)
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(499.48)	(1217.85)
Sales of Fixed Assets	309.01	512.31
Sale / (Purchase) of Investments	-	(2665.95)
Movement in Loans & Deposits	191.60	1830.41
Interest Received	636.91	446.37
NET CASH USED IN INVESTMENT ACTIVITIES (B)	638.04	(1094.71)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Long Term Borrowings	148.00	4759.27
Repayment of Long Term Borrowings	(1004.43)	(965.92)
Dividend Paid	(236.75)	(234.29)
NET CASH FROM FINANCING ACTIVITIES (C)	(1093.18)	3559.06
NET INCREASE IN CASH & CASH EQUIVALENT (A+B+C)	(453.03)	381.10
OPENING BALANCE OF CASH & CASH EQUIVALENT	1247.44	866.34
CLOSING BALANCE OF CASH & CASH EQUIVALENT	794.41	1247.44

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 : 30th May, 2017

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

Tushya Jatia

Executive Director
(DIN: 02228722)

Manoj Jain

Company Secretary

Place : Mumbai
Date : 30th May, 2017

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 and the Companies (Accounting Standards) Amendment Rules, 2016 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) Property, Plant and Equipment

Property, Plant and Equipment 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 Property, Plant and Equipment

Depreciation on property, plant and equipment 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 property, plant and equipment are added 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.

e) Intangible Assets

Intangible assets are stated at cost of acquisition (including all other costs till the asset is put to use)

Depreciation on Intangible 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.

f) Impairment of Intangible Assets and Property, Plant and Equipment

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.

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) 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.

j) 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.

k) 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.

l) 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.

m) Dividend

Final dividend on shares are recorded as a liability on the date of approval by the shareholders at the Annual General Meeting.

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 FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

	As at 31-03-2017 Rs. in Lacs	As at 31-03-2016 Rs. in Lacs
1. SHARE CAPITAL		
Authorised :		
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>
Issued, Subscribed and Paid up :		
8,28,54,663 (Previous year 6,62,83,730) Equity Shares of Re. 1/- each fully paid	828.55	662.84
	<u>828.55</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
- 55480933 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 31-03-2017		As at 31-03-2016	
	Nos. in Lacs	Rs. in Lacs	Rs.in Lacs	Rs.in Lacs
Equity Shares at the beginning of the period	662.84	662.84	662.84	662.84
Add: Bonus Shares Issued during the period #	165.71	165.71	-	-
Equity Shares at the end of the period	828.55	828.55	662.84	662.84

Pursuant to the approval of the members dated 23.09.2016, during the year under review, the Company has issued 1 (one) fully paid up Equity Share as Bonus Share having face value of Re. 1 each for every 4 (four) fully paid up Equity Shares having face value of Re. 1 each on 1st October, 2016.

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 for the year ended 31st March, 2017 is subject to the approval of the shareholders in the ensuing Annual General Meeting. During the year ended 31st March, 2017, the amount of per share dividend recognized and distributed to equity shareholders @ Re. 0.30 per share (Previous year Re. 0.30 per share) was for the financial year 2015-16.

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

Name of the shareholder	As at 31-03-2017		As at 31-03-2016	
	Nos. in Lacs	% held	Nos. in Lacs	% held
<u>Equity shares of Re. 1/- each fully paid</u>				
a) DeeJay Mining & Exports Private Limited	407.15	49.14%	35.56	5.36%
b) Stone Masters (India) Private Limited	142.21	17.15%	-	-
c) Sampoorna Exports Private Limited	-	-	113.98	17.20%
d) Devashish Exports Private Limited	-	-	113.67	17.15%
e) Sundatta Sirur Private Limited	-	-	100.20	15.12%
f) Status Impex Private Limited	-	-	75.98	11.46%

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.

Associated Stone Industries (Kotah) Ltd.

	As at 31-03-2017 Rs. in Lacs	As at 31-03-2016 Rs. in Lacs
2. RESERVES & SURPLUS		
Revaluation Reserve		
Balance as per the last Financial Statements	8755.59	8816.61
Less: Reduction due to sale of Revalued Assets	7.10	61.02
Closing balance	8748.49	8755.59
General Reserve		
Balance as per the last Financial Statements	2833.42	2607.79
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. 31)	7.10	25.63
Less: Utilised for Bonus issue	165.71	-
Closing balance	2874.81	2833.42
Surplus in the Statement of Profit and Loss		
Balance as per the last Financial Statements (Ref. Note No. 32)	8290.16	7294.87
Add: Profit for the year	1650.27	1433.90
Less: Appropriations		
Equity Dividend Paid [Re. 0.30 per share (P.Y. Re. 0.30 per share)] (Ref. Note No. 32)	198.85	198.85
Tax on Equity Dividend Paid (Ref. Note No. 32)	40.48	39.76
Transfer to General Reserve	200.00	200.00
Net Surplus in the Statement of Profit and Loss	9501.10	8290.16
Total Reserves and Surplus	21124.40	19879.17

3. LONG TERM BORROWINGS

	Current		Non-Current	
	31-03-2017 Rs. in Lacs	31-03-2016 Rs. in Lacs	31-03-2017 Rs. in Lacs	31-03-2016 Rs. in Lacs
Term Loans				
Secured				
From Banks	982.22	555.67	5746.37	6693.52
From Other Parties	-	335.83	-	-
	982.22	891.50	5746.37	6693.52

Nature of Security & Terms of Repayment

- Term loan from Bank, balance outstanding amounting to Rs. 1010.17 lacs (P.Y. Rs. 1198.35 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 31.03.2017 is 9.90% p.a.).
- Term loan from Bank, balance outstanding amounting to Rs. 1189.93 lacs (P.Y. Rs. 1289.95 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 June, 2024 (Current Rate of Interest as on 31.03.2017 is 11.25% p.a.).
- Term loan from Bank, balance outstanding amounting to Rs. 108.33 lacs (P.Y. Rs. 195.00 lacs) 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 31.03.2017 is 11.50% p.a.).
- Vehicle loans balance outstanding amounting to Rs. 362.20 lacs (P.Y. Rs. 316.62 lacs) is secured by hypothecation of specific vehicle and guaranteed by Directors. Various payment dates starting from Jan, 2015 and last installment due in June, 2021. (Rate of Interest ranging from 8.75% to 10.24% p.a.).
- ECB Loan from Bank, balance outstanding amounting to Rs. 4057.96 lacs (P.Y. Rs. 4249.27 lacs) 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 31.03.2017 is 6.16% p.a.).

	As at 31-03-2017 Rs. in Lacs	As at 31-03-2016 Rs. in Lacs
4. LONG TERM PROVISIONS		
Provision for Gratuity	107.77	-
	<u>107.77</u>	<u>-</u>
5. DEFERRED TAX LIABILITY (NET)		
Deferred Tax Liability		
Related to Fixed Assets	424.19	420.05
Gross Deferred Tax Liability	<u>424.19</u>	<u>420.05</u>
Deferred Tax Assets		
Disallowances U/s 43B of Income Tax Act, 1961	113.69	40.21
Other disallowances under the Income Tax Act, 1961	15.29	15.29
Gross Deferred Tax Asset	<u>128.98</u>	<u>55.50</u>
Net Deferred Tax Liability	<u>295.21</u>	<u>364.55</u>
6. SHORT TERM BORROWINGS		
Secured from Banks		
Cash Credit/WCDL/Overdraft	3453.09	2737.18
Unsecured		
From Directors	68.04	88.48
	<u>3521.13</u>	<u>2825.66</u>
<u>Nature of Security</u>		
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.		
7. TRADE PAYABLES (including acceptance)		
a) Dues to Micro and Small Enterprises	-	-
b) Other than dues to Micro and Small Enterprises	3405.86	2500.66
	<u>3405.86</u>	<u>2500.66</u>

Notes

- a) Trade Payables includes bills to the extent Rs.2496.96 lacs (Previous year Rs. 2493.03 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.

Associated Stone Industries (Kotah) Ltd.

	As at 31-03-2017 Rs. in Lacs	As at 31-03-2016 Rs. in Lacs
8. OTHER CURRENT LIABILITIES		
Current maturities of Long Term Loans (Ref. Note No. 3)	982.22	891.50
Interest accrued but not due on Loans	39.45	46.44
Unclaimed Dividend #	32.63	30.05
Unclaimed amount of sale proceeds of fractional coupons of bonus shares issued #	0.02	-
Unclaimed matured Public Deposits #	0.67	0.17
Other Security Deposits	3.84	4.15
Advance from Customers	780.66	540.76
Statutory Liabilities	226.59	200.54
Income Tax Payable (Net of Advance)	-	21.40
Other Payables	802.74	803.09
	2868.82	2538.10

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

9. SHORT TERM PROVISIONS

Provision for Employee Benefits	248.41	111.86
	248.41	111.86

10. PROPERTY, PLANT AND EQUIPMENT (AT COST)

(Rs. in Lacs)

	GROSS BLOCK			DEPRECIATION			NET BLOCK			
	As at 01-04-2016	Additions	Sale/ Other Adj.	As at 31-03-2017	As at 01-04-2016	For the year	Sale/ Other Adj.	As at 31-03-2017	As at 31-03-2017	As at 31-03-2016
Land	9583.27	158.09	9.80	9731.56	-	-	-	-	9731.56	9583.27
Buildings	4381.90	324.42	-	4706.32	778.39	74.43	-	852.82	3853.50	3603.51
Plant and Machinery	3347.43	2.88	65.27	3285.04	1866.10	181.04	52.23	1994.91	1290.13	1481.33
Vehicles	2695.37	270.54	148.97	2816.94	1608.47	241.48	83.53	1766.42	1050.52	1086.90
Electrical Installation & Equipments	282.62	44.44	-	327.06	111.74	27.96	-	139.70	187.36	170.88
Furniture and Fixtures	104.57	22.07	-	126.64	71.83	9.17	-	81.00	45.64	32.74
Computer & Data Processing Unit	78.51	11.98	-	90.49	74.15	3.47	0.01	77.61	12.88	4.36
Office Equipments	22.70	1.45	0.73	23.42	19.12	1.85	0.73	20.24	3.18	3.58
Total	20496.37	835.87	224.77	21107.47	4529.80	539.40	136.50	4932.70	16174.77	15966.57
Previous Year	20452.54	978.69	934.86	20496.37	4420.20	528.93	419.33	4529.80	15966.57	16032.34

Note: Land value includes Rs. 8748.49 Lacs (Previous Year Rs. 8755.59 Lacs) on account of revaluation during the Financial Year 2006-07.

11. INTANGIBLE ASSETS

(Rs. in Lacs)

	GROSS BLOCK			AMORTIZATION			NET BLOCK			
	As at 01-04-2016	Additions	Sale/ Other Adj.	As at 31-03-2017	As at 01-04-2016	For the year	Sale/ Other Adj.	As at 31-03-2017	As at 31-03-2017	As at 31-03-2016
Surface Right	142.56	-	-	142.56	113.51	3.28	-	116.79	25.77	29.05
Total	142.56	-	-	142.56	113.51	3.28	-	116.79	25.77	29.05
Previous Year	112.55	30.01	-	142.56	110.07	3.44	-	113.51	29.05	2.48

	As at 31-03-2017 Rs. in Lacs	As at 31-03-2016 Rs. in Lacs
12. 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
NIL (P.Y. 100) Equity Shares of Oasis Cement Limited of Rs. 10/- each fully paid up	-	0.01
800 (P.Y. NIL) Equity Shares of Deejay Mining & Exports Pvt. Ltd. of Rs. 10/- each fully paid up	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. 41,50,000) Equity Shares of ASI Global Limited, Mauritius of USD 1/- each fully paid (USD 41,50,000/-)	2756.42	2756.42
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
	<u>2843.30</u>	<u>2843.30</u>
13. LONG TERM LOANS AND ADVANCES		
(Unsecured and Considered Good)		
Capital Advances	125.55	257.09
Security Deposit	141.71	117.42
Advance Income tax (Net of Provisions)	38.89	-
Loan to Wholly Owned Subsidiary	4080.17	4272.53
	<u>4386.32</u>	<u>4647.04</u>
14. OTHER NON - CURRENT ASSETS		
Prepaid Expenses	6.55	10.08
	<u>6.55</u>	<u>10.08</u>
15. INVENTORIES		
(At Cost or Net Reliasable Value, whichever is lower)		
Work-in-Progress	314.93	114.82
Finished Goods	739.28	735.97
Stores & Spares [includes Goods-in-Transit Rs. 12.38 lacs (P.Y. Rs. 12.17 lacs)]	150.22	144.89
	<u>1204.43</u>	<u>995.68</u>
16. TRADE RECEIVABLES		
(Unsecured, Considered Good unless stated otherwise)		
Less than six months	7298.25	6149.36
More than six months	2031.23	1484.47
More than six months - doubtful	44.19	44.19
	<u>9373.67</u>	<u>7678.02</u>
Less: Provision for doubtful receivables	44.19	44.19
	<u>9329.48</u>	<u>7633.83</u>

Associated Stone Industries (Kotah) Ltd.

	As at 31-03-2017 Rs. in Lacs	As at 31-03-2016 Rs. in Lacs
17. CASH AND BANK BALANCES		
Cash and Cash Equivalents		
Cash on Hand	44.15	21.47
Balance with Banks		
Current Accounts	252.21	210.89
	<u>296.36</u>	<u>232.36</u>
Other Bank Balances		
Margin Money Deposit *	256.47	776.10
Unclaimed Dividend Accounts	32.63	30.05
Unclaimed sales proceeds of Fractional Bonus Shares account	0.02	-
Others #	208.93	208.93
	<u>498.05</u>	<u>1015.08</u>
	<u>794.41</u>	<u>1247.44</u>
<p>* 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.</p> <p># Pledged with Government Department as security. Deposits having maturity period of more than twelve months amounting Rs. 101.08 lacs.</p>		
18. SHORT TERM LOANS & ADVANCES		
(Unsecured and Considered Good)		
Capital Advances	4.07	16.64
Loans to Employees	14.49	13.08
Advances against Purchase & Expenses	54.87	40.52
Balances with Government Authorities	336.07	329.33
Advance / Receivable from Subsidiary/JV	50.98	50.22
Others	2799.75	1426.44
	<u>3260.23</u>	<u>1876.23</u>
19. OTHER CURRENT ASSETS		
Interest accrued on Fixed Deposits	2.06	3.09
Miscellaneous expenditure (to the extent not written off)	100.91	100.91
	<u>102.97</u>	<u>104.00</u>
20. REVENUE FROM OPERATIONS		
Particulars of Products sold		
Finished Goods Sold		
Stones *	12083.34	12193.15
Wind Power	78.59	96.37
Traded Goods Sold	11344.74	4911.78
	<u>23506.67</u>	<u>17201.30</u>

* Sale of Stones includes Royalty & DMFT Contribution recovered Rs.1896.12 Lacs (previous year Rs.1723.42 Lacs)

	2016-17 Rs. in Lacs	2015-16 Rs. in Lacs
21. OTHER INCOME		
Interest on Bank Deposits	41.13	46.95
Interest from Wholly Owned Subsidiary	268.47	274.47
Interest on Income Tax Refund	29.12	-
Interest from Others	297.16	123.40
Commission from Subsidiary/JV	24.06	11.21
Gain on Foreign Exchange Transaction (Net)	-	236.93
Surplus on Sale of Fixed Assets	220.74	32.17
Prior Period Income (Net)	6.04	-
Misc. Receipts	223.02	40.49
	<u>1109.74</u>	<u>765.62</u>
22. PURCHASE OF TRADED GOODS	<u>10822.62</u>	<u>4746.86</u>
	<u>10822.62</u>	<u>4746.86</u>
23. CHANGE IN INVENTORIES OF FINISHED GOODS, WORK IN PROGRESS AND STOCK IN TRADE		
Inventories (at close)		
Work-in-Progress	314.93	114.82
Finished Goods	739.28	735.97
Traded Goods	-	-
	<u>1054.21</u>	<u>850.79</u>
Inventories (at commencement)		
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>
(Increase)/Decrease in Inventories	<u>(203.42)</u>	<u>177.00</u>
24. EMPLOYEE BENEFIT EXPENSES		
Salaries, Wages and Bonus	2613.37	2469.29
Directors' Remuneration	104.03	72.51
Contribution to Provident Fund	246.70	234.66
Contribution to Approved Gratuity Fund etc.	311.85	113.91
Staff Welfare Expenses	63.15	36.84
	<u>3339.10</u>	<u>2927.21</u>
25. FINANCE COSTS		
Interest	897.39	958.21
Bank Charges	32.66	227.95
	<u>930.05</u>	<u>1186.16</u>
26. DEPRECIATION AND AMORTISATION EXPENSES		
Depreciation on Property, Plant and Equipment	539.40	528.93
Depreciation on Intangible Assets	3.28	3.44
	<u>542.68</u>	<u>532.37</u>

Associated Stone Industries (Kotah) Ltd.

	2016-17 Rs. in Lacs	2015-16 Rs. in Lacs
27. OTHER EXPENSES		
Mining & Production Expenses		
Purchase	216.68	284.28
Consumption of Stores & Spares	388.73	411.40
Raising & Mining Expenses	473.66	544.10
Power and Fuel	2407.01	1892.14
Repairs to Machinery	119.03	142.43
Royalty & DMFT Contribution on Stone	1943.44	1749.96
Others	346.38	335.73
	<u>5894.93</u>	<u>5360.04</u>
Selling & Distribution Expenses		
Commission on Sales	293.72	269.72
Other Selling and Distribution Expenses	84.41	39.70
	<u>378.13</u>	<u>309.42</u>
Establishment Expenses		
Rent	9.26	1.27
Rates and Taxes	55.15	44.53
Insurance	43.46	38.95
Repairs to Building & Others	56.65	39.95
Legal and Professional Fees	42.77	49.97
Travelling Expenses	46.13	43.76
Directors' Sitting Fees	0.62	0.38
Payment to Auditor (Refer details below)	11.40	11.31
Loss on Foreign Exchange Transactions (Net)	7.14	-
Charity & Donations	3.23	3.89
Corporate Social Responsibility Expenses	44.04	45.01
General Expenses	271.33	261.94
Prior Period Expenses (Net)	-	1.73
	<u>591.18</u>	<u>542.69</u>
	<u>6864.24</u>	<u>6212.15</u>
Payment to Auditors		
Audit Fees	5.75	5.78
Tax Audit Fees	0.87	0.87
Limited Review Fees	0.87	0.87
Reimbursement of Expenses	3.91	3.79
	<u>11.40</u>	<u>11.31</u>

	As at 31-03-2017 Rs. in Lacs	As at 31-03-2016 Rs. in Lacs
28. Contingent Liability and Commitments		
(i) Contingent Liabilities		
a) Claims against the Company not acknowledge as debts	230.37	177.69
b) Guarantees		
i) Counter guarantees given by the Company in respect of guarantees given by the Bank to Government authorities & others	6.38	25.58
ii) Corporate Guarantee in favour of Bank for Working Capital facility sanctioned to Subsidiary/JV (USD 3.71 million)	2405.56	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
ii) Others	133.22	132.81
(ii) Commitments		
Estimated amount of contracts remaining to be executed on capital account not provided for (net of advances)	435.45	435.40

29. Particulars of unhedged Foreign Currency exposure as at the reporting date

a) Import Trade Payable	USD	-	1014590
b) ECB Loan from ICICI Bank (including interest)	USD	6292682	6441328
c) Export Trade Receivable	Euro	20713	14135
d) Other Receivable from Subsidiary/JV	USD	80248	79437
e) ECB Loan to Wholly Owned Subsidiary (including interest)	USD	6292682	6441328

30. Company has purchased mining machinery under EPCG scheme in respect of which the Company has an Export obligation of USD 693992 (Previous year USD 968641) to be completed before May, 2018.

31. 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. 7.10 lacs (P.Y. 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.

32. As per the Companies (Accounting Standards) Amendment Rules, 2016, final dividend (including dividend distribution tax) for the financial year 2015-16 approved by the shareholders at the Annual General Meeting during the year has been adjusted in the Surplus in the statement of Profit and Loss during the year and final dividend (including dividend distribution tax) declared during the earlier years has also been adjusted in opening balance of Surplus in the statement of Profit and Loss accordingly.

33. Value of Stores, Spare Parts & Components Consumed

(Rs. in Lacs)

	2016-17		2015-16	
	Value	%	Value	%
Imported	-	-	3.34	0.81
Indigenous	388.73	100.00	408.06	99.19
	<u>388.73</u>	<u>100.00</u>	<u>411.40</u>	<u>100.00</u>

Associated Stone Industries (Kotah) Ltd.

	2016-17 Rs. in Lacs	2015-16 Rs. in Lacs
34. Captive Consumption of Raw Materials		
Rough Stone Quantity (Lacs sq.fts)	5.19	3.62
Value (Rs. in Lacs)	36.51	24.47
35. Value of Imports (CIF Basis)		
Import (Trade Purchase)	-	678.25
36. Expenditure in Foreign Currency		
Travelling	10.90	16.17
Usance Interest	-	17.96
Interest and Bank Charges on ECB Loan	268.47	238.11
Bank Charges	0.02	0.02
37. Earning in Foreign Currency		
Exports at F.O.B.Value	57.02	43.40
Interest on Loan given to Wholly Owned Subsidiary	-	36.36
Interest on onward lending of ECB loan to Wholly Owned Subsidiary	268.47	238.11
Commission from Subsidiary/JV	24.06	11.21

38. Earning Per Share (Basic/Diluted)

Particulars	2016-17	2015-16
Net Profit (After Tax) as per Statement of Profit & Loss available for equity shareholders (Rs. in Lacs)	1650.27	1433.90
Equity shares for calculation of earning per share of Re. 1/- each (nos.)	82854663	82854663
Earning per share - Basic & Diluted (Rs.) #	1.99	1.73

During the year under review, the Company has issued 1 (one) fully paid up Equity Share as Bonus Share having face value of Re. 1 each for every 4 (four) fully paid up Equity Shares having face value of Re. 1 each on 1st October, 2016. Pursuant to the above, the Earnings Per Share (Basic and Diluted) has been adjusted for all the period presented.

39. 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 Limited
2. DeeJay Mining & Exports Private Limited

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

Sr. No.	Nature of transaction	2016-17	2015-16
1	Salary	104.03	72.51
2	Contribution to Provident and Other Fund	12.48	8.70
3	Sitting Fee paid to Non Executive Promoter Directors	0.10	0.08
4	Interest paid on Loan	7.15	23.36
5	Net Loans and Advances taken / (Repaid)	(3.90)	67.00

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

Sr. No.	Nature of transaction	2016-17	2015-16
1	Investment in Subsidiary/JV	-	2665.95
2	Loan given to Wholly Owned Subsidiary	-	(5736.87)
3	Onward Lending of ECB Loan to Wholly Owned Subsidiary	(94.62)	4100.00
4	Reimbursement of Expenses from Subsidiary/JV	26.92	39.01
5	Commission from Subsidiary/JV	24.06	11.21
6	Interest from Wholly Owned Subsidiary	268.47	274.47

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

Sr. No.	Nature of transaction	2016-17	2015-16
1	Purchase of Material	44.48	51.68
2	Sale of Material	12.18	25.26
3	Purchase of Assets	-	50.70
4	Sale of Assets	21.40	51.50

Associated Stone Industries (Kotah) Ltd.

40. 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 31st March, 2017

(Rs. in Lacs)

Sr. No.	Particulars	Gratuity	Gratuity
		(Funded) 31-03-17	(Funded) 31-03-16
I	Change in present value defined benefit obligation		
	Present value of benefit obligation at the beginning of the year	1437.39	1361.19
	Interest cost	114.99	108.90
	Current service cost	49.47	46.83
	Past Service Cost- Vested benefit incurred during the period	-	49.14
	Benefit paid	(166.34)	(159.31)
	Actuarial (gain)/loss on obligation	275.90	30.64
	Present value of benefit obligation at the end of the year	1711.41	1437.39
II	Fair Value of Plan Assets		
	Fair value of plan assets at the beginning of the year	1403.47	1163.69
	Expected return on plan assets	112.28	93.10
	Contributions	82.04	277.49
	Benefit paid	(166.34)	(159.31)
	Actuarial gains/(loss) on plan assets	17.74	28.50
	Fair value of plan assets at the end of the year	1449.19	1403.47
III	Actuarial gains/(loss) recognised in the statement of P & L account		
	Actuarial (gain)/loss on obligation	275.90	30.64
	Actuarial gains/(loss) on plan assets	(17.74)	(28.50)
	Actuarial gains/(loss) recognised in the statement of P & L account	258.16	2.14
IV	Actual return on Plan Assets		
	Expected return on plan assets	112.28	93.09
	Actual gain/(loss) on plan assets	17.74	28.50
	Actual return on plan assets	130.02	121.59
V	Amount recognized in the Balance Sheet		
	Liability at the end of the year	1711.41	1437.39
	Fair value of plan assets at the end of the year	1449.19	1403.47
	Amount recognized in the balance sheet	262.22	33.92
VI	Net interest cost for the current period		
	Present value of benefit obligation at the beginning of the year	1437.39	1361.19
	Fair value of plan assets at the beginning of the year	(1403.47)	(1163.69)
	Expected return on plan assets	33.92	197.50
	Interest cost	114.99	108.90
	Expected return on plan assets	(112.28)	(93.10)
	Net interest cost for the current period	2.71	15.80

(Rs. in Lacs)

Sr. No.	Particulars	Gratuity (Funded)	Gratuity (Funded)
		31-03-17	31-03-16
VII	Expenses recognized in the Statement of Profit and Loss		
	Current service cost	49.47	46.83
	Net interest cost	2.71	15.80
	Past Service Cost- Vested benefit incurred during the period	-	49.14
	Net actuarial gain/(loss) to be recognized	258.16	2.14
	Expenses recognized in Statement of Profit & Loss	310.34	113.91
VIII	Amount recognized in the Balance Sheet		
	Opening net liability	33.91	197.49
	Expenses as above	310.34	113.91
	Contributions by employers/benefits paid	(82.04)	(277.49)
	Amount recognized in the balance sheet	262.21	33.91
IX	Actuarial assumptions for the year		
	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%

41. Turnover, Purchases, Opening and Closing Stock of Goods

(Rs. in Lacs)

Particulars	Turnover		Purchases		Opening Stock		Closing Stock	
	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16
Value (Stone)	12083.34	12193.15	216.68	284.28	735.97	514.61	739.28	735.97
Value (Wind Power)	78.59	96.37	-	-	-	-	-	-
Value (Trading)	11344.74	4911.78	10822.62	4746.86	-	3.42	-	-
Total Value	23506.67	17201.30	11039.30	5031.14	735.97	518.03	739.28	735.97

42. Disclosure on Specified Bank Notes

During the year under review, the Company had specified bank notes or other denomination notes, as defined in the MCA Notification No. G.S.R. 308(E) dated 30th March, 2017 the details of Specified Bank Notes and other denomination notes held and transacted during the period from 8th November, 2016 to 30th December, 2016 is given below:

Particulars	Specified Bank Notes *	Other Denomination Notes	Total
Closing cash in hand as on 8 th November, 2016	6006000	26265	6032265
(+) Permitted Receipts	-	2135850	2135850
(-) Permitted Payments	-	(953229)	(953229)
(-) Amount deposited in Banks	(6006000)	-	(6006000)
Closing cash in hand as on 30th December, 2016	-	1208886	1208886

*For the purpose of this clause, the term 'Specified Bank Notes' shall have the same meaning provided in the notification of the Government of India, in the Ministry of Finance, Department of Economic Affairs number S.O. 3407(E), dated the 8th November, 2016.

Associated Stone Industries (Kotah) Ltd.

43. 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)

Particulars	Stone		Wind Power		Trading		Total	
	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16
REVENUE								
External Sales	12083.34	12193.15	78.59	96.37	11344.74	4911.78	23506.67	17201.30
Other Income	1109.74	794.72	-	(29.10)	-	-	1109.74	765.62
RESULTS								
Profit before Finance Costs & Tax	2766.44	3280.24	(37.37)	(70.41)	522.12	161.50	3251.19	3371.33
Finance Costs	930.05	1186.16	-	-	-	-	930.05	1186.16
Profit/Loss Before Tax & Exceptional Item	1836.39	2094.08	(37.37)	(70.41)	522.12	161.50	2321.14	2185.17
Add: Exceptional Item	-	127.90	-	-	-	-	-	127.90
Profit/Loss Before Tax	1836.39	2221.98	(37.37)	(70.41)	522.12	161.50	2321.14	2313.07
Provision for Taxation								
Current Tax							(786.00)	(885.00)
Deferred Tax							69.34	6.55
Income tax for Earlier Years							45.79	(0.72)
Net Profit/ (Loss)							1650.27	1433.90
Other Information								
Segment Assets (Including Revaluation)	33038.19	31937.35	1028.56	1087.84	4079.77	2551.17	38146.52	35576.36
Segment Liability	6623.97	5467.66	16.27	15.58	3403.98	2493.04	10044.22	7976.28
Capital Expenditure Incurred	631.01	1227.38	-	-	-	-	631.01	1227.38
Depreciation	470.11	449.74	72.57	82.63	-	-	542.68	532.37

(ii) Geographical Segments

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

(Rs. in Lacs)

	2016-17	2015-16
India	23449.65	17157.90
Outside India	57.02	43.40
	<u>23506.67</u>	<u>17201.30</u>

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.

44. Balances of Sundry Creditors, Sundry Debtors and Loans & Advances are subject to confirmation.
45. 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 : 30th May, 2017

On behalf of the Board of Directors

S. R. Soni
Chief Executive Officer

Pavan Kumar Soni
Chief Financial Officer

Manoj Jain
Company Secretary

Deepak Jatia
Chairman & Managing Director
(DIN: 01068689)

Tushya Jatia
Executive Director
(DIN: 02228722)

Place : Mumbai
Date : 30th May, 2017

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 31st March, 2017, 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 31st March, 2017, 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. 14479.77 Lacs as at 31st March, 2017, total revenues of Rs. 7256.21 Lacs and net cash inflows amounting to Rs. 381.00 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. 567.24 Lacs for the year ended 31st March, 2017, in respect of these subsidiaries whose financial statements have not been audited by us. 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 31st March, 2017 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 31st March, 2017 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.
- iv. The Holding Company has provided requisite disclosures in note 42 of its standalone financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016 and these are in accordance with the books of accounts maintained by the Holding Company. These details are not disclosed for its foreign subsidiaries, as this disclosure is required only for the companies to which schedule III of the Companies Act, 2013 is applicable.

For B.L.Ajmera & Co.

Chartered Accountants

(FRN 001100C)

(Venkatesan Chandra mouli)

Partner

Place: Mumbai

Date: 30th May, 2017

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 31st March, 2017, 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 in respect of the Holding Company which is incorporated in India and 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 31st March 2017, 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
Date: 30th May, 2017

Partner
M. No. 010054

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH , 2017

	Note No.	As at 31-03-2017 Rs. in Lacs		As at 31-03-2016 Rs. in Lacs	
EQUITY AND LIABILITIES					
Shareholders' Fund					
Share Capital	1	828.55		662.84	
Reserves and Surplus	2	<u>20531.38</u>	<u>21359.93</u>	<u>18758.39</u>	19421.23
Non-Current Liabilities					
Long Term Borrowings	3	11154.94		12767.84	
Long Term Provisions	4	107.77		-	
Deferred Tax Liabilities (Net)	5	<u>295.21</u>	<u>11557.92</u>	<u>364.55</u>	13132.39
Current Liabilities					
Short Term Borrowings	6	3521.13		3158.21	
Trade Payables	7				
a) Dues to Micro and Small Enterprises		-		-	
b) Other than dues to Micro and Small Enterprises		<u>3645.52</u>		<u>2598.70</u>	
		3645.52		2598.70	
Other Current Liabilities	8	5347.64		4264.18	
Short Term Provisions	9	<u>287.46</u>	<u>12801.75</u>	<u>137.22</u>	<u>10158.31</u>
Total			<u><u>45719.60</u></u>		<u><u>42711.93</u></u>
ASSETS					
Non-Current Assets					
Property, Plant and Equipment	10	24163.48		24954.47	
Capital Work-in-Progress		18.29		223.14	
Goodwill on Consolidation		1885.21		1928.54	
Intangible Assets	11	25.76		29.04	
Non-Current Investments	12	41.04		41.04	
Long Term Loans and Advances	13	367.16		432.94	
Other Non-Current Assets	14	<u>6.55</u>	<u>26507.49</u>	<u>10.08</u>	27619.25
Current Assets					
Inventories	15	2583.61		2344.96	
Trade Receivables	16	11390.46		8731.81	
Cash and Cash Equivalents	17	1840.93		1928.26	
Short Term Loans and Advances	18	3294.14		1983.65	
Other Current Assets	19	<u>102.97</u>	<u>19212.11</u>	<u>104.00</u>	<u>15092.68</u>
Total			<u><u>45719.60</u></u>		<u><u>42711.93</u></u>
Significant Accounting Policies Notes on Financial Statements	1 to 38				

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 : 30th May, 2017

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)

Tushya Jatia
Executive Director
(DIN: 02228722)

Place : Mumbai
Date : 30th May, 2017

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2017

		2016-17 Rs. in Lacs	2015-16 Rs. in Lacs
INCOME			
Revenue from Operations	20	30762.89	19702.12
Other Income	21	824.56	514.55
Total Revenue		31587.45	20216.67
EXPENDITURE			
Purchase of Traded Goods	22	10822.62	4746.86
Change in Inventories of Finished Goods Work-in-Progress and Stock in Trade	23	(241.96)	(591.66)
Employee Benefit Expenses	24	4214.78	3621.60
Finance Costs	25	1198.80	1363.67
Depreciation & Amortisation Expenses	26	1666.96	1410.49
Other Expenses	27	11037.87	8138.56
Total Expenses		28699.07	18689.52
Profit Before Exceptional & Extraordinary Items and Tax		2888.38	1527.15
Exceptional Items		-	127.90
Profit Before Tax		2888.38	1655.05
Less: Tax Expenses			
Current Tax		786.00	885.00
Deferred Tax		(69.34)	(6.55)
Earlier Years Adjustments		(45.79)	0.72
Profit for the period		670.87	879.17
Profit for the period		2217.51	775.88
Earnings per Equity Share (Face value Re. 1/- each)			
Basic & Diluted Rs.	30	2.68	0.94
Significant Accounting Policies			
Notes on Financial Statements	1 to 38		

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 : 30th May, 2017

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)

Tushya Jatia
Executive Director
(DIN: 02228722)

Place : Mumbai
Date : 30th May, 2017

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2017

	2016-17 Rs. in Lacs	2015-16 Rs. in Lacs
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit Before Tax	2888.38	1655.05
Depreciation & Amortisation Expenses	1666.96	1410.49
Interest Income	(367.41)	(170.35)
Prior Period Expenses	(6.04)	1.73
Exchange Fluctuation on Consolidation	(39.48)	(65.05)
(Profit)/Loss on Sale of Fixed Assets	(220.74)	(56.04)
Finance Costs	1198.80	1363.67
Operating Profit before Working Capital Changes	5120.47	4139.50
Adjusted for changes in		
Trade & Other Receivables	(3992.48)	1947.23
Inventories	(238.65)	(615.09)
Trade Payables	2556.26	(5711.35)
Cash Generated from Operations	3445.60	(239.71)
Interest Paid	(1205.79)	(1347.11)
Direct Taxes Paid	(800.50)	(1208.24)
Prior Period Expenses	6.04	(1.73)
NET CASH FLOW FROM OPERATING ACTIVITIES (A)	1445.35	(2796.79)
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(745.92)	(7440.34)
Sales of Fixed Assets	473.69	985.83
Interest Received	368.44	171.90
NET CASH USED IN INVESTMENT ACTIVITIES (B)	96.21	(6282.61)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Long Term Borrowings	927.14	8147.53
Repayment of Long Term Borrowings	(2319.28)	1400.89
Dividend Paid	(236.75)	(234.29)
NET CASH FROM FINANCING ACTIVITIES (C)	(1628.89)	9314.13
NET INCREASE IN CASH & CASH EQUIVALENT (A+B+C)	(87.33)	234.73
OPENING BALANCE OF CASH & CASH EQUIVALENT	1928.26	1693.53
CLOSING BALANCE OF CASH & CASH EQUIVALENT	1840.93	1928.26

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 : 30th May, 2017

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)

Tushya Jatia
Executive Director
(DIN: 02228722)

Place : Mumbai
Date : 30th May, 2017

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 and the Companies (Accounting Standards) Amendment Rules, 2016 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) - Unites States 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 31st March, 2017 which are as under:

Sr. No	Name of the Subsidiary	Counrty 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 31st 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) Property, Plant and Equipment

Property, Plant and Equipment 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 asset is ready to put to use.

Depreciation on Property, Plant and Equipment

Depreciation on property, plant and equipment of 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 property, plant and equipment of foreign subsidiary companies is provided using the Straight Line Method over based on estimated useful life as determined by the management.

Subsequent expenditures related to an item of property, plant and equipment are added 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 deprecation, however, in case higher useful life of the component normal depreciation applies.

g) Intangible Assets

Intangible assets are stated at cost of acquisition (including all other costs till the asset is put to use)

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.

Depreciation on Intangible 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 assets of foreign subsidiary companies is provided using the Straight Line Method over based on estimated useful life as determined by the management.

h) Impairment of Intangible Assets and Property, Plant and Equipment

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.

i) Inventories

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

j) 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.

k) 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.

l) 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.

m) 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.

n) 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.

o) Dividend

Final dividend on shares are recorded as a liability on the date of approval by the shareholders at the Annual General Meeting.

p) 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, 2017

	As at 31-03-2017 Rs. in Lacs	As at 31-03-2016 Rs. in Lacs
1. SHARE CAPITAL		
Authorised :		
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>
Issued, Subscribed and Paid up :		
8,28,54,663 (Previous year 6,62,83,730) Equity Shares of Re. 1/- each fully paid	828.55	662.84
	<u>828.55</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
- 55480933 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 31-03-2017		As at 31-03-2016	
	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
Add: Bonus Shares Issued during the period #	165.71	165.71	-	-
Equity Shares at the end of the period	828.55	828.55	662.84	662.84

Pursuant to the approval of the members dated 23.09.2016, during the year under review, the Company has issued 1 (one) fully paid up Equity Share as Bonus Share having face value of Re. 1 each for every 4 (four) fully paid up Equity Shares having face value of Re. 1 each on 1st October, 2016.

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 for the year ended 31st March, 2017 is subject to the approval of the shareholders in the ensuing Annual General Meeting. During the year ended 31st March, 2017, the amount of per share dividend recognized and distributed to equity shareholders @ Re.0.30 per share (Previous year Re.0.30 per share) was for the financial year 2015-16.

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

Name of the shareholder	As at 31-03-2017		As at 31-03-2016	
	Nos. in Lacs	% held	Nos. in Lacs	% held
Equity shares of Re. 1/- each fully paid				
a) DeeJay Mining & Exports Private Limited	407.15	49.14%	35.56	5.36%
b) Stone Masters (India) Private Limited	142.21	17.15%	-	-
c) Sampoorna Exports Private Limited	-	-	113.98	17.20%
d) Devashish Exports Private Limited	-	-	113.67	17.15%
e) Sundatta Sirur Private Limited	-	-	100.20	15.12%
f) Status Impex Private Limited	-	-	75.98	11.46%

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.

Associated Stone Industries (Kotah) Ltd.

	As at 31-03-2017 Rs. in Lacs	As at 31-03-2016 Rs. in Lacs
2. RESERVES & SURPLUS		
Revaluation Reserve		
Balance as per the last Financial Statements	8755.59	8816.61
Less: Reduction due to sale of Revalued Assets	7.10	61.02
Closing balance	8748.49	8755.59
General Reserve		
Balance as per the last Financial Statements	2833.42	2607.79
Add: Amount transferred from surplus in the Statement of Profit and Loss	200.00	200.00
Add : Profit on sale of Revalued Assets	7.10	25.63
Less: Utilised for Bonus issue	165.71	-
Closing balance	2874.81	2833.42
Exchange Fluctuation Reserve		
Balance as per the last Financial Statements	(66.29)	(1.24)
Add: Exchange Fluctuation during the year	(39.48)	(65.05)
Closing balance	(105.77)	(66.29)
Surplus in the Statement of Profit and Loss		
Balance as per the last Financial Statements (Ref. Note No. 29)	7235.67	6898.40
Add: Profit for the year	2217.51	775.88
Less: Appropriations		
Equity Dividend Paid [Re. 0.30 per share (P.Y. Re. 0.30 per share)] (Ref. Note No. 29)	198.85	198.85
Tax on Equity Dividend Paid (Ref. Note No. 29)	40.48	39.76
Transfer to General Reserve	200.00	200.00
Net Surplus in the Statement of Profit and Loss	9013.85	7235.67
Total Reserves and Surplus	20531.38	18758.39

	Current		Non-Current	
	31-03-2017 Rs. in Lacs	31-03-2016 Rs. in Lacs	31-03-2017 Rs. in Lacs	31-03-2016 Rs. in Lacs
3. LONG TERM BORROWINGS				
Term Loans				
Secured				
From Banks	1866.25	1307.66	7155.60	8646.85
From Other Parties	87.17	425.00	57.82	147.88
	1953.42	1732.66	7213.42	8794.73
Unsecured				
From Other Parties	-	-	3941.52	3973.11
	1953.42	1732.66	11154.94	12767.84

Nature of Security & Terms of Repayment

- Term loan from Bank, balance outstanding amounting to Rs. 1010.17 lacs (P.Y. Rs. 1198.35 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 31.03.2017 is 9.90% p.a.).
- Term loan from Bank, balance outstanding amounting to Rs. 1189.93 lacs (P.Y. Rs. 1289.95 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 June, 2024 (Current Rate of Interest as on 31.03.2017 is 11.25% p.a.).

- c) Term loan from Bank, balance outstanding amounting to Rs. 108.33 lacs (P.Y. Rs. 195.00 lacs) 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 31.03.2017 is 11.50% p.a.).
- d) Vehicle loans balance outstanding amounting to Rs. 362.20 lacs (P.Y Rs. 316.62 lacs) is secured by hypothecation of specific vehicle and guaranteed by Directors. Various payment dates starting from Jan, 2015 and last installment due in June, 2021 (Rate of Interest ranging from 8.75% to 10.24% p.a.).
- e) ECB Loan from Bank, balance outstanding amounting to Rs. 4057.96 lacs (P.Y. Rs. 4249.27 lacs) 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 31.03.2017 is 6.16% p.a.).
- f) Term loan availed by Subsidiary/JV from Bank, balance outstanding amounting to Rs. 2293.26 lacs (P.Y. 2705.31 lacs) is secured against hypothecation of specific assets and guaranteed by Directors. Various payment dates starting from July, 2015 and Last installment due in June, 2020 (Rate of Interest ranging from 5.5% to 6.5% p.a.).
- g) Term loan availed by the Subsidiary/JV from others, balance outstanding amounting to Rs. 144.99 lacs (P.Y. Rs. 237.05 lacs) 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.).
- h) Unsecured loans availed by the Subsidiary/JV from others amounting to Rs. 3941.52 lacs (P.Y. Rs. 3973.11 lacs) repayable on completion of 5 years (Rate of Interest LIBOR + 1%).

	As at 31-03-2017 Rs. in Lacs	As at 31-03-2016 Rs. in Lacs
4. LONG TERM PROVISIONS		
Provision for Gratuity	107.77	-
	<u>107.77</u>	<u>-</u>
5. DEFERRED TAX LIABILITY (NET)		
Deferred Tax Liability		
Related to Fixed Assets	424.19	420.05
Gross Deferred Tax Liability	<u>424.19</u>	<u>420.05</u>
Deferred Tax Assets		
Disallowances U/s 43B of Income Tax Act, 1961	113.69	40.21
Other disallowances under the Income Tax Act, 1961	15.29	15.29
Gross Deferred Tax Asset	<u>128.98</u>	<u>55.50</u>
Net Deferred Tax Liability	<u>295.21</u>	<u>364.55</u>
6. SHORT TERM BORROWINGS		
Secured from Banks		
Cash Credit/WCDL/Overdraft	3453.09	3069.73
Unsecured		
From Directors	68.04	88.48
	<u>3521.13</u>	<u>3158.21</u>

Nature of Security

- a) Cash Credit/ WCDL from bank is secured by first charge by way of hypothecation of mining and stone related business stock, book debts etc. and equitable mortgage on specific immovable property and second charge over the fixed assets of the Company and guaranteed by Director.
- b) Bank overdraft is secured by fixed deposits of the Company.

Associated Stone Industries (Kotah) Ltd.

7. TRADE PAYABLES (including acceptance)

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

As at 31-03-2017 Rs. in Lacs	As at 31-03-2016 Rs. in Lacs
-	-
3645.52	2598.70
3645.52	2598.70

Notes

- a) Trade Payables includes bills to the extent Rs. 2496.96 lacs (Previous year Rs. 2493.03 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.

8. OTHER CURRENT LIABILITIES

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

1953.42	1732.66
39.45	46.44
32.63	30.05
0.02	-
0.67	0.17
3.84	4.15
957.16	592.82
226.59	200.54
-	21.40
2133.86	1635.95
5347.64	4264.18

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

9. SHORT TERM PROVISIONS

- Provision for Employee Benefits

287.46	137.22
287.46	137.22

10. PROPERTY, PLANT AND EQUIPMENT (AT COST)

(Rs. in Lacs)

	GROSS BLOCK				DEPRECIATION					NET BLOCK		
	As at 01-04-2016	Translation Difference	Additions	Sale/ Other Adj.	As at 31-03-2017	As at 01-04-2016	Translation Difference	For the year	Sale/ Other Adj.	As at 31-03-2017	As at 31-03-2017	As at 31-03-2016
Land	9583.27	-	158.09	9.80	9731.56	-	-	-	-	-	9731.56	9583.27
Buildings	4974.30	(13.31)	331.71	-	5292.70	1268.65	(11.01)	95.61	0.70	1352.55	3940.15	3705.65
Plant and Machinery	8505.62	(115.87)	161.82	65.27	8486.30	3096.55	(27.64)	457.59	61.39	3465.11	5021.19	5409.07
Heavy & Mobile Equipment	6354.71	(142.75)	-	-	6211.96	2401.68	(53.95)	517.73	17.14	2848.32	3363.64	3953.03
Vehicles	2958.30	(5.91)	270.54	148.97	3073.96	1721.10	(2.53)	264.84	84.30	1899.11	1174.85	1237.20
Electrical Installation & Equipments	282.61	-	44.44	-	327.05	111.74	-	27.96	0.01	139.69	187.36	170.87
Furniture and Fixtures	408.21	(6.82)	30.24	-	431.63	329.23	(5.78)	21.65	0.42	344.68	86.95	78.98
Computer & Data Processing Unit	78.52	-	11.98	-	90.50	74.15	-	3.47	-	77.62	12.88	4.37
Office Equipments	22.70	-	1.45	0.73	23.42	19.13	-	1.85	0.74	20.24	3.18	3.57
Quarry Development	3579.07	(80.40)	115.37	-	3614.04	2770.61	(71.27)	272.98	-	2972.32	641.72	808.46
Total	36747.31	(365.06)	1125.64	224.77	37283.12	11792.84	(172.18)	1663.68	164.70	13119.64	24163.48	24954.47
Previous Year	28745.90	508.22	9517.16	2023.97	36747.31	11444.59	430.45	1407.04	1489.24	11792.84	24954.47	17301.31

Note: Land value includes Rs. 8748.49 Lacs (Previous Year Rs. 8755.59 Lacs) on account of revaluation during the Financial Year 2006-07.

11. INTANGIBLE ASSETS

(Rs. in Lacs)

	GROSS BLOCK				AMORTIZATION					NET BLOCK		
	As at 01-04-2016	Translation Difference	Additions	Sale/ Other Adj.	As at 31-03-2017	As at 01-04-2016	Translation Difference	For the year	Sale/ Other Adj.	As at 31-03-2017	As at 31-03-2017	As at 31-03-2016
Surface Right	142.56	-	-	-	142.56	113.52	-	3.28	-	116.80	25.76	29.04
Total	142.56	-	-	-	142.56	113.52	-	3.28	-	116.80	25.76	29.04
Previous Year	112.55	-	30.01	-	142.56	110.07	-	3.45	-	113.52	29.04	2.48

12. NON-CURRENT INVESTMENTS

(Long Term Investment)

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

	As at 31-03-2017 Rs. in Lacs	As at 31-03-2016 Rs. in Lacs
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
NIL (P.Y. 100) Equity Shares of Oasis Cement Limited of Rs. 10/- each fully paid up	-	0.01
800 (P.Y. NIL) Equity Shares of Deejay Mining & Exports Pvt. Ltd. of Rs. 10/- each fully paid up	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>

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

800 (P.Y. NIL) Equity Shares of Deejay Mining & Exports Pvt. Ltd. of Rs. 10/- each fully paid up

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

13. LONG TERM LOANS AND ADVANCES

(Unsecured and Considered Good)

Capital Advances

Capital Advances	125.55	257.09
Security Deposit	202.72	175.85
Advance Income tax (Net of Provisions)	38.89	-
	<u>367.16</u>	<u>432.94</u>

Security Deposit

Advance Income tax (Net of Provisions)

14. OTHER NON - CURRENT ASSETS

Prepaid Expenses

Prepaid Expenses	6.55	10.08
	<u>6.55</u>	<u>10.08</u>

15. INVENTORIES

(At Cost or Net Reliasable Value , whichever is lower)

Work-in-Progress

Work-in-Progress	385.78	158.85
Finished Goods	1475.62	1460.60
Stores & Spares [includes Goods-in-Transit Rs. 12.38 lacs (P.Y. Rs. 12.17 lacs)]	722.21	725.51
	<u>2583.61</u>	<u>2344.96</u>

Finished Goods

Stores & Spares [includes Goods-in-Transit Rs. 12.38 lacs (P.Y. Rs. 12.17 lacs)]

16. TRADE RECEIVABLES

(Unsecured, Considered Good unless stated otherwise)

Less than six months

Less than six months	9287.33	7247.34
More than six months	2103.13	1484.47
More than six months - doubtful	44.19	44.19
	<u>11434.65</u>	<u>8776.00</u>
Less: Provision for doubtful receivables	44.19	44.19
	<u>11390.46</u>	<u>8731.81</u>

More than six months

More than six months - doubtful

Less: Provision for doubtful receivables

Associated Stone Industries (Kotah) Ltd.

	As at 31-03-2017 Rs. in Lacs	As at 31-03-2016 Rs. in Lacs
17. CASH AND BANK BALANCES		
Cash and Cash Equivalents		
Cash on Hand	45.61	30.95
Balance with Banks		
Current Accounts	<u>1297.27</u>	<u>882.23</u>
	<u>1342.88</u>	<u>913.18</u>
Other Bank Balances		
Margin Money Deposit *	256.47	776.10
Unclaimed Dividend Accounts	32.63	30.05
Unclaimed sales proceeds of Fractional Bonus Shares account	0.02	-
Others #	<u>208.93</u>	<u>208.93</u>
	<u>498.05</u>	<u>1015.08</u>
	<u>1840.93</u>	<u>1928.26</u>
<p>* 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.</p> <p># Pledged with Government Department as security. Deposits having maturity period of more than twelve months amounting Rs. 101.08 lacs.</p>		
18. SHORT TERM LOANS & ADVANCES		
(Unsecured and Considered Good)		
Capital Advances	22.73	66.66
Loans to Employees	16.37	18.87
Advances against Purchase & Expenses	60.64	78.33
Balances with Government Authorities	336.07	329.33
Others	<u>2858.33</u>	<u>1490.46</u>
	<u>3294.14</u>	<u>1983.65</u>
19. OTHER CURRENT ASSETS		
Interest accrued on Fixed Deposits	2.06	3.09
Miscellaneous Expenditure (To the extent not written off)	<u>100.91</u>	<u>100.91</u>
	<u>102.97</u>	<u>104.00</u>
20. REVENUE FROM OPERATIONS		
Particulars of Products sold		
Finished Goods Sold		
Stones *	19339.56	14693.97
Wind Power	78.59	96.37
Traded Goods Sold	<u>11344.74</u>	<u>4911.78</u>
	<u>30762.89</u>	<u>19702.12</u>

* Sale of Stones includes Royalty & DMFT Contribution recovered Rs.1896.12 Lacs (previous year Rs.1723.42 Lacs)

	2016-17 Rs. in Lacs	2015-16 Rs. in Lacs
21. OTHER INCOME		
Interest on Bank Deposits	41.13	46.95
Interest on Income Tax Refund	29.12	-
Interest from Others	297.16	123.40
Gain on Foreign Exchange Transaction (Net)	-	236.73
Surplus on Sale of Fixed Assets	220.74	56.04
Prior Period Income (Net)	6.04	-
Misc. Receipts	230.37	51.43
	<u>824.56</u>	<u>514.55</u>
22. PURCHASE OF TRADED GOODS	<u>10822.62</u>	<u>4746.86</u>
	<u>10822.62</u>	<u>4746.86</u>
23. CHANGE IN INVENTORIES OF FINISHED GOODS, WORK IN PROGRESS AND STOCK IN TRADE		
Inventories (at close)		
Work-in-Progress	385.78	158.85
Finished Goods	1475.62	1460.60
Traded Goods	-	-
	<u>1861.40</u>	<u>1619.45</u>
Inventories (at commencement)		
Work-in-Progress	158.84	509.76
Finished Goods	1460.60	514.61
Traded Goods	-	3.42
	<u>1619.44</u>	<u>1027.79</u>
(Increase)/Decrease in Inventories	<u>(241.96)</u>	<u>(591.66)</u>
24. EMPLOYEE BENEFIT EXPENSES		
Salaries, Wages and Bonus	3353.57	3049.63
Directors' Remuneration	156.11	126.00
Contribution to Provident Fund	246.70	234.66
Contribution to Approved Gratuity Fund etc.	311.85	113.91
Staff Welfare Expenses	146.55	97.40
	<u>4214.78</u>	<u>3621.60</u>
25. FINANCE COSTS		
Interest	1151.58	1099.78
Bank Charges	47.22	263.89
	<u>1198.80</u>	<u>1363.67</u>
26. DEPRECIATION AND AMORTISATION EXPENSES		
Depreciation on Property, Plant and Equipment	1663.68	1407.05
Depreciation on Intangible Assets	3.28	3.44
	<u>1666.96</u>	<u>1410.49</u>
27. OTHER EXPENSES		
Mining & Production Expenses		
Purchase	216.68	307.15
Consumption of Stores & Spares	563.25	489.57
Raising & Mining Expenses	1339.27	820.17
Power and Fuel	3349.58	2330.01
Repairs to Machinery	174.90	152.81
Royalty & DMFT Contribution on Stone	3352.02	2220.60
Others	395.84	365.26
	<u>9391.54</u>	<u>6685.57</u>

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	2016-17 Rs. in Lacs	2015-16 Rs. in Lacs
Selling & Distribution Expenses		
Commission on Sales	345.27	285.44
Other Selling and Distribution Expenses	246.55	167.18
	<u>591.82</u>	<u>452.62</u>
Establishment Expenses		
Rent	67.53	47.63
Rates and Taxes	99.61	64.56
Insurance	83.23	66.01
Repairs to Building & Others	56.65	39.96
Legal and Professional Fees	63.59	107.34
Travelling Expenses	72.45	79.17
Directors' Sitting Fees	0.62	0.38
Payment to Auditor (Refer details below)	20.90	19.87
Loss on Foreign Exchange Transactions (Net)	7.14	-
Charity & Donations	3.23	3.89
Corporate Social Responsibility Expenses	44.04	45.01
General Expenses	535.52	524.82
Prior Period Expenses (Net)	-	1.73
	<u>1054.51</u>	<u>1000.37</u>
	<u>11037.87</u>	<u>8138.56</u>
Payment to Auditors		
Audit Fees	15.25	14.34
Tax Audit Fees	0.87	0.87
Limited Review Fees	0.87	0.87
Reimbursement of Expenses	3.91	3.79
	<u>20.90</u>	<u>19.87</u>
	<u>As at 31-03-2017 Rs. in Lacs</u>	<u>As at 31-03-2016 Rs. in Lacs</u>
28. Contingent Liability and Commitments		
(i) Contingent Liabilities		
a) Claims against the Company not acknowledge as debts	230.37	177.69
b) Guarantees		
i) Counter guarantees given by the Company in respect of guarantees given by the Bank to Government authorities & others	6.38	25.58
ii) Corporate Guarantee in favour of Bank for Working Capital facility sanctioned to Subsidiary/JV (USD 3.71 million)	2405.56	2460.84
iii) Employee Visa Guarantee (USD 87466 (Previous Year USD 80926))	56.71	53.68
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
ii) Others	133.22	132.81
(ii) Commitments		
Estimated amount of contracts remaining to be executed on capital account not provided for (net of advances)	435.45	435.40
29. As per the Companies (Accounting Standards) Amendment Rules, 2016, final dividend (including dividend distribution tax) for the financial year 2015-16 approved by the shareholders at the Annual General Meeting during the year has been adjusted in the Surplus in the statement of Profit and Loss during the year and final dividend (including dividend distribution tax) declared during the earlier years has also been adjusted in opening balance of Surplus in the statement of Profit and Loss accordingly.		

30. Earning Per Share (Basic/Diluted)

Particulars	2016-17	2015-16
Net Profit (After Tax) as per Statement of Profit & Loss available for equity shareholders (Rs. in Lacs)	2217.51	775.88
Equity shares for calculation of earning per share of Re. 1/- each (nos.)	82854663	82854663
Earning per share - Basic & Diluted (Rs.) #	2.68	0.94

During the year under review, the Company has issued 1 (one) fully paid up Equity Share as Bonus Share having face value of Re. 1 each for every 4 (four) fully paid up Equity Shares having face value of Re. 1 each on 1st October, 2016. Pursuant to the above, the Earnings Per Share (Basic and Diluted) has been adjusted for all the period presented.

31. 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 Limited
2. DeeJay Mining & Exports Private Limited

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

Sr. No.	Nature of transaction	2016-17	2015-16
1	Salary	156.11	126.00
2	Contribution to Provident and Other Fund	12.48	8.70
3	Sitting Fee paid to Non Executive Promoter Directors	0.10	0.08
4	Interest paid on Loan	7.15	23.36
5	Net Loans and Advances taken / (Repaid)	(3.90)	67.00

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

Sr. No.	Nature of transaction	2016-17	2015-16
1	Purchase of Material	44.48	51.68
2	Sale of Material	12.18	25.26
3	Purchase of Assets	-	50.70
4	Sale of Assets	21.40	51.50

32. Turnover, Purchases, Opening and Closing Stock of Goods

(Rs. in Lacs)

Particulars	Turnover		Purchases		Opening Stock		Closing Stock	
	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16
Value (Stone)	19339.56	14693.97	216.68	307.15	1460.60	514.61	1475.62	735.97
Value (Wind Power)	78.59	96.37	-	-	-	-	-	-
Value (Trading)	11344.74	4911.78	10822.62	4746.86	-	3.42	-	-
Total Value	30762.89	19702.12	11039.30	5054.01	1460.60	518.03	1475.62	735.97

Associated Stone Industries (Kotah) Ltd.

33. 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)

Particulars	Stone		Wind Power		Trading		Total	
	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16
REVENUE								
External Sales	19339.56	14693.97	78.59	96.37	11344.74	4911.78	30762.89	19702.12
Other Income	824.56	543.65	-	(29.10)	-	-	824.56	514.55
RESULTS								
Profit before Finance Costs & Tax	3602.43	2799.73	(37.37)	(70.41)	522.12	161.50	4087.18	2890.82
Finance Costs	1198.80	1363.67	-	-	-	-	1198.80	1363.67
Profit/Loss Before Tax & Exceptional Item	2403.63	1436.06	(37.37)	(70.41)	522.12	161.50	2888.38	1527.15
Add: Exceptional Item	-	127.90	-	-	-	-	-	127.90
Profit/Loss Before Tax	2403.63	1563.96	(37.37)	(70.41)	522.12	161.50	2888.38	1655.05
Provision for Taxation								
Current Tax							(786.00)	(885.00)
Deferred Tax							69.34	6.55
Income tax for Earlier Years							45.79	(0.72)
Net Profit/ (Loss)							2217.51	775.88
Other Information								
Segment Assets (Including Revaluation)	40611.27	39072.92	1028.56	1087.84	4079.77	2551.17	45719.60	42711.93
Segment Liability	9381.50	7649.69	16.27	15.58	3403.98	2493.04	12801.75	10158.31
Capital Expenditure Incurred	920.79	7595.33	-	-	-	-	920.79	7595.33
Depreciation	1594.39	1327.86	72.57	82.63	-	-	1666.96	1410.49

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.

34. 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%
AI Rawasi Rock & Aggregate LLC	UAE	100% #

Aggregate shareholding at it own and through its wholly owned subsidiary

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

Name of the Enterprises	As % of consolidated net assets	Amount (Rs. in Lacs)	As % of consolidated profit or loss	Amount (Rs. in Lacs)
Parent				
Associated Stone Industries (Kotah) Limited	102.78	21952.95	74.42	1650.27
Subsidiary (Foreign)				
ASI Global Limited, Mauritius	(2.87)	(613.07)	(2.08)	(46.12)
AI Rawasi Rock & Aggregate LLC (UAE)	0.09	20.03	27.66	613.36

36. 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	01-04-2016 to 31-03-2017	01-04-2016 to 31-03-2017
Reporting Currency	USD	AED
Exchange Rate	Rs. 64.84	Rs. 17.67
Share Capital	2690.86	1767.00
Reserve & Surplus	(385.36)	209.26
Total Assets	5246.99	12453.42
Total Liabilities	6799.26	10477.16
Investments	3857.77	0.00
Turnover/Total Income	286.61	7255.23
Profit/ (Loss) Before Taxation	(44.56)	592.58
Provision for Taxation	-	-
Profit/ (Loss) After Taxation	(44.56)	592.58
Proposed Dividend	-	-
% of shareholding	100	100 #

Aggregate shareholding at its 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. 1st April, 2016 to 31st March, 2017.
- 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.

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

38. 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 : 30th May, 2017

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)

Tushya Jatia
Executive Director
(DIN: 02228722)

Place : Mumbai
Date : 30th May, 2017



ASSOCIATED STONE INDUSTRIES (KOTAH) LIMITED

Marathon Innova, 'A' Wing, 7th Floor, Off: Ganpatrao Kadam Marg, Lower Parel, Mumbai - 400013
Tel.: 022-40896100 • Email: investors@asistone.com • Website: www.asistone.com

ASSOCIATED STONE INDUSTRIES (KOTAH) LIMITED

(CIN L14101MH1945PLC256122)

Registered Office: Marathon Innova, 'A' Wing, 7th Floor, Off G.K.Marg, Lower Parel, Mumbai-400013
Tel: 022-4089 6100, Fax: 022-4089 6119, Email: investors@asistone.com, Website: www.asistone.com

NOTICE

NOTICE is hereby given that the 71st Annual General Meeting of the members of **Associated Stone Industries (Kotah) Limited** will be held at 419-B, Kalbadevi Road, Joshiwadi, 2nd Floor, Mumbai - 400002, on Friday, the 22nd September, 2017 at 10.00 a.m. to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt:
 - a) the audited financial statements of the Company for the financial year ended 31st March, 2017 together with the reports of the Board of Directors and Auditors thereon; and
 - b) the audited consolidated financial statements of the Company for the financial year ended 31st March, 2017.
2. To declare Dividend on Equity Shares for the financial year ended on 31st March, 2017.
3. To appoint a Director in place of Mrs. Anita Jatia (DIN:01068774), who retires by rotation at this Annual General Meeting and being eligible, offers herself for re-appointment.
4. 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. S.C.Bandi & Company, Chartered Accountants (Firm Registration Number: 130850W) be and is hereby appointed as Statutory Auditors of the Company, to hold office for a period of consecutive five years commencing from the financial year 2017-18 on such remuneration that may be determine by audit committee with the consultation of auditors.”

SPECIAL BUSINESS:

5. **Ratification of the remuneration of Cost Auditors for the F.Y.2017-18.**

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 31st March, 2018, 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.”

6. **Appointment of Mr. Tushya Jatia (DIN: 02228722) as Whole Time Director (designated as Executive Director).**

To consider and if thought fit, to pass with or without modification(s), the following resolution as 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 ‘the 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) read with Schedule V of the said Act, the approval of the Company be and is hereby accorded to the Appointment of Mr. Tushya Jatia (DIN: 02228722) as Whole Time Director (designated as Executive Director) of the Company, for the period of five years with effect from 12th November, 2016 whose office shall 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. Tushya 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. Tushya 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.”

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 16th September, 2017 to Friday, the 22nd September, 2017** (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 **22nd September, 2017**, to those members whose names appear as such in Register of Members of the Company as on **15th September, 2017** and to the beneficiary holders as per beneficiary list as on **15th September, 2017** 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-101, 247 Park, L.B.S.Marg, Vikhroli (West), Mumbai-400 083** 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 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 31st March, 2010 shall be due for transfer to IEPF on or **before 25th September, 2017**. Shareholders are requested to ensure that they claim dividend(s) from the Company before transfer of said amount to the IEPF.

The members may please take note of the relevant provisions relating to transfer of shares to Investor Education and Protection Fund Authority as laid down in "Rule 6 of Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Amendment Rules, 2017 notified on 28th February, 2017, which required the transfer to be effected within 31st May, 2017. The Ministry of Corporate Affairs, vide Circular No.06/2017 dated 29th May, 2017 has clarified that revised due date for transfer/transmittal of shares shall be notified soon.
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 71st 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, through ballot/polling paper shall be made available at the venue of 71st 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.

The Scrutinizer shall, immediately after the conclusion of voting at the Annual General Meeting, first count the votes cast at the meeting, thereafter unlock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and submit a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing who shall countersign the same and Chairman shall declare the results of the voting within two days from the passing of Resolution at the AGM of the Company.

The result declared, along with the Scrutinizer's report shall be placed on the Company's website at www.asistone.com and on the website of the CDSL after the result is declared by the Chairman and also be communicated to the Stock Exchange where the company is listed.

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

The voting period begins on **Tuesday, the 19th September, 2017 at 10.00 a.m. and ends on Thursday, the 21st September, 2017 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. **15th September, 2017**, may cast their vote electronically. The e-voting module shall be disabled by CDSL after 5.00 p.m. on **21st September, 2017**.

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.
- (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 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	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> • 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. • 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.
Dividend Bank Details OR Date of Birth (DOB)	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. <ul style="list-style-type: none"> • 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).

- (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.
- (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 30th 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.

- (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 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. (xix) above to cast vote.

- (C) The voting period begins on **Tuesday, the 19th September, 2017 at 10.00 a.m. and ends on Thursday, the 21st September, 2017 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 **15th September, 2017**, 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 under help section or write an email to helpdesk.evoting@cdslindia.com.**

Important Note

Any person, who acquires shares of the Company and becomes member of the Company after **16th August, 2017** i.e. the date considered for dispatch of the notice and holding shares as of the cut-off date i.e. **15th September, 2017** may obtain the login ID and password by sending a request at helpdesk.evoting@cdslindia.com or dematremat@linkintime.co.in.

By Order of the Board of Directors

Place : Mumbai.

Date : 13th July, 2017

Manoj Jain

Company Secretary

DETAILS OF DIRECTOR SEEKING APPOINTMENT / REAPPOINTMENT IN ANNUAL GENERAL MEETING FIXED ON 22nd SEPTEMBER, 2017

Name of Director	Mrs. Anita Jatia	Mr. Tushya Jatia
Date of Birth	08.03.1963	02.03.1986
Educational Qualification	Graduate in Home Science from Jadavpur University, Kolkata.	Bachelor of Commerce in Accounting and Finance (BAF) from Mumbai University and Master in Finance and Investment from Nottingham University, U.K.
Expertise in specific functional areas	Having rich experience in the field of administration, marketing and implementation of Company's CSR policy.	Since 2008 actively involved in day to day business of the Company and having experience in the field of mining and marketing in kotah stone and other natural stones.
Directorship in other Indian Public Listed Companies as on 31.03.2017	Nil	NIL
Chairman/Member of the Committees of the Board of other Indian Public Limited Companies as on 31.03.2017	Nil	NIL
No. of Shares held in the Company	961762	134237
Disclosure in terms of Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015	Except Mr. Deepak Jatia and Mr. Tushya Jatia, none of the Directors & KMP or their relatives are related to Mrs. Anita Jatia.	Except Mr. Deepak Jatia and Mrs. Anita Jatia, none of the Directors & KMP or their relatives are related to Mr. Tushya Jatia

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

ANNEXURE TO NOTICE

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 **30th May, 2017**, 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 2017-18. 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 31st March, 2018.

ITEM NO. 6:

Mr. Tushya Jatia was appointed as Whole Time Director (designated as Executive Director) of the Company by the Board of Directors on 12th November, 2016 for the period of five years after recommendation of Nomination and Remuneration Committee and further approval of Audit Committee.

The details of Remuneration structure is as follows:

Category-A

- i. Basic Salary: Rs. 4,00,000/- 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 Whole Time Director.
- ii. The Whole Time Director shall be entitled to re-imbursement 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 Whole Time Director, the Company has no profits or its profits are inadequate, the Company may, subject to the requisite approvals, pay Mr. Tushya 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. Tushya Jatia.

Other Terms

Mr. Tushya Jatia shall subject to the superintendence, control and direction of the Managing Director and 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 the aforementioned remuneration structure of Mr. Tushya Jatia as Whole Time Director is commensurate with the remuneration package across the industry.

Except Mr. Tushya Jatia, to whom the resolution relates and Mrs. Anita Jatia and Mr. Deepak Jatia, being the relatives of Mr. Tushya 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. 6 for Appointment of Mr. Tushya Jatia as Whole Time Director of the Company.

By Order of the Board of Directors

Place : Mumbai

Date : 13th July, 2017

**Manoj Jain
Company Secretary**

ASSOCIATED STONE INDUSTRIES (KOTAH) LIMITED

(CIN:L14101MH1945PLC256122)

Registered Office: Marathon Innova, "A" Wing, 7th Floor, Off: G.K.Marg, Lower Parel, Mumbai- 400013
Tel: 022- 40896100 • Fax: 022- 40896119 • Email: investors@asistone.com • Website: 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 **71st ANNUAL GENERAL MEETING** of the Company to be held on **Friday, the 22nd September, 2017 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
	Ordinary Business		
1.	To receive, consider and adopt the Audited Financial Statements, Reports of the Board of Directors and Auditors for the financial year ended 31 st March, 2017.		
2.	To declare Final Dividend on Equity Shares.		
3.	To re-appoint Mrs. Anita Jatia who retires by rotation.		
4.	To appoint Statutory Auditors and fixing their remuneration.		
	Special Business		
5.	To ratify remuneration of Cost Auditor for the F. Y. 2017-18.		
6.	To appoint Mr. Tushya Jatia as Whole Time Director.		

Signed this _____ day of _____ 2017

Affix
revenue
stamp

Signature of the shareholder _____

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.

Route map of the venue of the AGM



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

