

B. L. AJMERA & CO.

CHARTERED ACCOUNTANTS

MALJI CHHOGALAL TRUST BUILDING

MIRZA ISMAIL ROAD

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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.



Contd....2/-

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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.



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- (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:
- There were no pending litigations which would impact the consolidated financial position of the Holding Company, its subsidiary companies in the Group
 - 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
 - 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.
 - 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

M. No. 010054

Place: Mumbai

Date: 30th May, 2017

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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.



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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)

Partner

M. No. 010054

Place: Mumbai
Date: 30th May, 2017



Associated Stone Industries (Kotah) Ltd.

Regd. Office : Marathon Innova, A- Wing, 7th Floor, Off: Ganpatrao Kadam Marg, Lower Parel, Mumbai- 400013

CIN : L14101MH1945PLC256122 Tel :022-40896100, Fax: 022-40896199 website : asistone.com, email: investors@asistone.com

CONSOLIDATED AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31ST MARCH, 2017

PART-I		(Rs. in Lacs)				
Sr. No.	Particulars	Quarter Ended 31.03.2017 (Audited)	Quarter Ended 31.12.2016 (Unaudited)	Quarter Ended 31.03.2016 (Audited)	Year Ended 31.03.2017 (Audited)	Year Ended 31.03.2016 (Audited)
I.	Revenue from operations	9534.27	5439.64	7415.03	30762.89	19702.12
II.	Other income	323.53	234.54	121.84	824.56	514.55
III.	Total Revenue (I + II)	9857.80	5674.18	7536.87	31587.45	20216.67
IV.	Expenses					
	(a) Cost of materials consumed	-	-	-	-	-
	(b) Purchase of stock-in-trade	3211.83	785.79	1927.46	10822.62	4746.86
	(c) Change in inventories of finished goods, work-in-progress and stock-in-trade	(196.17)	(147.09)	8.55	(241.96)	(591.66)
	(d) Employee benefit expenses	1284.70	1010.85	897.83	4214.78	3621.60
	(e) Finance costs	284.34	323.27	310.67	1198.80	1363.67
	(f) Depreciation and amortization expense	406.03	422.21	406.50	1666.96	1410.49
	(g) Power & fuel	980.92	918.41	692.03	3349.58	2330.01
	(h) Other expenses	2296.36	1898.24	1769.15	7688.29	5808.55
	Total Expenses	8268.01	5211.68	6012.19	28699.07	18689.52
V.	Profit/(Loss) before exceptional and extraordinary items and tax (III - IV)	1589.79	462.50	1524.68	2888.38	1527.15
VI.	Exceptional items	-	-	-	-	(127.90)
VII.	Profit/(Loss) before extraordinary items and tax (V - VI)	1589.79	462.50	1524.68	2888.38	1655.05
VIII.	Extraordinary items	-	-	-	-	-
IX.	Profit/(Loss) before tax (VII - VIII)	1589.79	462.50	1524.68	2888.38	1655.05
X.	Tax expense					
	(a) Current tax	517.00	108.00	483.00	786.00	885.00
	(b) Deferred tax	(88.26)	2.92	17.26	(69.34)	(6.55)
	(c) Income tax of earlier years	(27.75)	(18.04)	-	(45.79)	0.72
XI.	Profit/(Loss) for the period before minority interest (IX - X)	1188.80	369.62	1024.42	2217.51	775.88
XII.	Share of Profit/(Loss) of Associates	-	-	-	-	-
XIII.	Profit/(Loss) of Minority Interest	-	-	-	-	-
XIV.	Profit/(Loss) for the period (XI + XII + XIII)	1188.80	369.62	1024.42	2217.51	775.88
XV.	Paid-up equity share capital of Re.1/- each	828.55	828.55	662.84	828.55	662.84
XVI.	Reserve (excluding Revaluation Reserves)				11782.89	10002.80
XVII.	(i) Earnings Per Share of Re. 1/- each (before extraordinary items) (not annualised)					
	(a) Basic	1.43	0.45	1.24	2.68	0.94
	(b) Diluted	1.43	0.45	1.24	2.68	0.94
	(ii) Earnings Per Share of Re. 1/- each (after extraordinary items) (not annualised)					
	(a) Basic	1.43	0.45	1.24	2.68	0.94
	(b) Diluted	1.43	0.45	1.24	2.68	0.94

Standalone results of Associated Stone Industries (Kotah) Ltd. are as follows:

Sr. No.	Particulars	Quarter Ended 31.03.2017 (Audited)	Quarter Ended 31.12.2016 (Unaudited)	Quarter Ended 31.03.2016 (Audited)	Year Ended 31.03.2017 (Audited)	Year Ended 31.03.2016 (Audited)
1	Revenue from operations	7674.82	3626.70	6174.45	23506.67	17201.30
2	Profit/(Loss) before tax	1431.94	343.36	1427.18	2321.14	2313.07
3	Profit/(Loss) after tax	1030.95	250.48	926.92	1650.27	1433.90



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CONSOLIDATED SEGMENT WISE REVENUE, RESULTS AND CAPITAL EMPLOYED

(Rs. in Lacs)

Sr. No.	Particulars	Quarter Ended 31.03.2017 (Audited)	Quarter Ended 31.12.2016 (Unaudited)	Quarter Ended 31.03.2016 (Audited)	Year Ended 31.03.2017 (Audited)	Year Ended 31.03.2016 (Audited)
1	Segment Revenue					
	(a) Stone	6215.58	4586.13	5444.85	19339.56	14693.97
	(b) Wind Power	4.45	14.56	9.06	78.59	96.37
	(c) Trading	3314.24	838.95	1961.12	11344.74	4911.78
	Total	9534.27	5439.64	7415.03	30762.89	19702.12
	Less: Inter Segment Revenue	-	-	-	-	-
	Net Segment Revenue	9534.27	5439.64	7415.03	30762.89	19702.12
2	Segment Profit/(Loss) before Tax and Finance Cost					
	(a) Stone	1792.73	750.58	1825.63	3602.43	2927.63
	(b) Wind Power	(21.01)	(17.97)	(20.51)	(37.37)	(70.41)
	(c) Trading	102.41	53.16	30.23	522.12	161.50
	Total	1874.13	785.77	1835.35	4087.18	3018.72
	Less: Interest & Other Unallocable Expenditure	284.34	323.27	310.67	1198.80	1363.67
	Profit/(Loss) Before Tax	1589.79	462.50	1524.68	2888.38	1655.05
3	Capital Employed (Segment Assets - Segment Liability)					
	(a) Stone (including revaluation)	31229.77	31409.75	31423.23	31229.77	31423.23
	(b) Wind Power	1012.29	1043.00	1072.26	1012.29	1072.26
	(c) Trading	675.79	497.70	58.13	675.79	58.13
	Total Capital Employed	32917.85	32950.45	32553.62	32917.85	32553.62

CONSOLIDATED STATEMENT OF ASSETS & LIABILITIES

(Rs. in Lacs)

Sr. No.	Particulars	As at 31.03.2017 (Audited)	As at 31.03.2016 (Audited)
A	<u>EQUITY AND LIABILITIES</u>		
1	Share Holders' Fund		
	(a) Share Capital	828.55	662.84
	(b) Reserves & Surplus	20531.38	18758.39
	Sub-Total - Shareholder's Funds	21359.93	19421.23
2	Non-Current Liabilities		
	(a) Long Term Borrowings	11154.94	12767.84
	(b) Long Term Provisions	107.77	-
	(c) Deferred Tax Liabilities (Net)	295.21	364.55
	Sub-Total - Non-Current Liabilities	11557.92	13132.39
3	Current Liabilities		
	(a) Short Term Borrowings	3521.13	3158.21
	(b) Trade Payable	3645.52	2598.70
	(c) Other Current Liabilities	5347.64	4264.18
	(d) Short Term Provisions	287.46	137.22
	Sub-Total - Current Liabilities	12801.75	10158.31
	TOTAL EQUITY AND LIABILITIES	45719.60	42711.93
B	<u>ASSETS</u>		
1	Non-Current Assets		
	(a) Property, Plant and Equipment	24163.48	24954.47
	(b) Capital Work-in-Progress	18.29	223.14
	(c) Goodwill on Consolidation	1885.21	1928.54
	(d) Intangible Assets	25.76	29.04
	(e) Non-Current Investments	41.04	41.04
	(f) Long Term Loans and Advances	367.16	432.94
	(g) Other Non-Current Assets	6.55	10.08
	Sub-Total - Non-Current Assets	26507.49	27619.25
2	Current Assets		
	(a) Current Investments	2583.61	2344.96
	(b) Inventories	11390.46	8731.81
	(c) Trade Receivables	1840.93	1928.26
	(d) Cash and Cash Equivalents	3294.14	1983.65
	(e) Short Term Loans and Advances	102.97	104.00
	(f) Other Current Assets	19212.11	15092.68
	Sub-Total - Current Assets	45719.60	42711.93
	TOTAL ASSETS	45719.60	42711.93



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Notes:

- 1 The above results have been reviewed and recommended by Audit Committee and approved by the Board of Directors at their meeting held on 30th May, 2017.
- 2 The consolidated results of the Company includes results of the Company's wholly owned subsidiary ASI Global Limited, Mauritius and indirect subsidiary /JV Al Rawasi Rock & Aggregate LLC. UAE. This has been consolidated as per Accounting Standard (AS) 21-- Consolidated Financial Statements.
- 3 The Board of Directors has recommended a final dividend of Re. 0.30 (30%) per equity share of Re. 1/- each for the financial year 2016-17 subject to approval of members at the ensuing Annual General Meeting.
- 4 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.
- 5 In terms of SEBI Circular CIR/CFD/CMD/56/2016 dated 27th May, 2016, the Company hereby declared that the Auditor's have issued Audit Report with unmodified opinion on Consolidated Audited Financial Results for the year ended 31st March, 2017.
- 6 Figures for the quarter ended 31st March, 2017 and 31st March, 2016 are the balancing figures between audited figures in respect of full financial year and published year to date figure up to the third quarter of the respective financial years.
- 7 Standalone and Consolidated Financial Results are available on the Company's website at www.asistone.com and on BSE's website at www.bseindia.com.
- 8 Previous period/ year figures have been regrouped/reclassified wherever necessary.



By order of the Board

Deepak Jatia
(DIN: 01068689)

Chairman & Managing Director

Place : Mumbai

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To

The Members of

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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



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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



Contd...3/-

B. L. AJMERA & CO.

CHARTERED ACCOUNTANTS

MALJI CHHOGALAL TRUST BUILDING
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(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)

Partner

M. No. 010054

Place: Mumbai

Date: 30th May, 2017

B. L. AJMERA & CO.

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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.



Contd...2/-

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(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 Registration & Stamp
	Royalty	2.75	1977-78, 1990-91, 1992-93, 1993-94	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.

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- (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

B. L. AJMERA & CO.

CHARTERED ACCOUNTANTS

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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.



Contd...2/-

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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.

Regd. Office : Marathon Innova, A- Wing, 7th Floor, Off: Ganpatrao Kadam Marg, Lower Parel, Mumbai- 400013

CIN : L14101MH1945PLC256122 Tel :022-40896100, Fax: 022-40896199 website : asistone.com, email: investors@asistone.com

STANDALONE AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31ST MARCH, 2017

PART - I		(Rs. in Lacs)				
Sr. No.	Particulars	Quarter Ended 31.03.2017 (Audited)	Quarter Ended 31.12.2016 (Unaudited)	Quarter Ended 31.03.2016 (Audited)	Year Ended 31.03.2017 (Audited)	Year Ended 31.03.2016 (Audited)
I.	Revenue from operations	7674.82	3626.70	6174.45	23506.67	17201.30
II.	Other income	390.39	308.52	176.54	1109.74	765.62
III.	Total Revenue (I + II)	8065.21	3935.22	6350.99	24616.41	17966.92
IV.	Expenses					
	(a) Cost of materials consumed	-	-	-	-	-
	(b) Purchase of stock-in-trade	3211.83	785.79	1927.46	10822.62	4746.86
	(c) Change in inventories of finished goods, work-in-progress and stock-in-trade	(118.03)	(70.72)	134.51	(203.42)	177.00
	(d) Employee benefit expenses	1085.81	789.66	681.02	3339.10	2927.21
	(e) Finance costs	224.54	255.05	226.25	930.05	1186.16
	(f) Depreciation and amortization expense	135.44	136.79	130.01	542.68	532.37
	(g) Power & fuel	714.51	659.30	533.77	2407.01	1892.14
	(h) Other expenses	1379.17	1035.99	1290.79	4457.23	4320.01
	Total Expenses	6633.27	3591.86	4923.81	22295.27	15781.75
V.	Profit/(Loss) before exceptional and extraordinary items and tax (III - IV)	1431.94	343.36	1427.18	2321.14	2185.17
VI.	Exceptional items	-	-	-	-	(127.90)
VII.	Profit/(Loss) before extraordinary items and tax (V - VI)	1431.94	343.36	1427.18	2321.14	2313.07
VIII.	Extraordinary items	-	-	-	-	-
IX.	Profit/(Loss) before tax (VII - VIII)	1431.94	343.36	1427.18	2321.14	2313.07
X.	Tax expense					
	(a) Current tax	517.00	108.00	483.00	786.00	885.00
	(b) Deferred tax	(88.26)	2.92	17.26	(69.34)	(6.55)
	(c) Income tax of earlier years	(27.75)	(18.04)	-	(45.79)	0.72
XI.	Profit/(Loss) for the period (IX - X)	1030.95	250.48	926.92	1650.27	1433.90
XII.	Paid-up equity share capital of Re.1/- each	828.55	828.55	662.84	828.55	662.84
XIII.	Reserve (excluding Revaluation Reserves)				12375.91	11123.58
XIV.	(i) Earnings Per Share of Re. 1/- each (before extraordinary items) (not annualised)					
	(a) Basic	1.24	0.30	1.12	1.99	1.73
	(b) Diluted	1.24	0.30	1.12	1.99	1.73
	(ii) Earnings Per Share of Re. 1/- each (after extraordinary items) (not annualised)					
	(a) Basic	1.24	0.30	1.12	1.99	1.73
	(b) Diluted	1.24	0.30	1.12	1.99	1.73

Contd...2/-



SEGMENT WISE REVENUE, RESULTS AND CAPITAL EMPLOYED

(Rs. in Lacs)

Sr. No.	Particulars	Quarter Ended 31.03.2017 (Audited)	Quarter Ended 31.12.2016 (Unaudited)	Quarter Ended 31.03.2016 (Audited)	Year Ended 31.03.2017 (Audited)	Year Ended 31.03.2016 (Audited)
1	Segment Revenue					
	(a) Stone	4356.13	2773.19	4204.28	12083.34	12193.15
	(b) Wind Power	4.45	14.56	9.06	78.59	96.37
	(c) Trading	3314.24	838.95	1961.11	11344.74	4911.78
	Total	7674.82	3626.70	6174.45	23506.67	17201.30
	Less: Inter Segment Revenue	-	-	-	-	-
	Net Segment Revenue	7674.82	3626.70	6174.45	23506.67	17201.30
2	Segment Profit/(Loss) before Tax and Finance Cost					
	(a) Stone	1575.08	563.22	1643.71	2766.44	3408.14
	(b) Wind Power	(21.01)	(17.97)	(20.51)	(37.37)	(70.41)
	(c) Trading	102.41	53.16	30.23	522.12	161.50
	Total	1656.48	598.41	1653.43	3251.19	3499.23
	Less: Interest & Other Unallocable Expenditure	224.54	255.05	226.25	930.05	1186.16
	Profit/(Loss) Before Tax	1431.94	343.36	1427.18	2321.14	2313.07
3	Capital Employed (Segment Assets - Segment Liability)					
	(a) Stone (including revaluation)	26414.22	26169.74	26469.69	26414.22	26469.69
	(b) Wind Power	1012.29	1043.00	1072.26	1012.29	1072.26
	(c) Trading	675.79	497.70	58.13	675.79	58.13
	Total Capital Employed	28102.30	27710.44	27600.08	28102.30	27600.08

STATEMENT OF ASSETS & LIABILITIES

(Rs. in Lacs)

Sr. No.	Particulars	As at 31.03.2017 (Audited)	As at 31.03.2016 (Audited)
A	<u>EQUITY AND LIABILITIES</u>		
1	Share Holders' Fund		
	(a) Share Capital	828.55	662.84
	(b) Reserves & Surplus	21124.40	19879.17
	Sub-Total - Shareholder's Funds	21952.95	20542.01
2	Non-Current Liabilities		
	(a) Long Term Borrowings	5746.37	6693.52
	(b) Long Term Provisions	107.77	-
	(c) Deferred Tax Liabilities (Net)	295.21	364.55
	Sub-Total - Non-Current Liabilities	6149.35	7058.07
3	Current Liabilities		
	(a) Short Term Borrowings	3521.13	2825.66
	(b) Trade Payable	3405.86	2500.66
	(c) Other Current Liabilities	2868.82	2538.10
	(d) Short Term Provisions	248.41	111.86
	Sub-Total - Current Liabilities	10044.22	7976.28
	TOTAL EQUITY AND LIABILITIES	38146.52	35576.36
B	<u>ASSETS</u>		
1	Non-Current Assets		
	(a) Property, Plant and Equipment	16174.77	15966.57
	(b) Capital Work-in-Progress	18.29	223.14
	(c) Intangible Assets	25.77	29.05
	(d) Non-Current Investments	2843.30	2843.30
	(e) Long Term Loans and Advances	4386.32	4647.04
	(f) Other Non-Current Assets	6.55	10.08
	Sub-Total - Non-Current Assets	23455.00	23719.18
2	Current Assets		
	(a) Current Investments	-	-
	(b) Inventories	1204.43	995.68
	(c) Trade Receivables	9329.48	7633.83
	(d) Cash and Cash Equivalents	794.41	1247.44
	(e) Short Term Loans and Advances	3260.23	1876.23
	(f) Other Current Assets	102.97	104.00
	Sub-Total - Current Assets	14691.52	11857.18
	TOTAL ASSETS	38146.52	35576.36



Contd...3/-

Notes:

- 1 The above results have been reviewed and recommended by Audit Committee and approved by the Board of Directors at their meeting held on 30th May, 2017.
- 2 The Board of Directors has recommended a final dividend of Re. 0.30 (30%) per equity share of Re. 1/- each for the financial year 2016-17 subject to approval of members at the ensuing Annual General Meeting.
- 3 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.
- 4 In terms of SEBI Circular CIR/CFD/CMD/56/2016 dated 27th May, 2016, the Company hereby declared that the Auditor's have issued Audit Report with unmodified opinion on Standalone Audited Financial Results for the year ended 31st March, 2017.
- 5 Figures for the quarter ended 31st March, 2017 and 31st March, 2016 are the balancing figures between audited figures in respect of full financial year and published year to date figure up to the third quarter of the respective financial years.
- 6 Previous period/ year figures have been regrouped/reclassified wherever necessary.



By order of the Board

Deepak
Deepak Jatia
(DIN: 01068689)

Chairman & Managing Director

Place : Mumbai