



Associated Stone Industries (Kotah) Ltd.

Staying Brilliant With The Basics

66th Annual Report
2011-2012

Associated Stone Industries (Kotah) Ltd.

BOARD OF DIRECTORS

DEEPAK JATIA, Chairman & Managing Director

TUSHYA JATIA, Executive Director

PADAM KUMAR PODDAR

PRAMOD G. LATH

ANSHUL M. SONAWALA

COMPANY SECRETARY

UTTAM SHETTY

MANAGEMENT EXECUTIVES

S.C.AGARWAL, President

PAVAN SONI, G. M. (Finance & Accounts)

GEORGE MATHEW , G.M (Import & Export)

A.K.YADAV, G. M. (Engineering)

S. M. MEENA G. M. (Mines)

AUDITORS

M/s. B. L. AJMERA & CO.

Chartered Accountants,

M.I. Road, Jaipur -302001

BANKERS

HDFC Bank Limited

IDBI Bank Limited

REGISTERED OFFICE

ASI House,

Kudayala Industrial Area,

Ramganjmandi -326519

Dist. Kota , Rajasthan

HEAD OFFICE

Marathon Innova, A wing, 7th Floor,

Off Ganpatrao Kadam Marg,

Lower Parel, Mumbai. 400013

WORKS

Ramganjmandi -326519

Dist. Kota , Rajasthan

NOTICE

NOTICE is hereby given that the 66th Annual General Meeting of the members of **Associated Stone Industries (Kotah) Limited** will be held at the Registered Office of the Company at ASI House, Kudayala Industrial Area , Ramganjmandi, Dist. Kota, 326519 (Rajasthan), on Friday, the 24th August, 2012 at 9.00 a.m. to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited Balance Sheet as at 31st March, 2012 and Profit and Loss Account for the year ended on that date together with the reports of Directors and Auditors.
2. To declare Dividend on Equity Shares for the financial year ended on 31st March, 2012.
3. To appoint a Director in place of Shri Pramod G. Lath who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint M/s. B.L.Ajmera & Company, Chartered Accountants as Auditors, who shall hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company and to fix their remuneration.

SPECIAL BUSINESS:

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

“RESOLVED THAT pursuant to the provisions of Section 198, 269,309,310 and other applicable provisions if any, of the Companies Act, 1956 read with Schedule XIII of the Act (including any statutory modifications and re-enactment, for the time being in force) and subject to the approval of the Central Government , if required , approval of the members be and is hereby accorded to increase in remuneration payable to Mr. Tushya Jatia Executive Director , with effective from 25th July , 2012 for the balance period of his term of appointment, as per details given under the explanatory statement annexed to the notice.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution the Board (the term “the Board” shall be deemed to include any Committee of the Board constituted to exercise its powers) be and is hereby, authorised to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem desirable, necessary, expedient, usual or proper to implement this resolution.”

NOTES:

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. 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.
3. Corporate members intending to send their Authorised Representatives to attend the Meeting are requested to send the Company a certified copy of Board Resolution authorising their representative to attend and vote on their behalf at the meeting.
4. The members/ proxies are requested to bring duly filled in Attendance Slips for attending the meeting and members/ proxies are also requested to bring a copy of the Annual Report to the Meeting.
5. The Register of Members and the Share Transfer Books of the Company will be closed from Friday, the 17th August, 2012 to Friday, 24th August, 2012, both days inclusive.
6. Members are requested to intimate the Registrar and Transfer Agents of the Company – Sharepro Services (India) Private Limited, 13AB, Samhita Warehousing Complex, 2nd Floor, Sakinaka Telephone Exchange Lane, Off Andheri Kurla Road, Sakinaka, Mumbai 400072, immediately 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 dematerialisation form.
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. Pursuant to requirement of the Listing Agreement of the Stock Exchange relating to Corporate Governance, a statement containing details of Directors seeking appointment / re-appointment is attached herewith.
9. An explanatory statement pursuant to Section 173(2) of the of the Companies Act, 1956, relating to the Special Business to be transacted at the meeting in respect of Special Business is annexed hereto.

By Order of the Board of Directors

Place: Mumbai
5th July, 2012

Uttam Shetty
Company Secretary

Registered Office:
ASI House, Kudayala Industrial Area,
Ramganjmandi, Dist. Kota, 326519 (Rajasthan)

Associated Stone Industries (Kotah) Ltd.

ANNEXURE TO NOTICE **EXPLANATORY STATEMENT PURSUANT TO** **SECTION 173(2) OF THE COMPANIES ACT, 1956**

ITEM NO 5.

At the Annual General Meeting of the Company held on 10th August, 2011, the Members had approved the reappointment and term of remuneration of Shri. Tushya Jatia as Executive Director of the Company.

In appreciation of his dedicated efforts and having regard to the increased responsibilities for improving the Company's performance in a competitive market, the Remuneration Committee reviewed his remuneration and had recommended to Board of Directors to increase his salary for the remaining term upto 24.07.2016. The Board has accordingly decided to increase the remuneration of Mr. Tushya Jatia by increase in the salary w.e.f 25.07.2012 as recommended by the Remuneration Committee subject to approval of the members of the Company. There are no changes in the perquisites and other allowances payable. The details of revised Salary are as under:

Basic Salary: Rs 1,50,000/- per month (with annual increment not exceeding 30% of previous years basic salary).

Tenure: 25.07.2012 to 24.07.2016 (Balance tenure of appointment)

All other terms and conditions of appointment remain unaltered and valid.

Minimum Remuneration:

In the event of any loss or inadequacy of profits in any financial year during his tenure, the Company shall remunerate him by way of salary, perquisites and other allowances and benefits as specified above as minimum remuneration to him subject to the receipt of requisite approval, if any.

The explanatory statement together with the accompanying Notice, may also be regarded as Abstract of Terms of Remuneration and Memorandum of Interest pursuant to the provisions of section 302 of the Companies Act, 1956.

The Directors recommend the resolution for your approval.

None of the Directors except Shri. Tushya Jatia himself and Shri. Deepak Jatia being related to him are interested or concerned in this resolution.

By Order of the Board of Directors

Place :Mumbai
5th July, 2012

Uttam Shetty
Company Secretary

Registered Office :

ASI House, Kudayala Industrial Area,
Ramganjmandi, Dist. Kota, 326519 (Rajasthan)

Details of Directors seeking appointment / reappointment in Annual General Meeting fixed for 24th August, 2012

Name of Director	Shri. Pramod G. Lath
Date of Birth	10 October 1958
Date of Appointment	28th January, 2009
Qualification	B.Com
Expertise in specific functional areas	Finance, Marketing & Administration
Directorship in other Indian Public Ltd. Companies as on 31.03.2012	1) Orient Spinners Ltd. 2) Orient Agro Foods Ltd. 3) Century Impex Ltd.
Chairman / Member of the Committees of the Board of Other Indian Public Limited Companies as on 31.03.2012	Nil
No. of Shares Held in the Company	Nil

DIRECTORS' REPORT

To
The Members,
Associated Stone Industries (Kotah) Limited

The Directors have pleasure in presenting the 66th Annual Report together with the Audited Accounts of the Company for the year ended 31st March, 2012:

1. FINANCIAL RESULTS:

	(Rs. in lacs)	
	2011-12	2010-11
Total revenue	17088.19	17364.84
Profit before finance cost		
& depreciation	2638.34	2941.17
Less : Finance cost	601.82	559.48
Depreciation	577.20	524.22
Profit before taxation	1459.32	1857.47
Provision for taxation		
Current tax	(522.00)	(655.00)
Deferred tax	43.15	24.72
Earlier year adjustments	(37.60)	(59.80)
Profit for the year (after tax)	942.87	1167.39
Add: Balance in profit & loss account	3419.32	2531.01
Profit available for appropriation	4362.19	3698.40
Appropriations		
Transfer to general reserve	125.00	125.00
Proposed dividend	132.57	132.57
Tax on dividend	21.51	21.51
Balance carried forward to Balance Sheet	4083.11	3419.32
	<u>4362.19</u>	<u>3698.40</u>

2. DIVIDEND

Your Directors are pleased to recommend a dividend of Re. 1/- (equivalent to 20%) per equity share of the face value of Rs.5/- each.

3. PERFORMANCE

For the year under review the production of Kotah Stone

was 1461.10 lacs sq.ft. as against 1506.19 lacs sq. ft. in the previous year and sales were 1450.58 lacs sq.ft. as against 1472.43 lacs sq.ft. in the previous year.

During the year 2011-12 the Company has registered revenue from operations of Rs.17088.19 lacs (previous year Rs. 17634.84 Lacs) and Gross Profit of Rs.2638.34 Lacs (previous year Rs. 2941.17 Lacs).

The profit before taxation during the year 2011-12 is Rs.1459.32 Lacs as compared to Rs. 1857.47 Lacs during the previous year 2010-11.

4. WIND POWER PROJECT

As a part of its efforts to augment "Green Power", the Company has so far installed 4.75 MW capacity wind power projects comprising of 1.125 MW capacity in Tiruppur District of Tamil Nadu, 1.125 MW in Gadag District of Karnataka and 2.50 MW capacity in Satara District of Maharashtra.

The wind power projects by themselves are not commercially viable since their operation depends upon availability of winds which is a function of nature and many times erratic. Realising this fact, the Govt. of India offers various incentives such as accelerated depreciation benefit, enhanced tariff for companies not in a position to avail accelerated depreciation benefit, tax holiday for 10 years etc. However, even with these benefits, the returns on investment are very moderate. In a move to accelerate the installation of wind power projects and similar projects like solar power, bio-mass power etc. which are based on renewable energy sources and do not have any adverse impact on environment and climate change, the Govt. of India has mandated that utilities should source a minimum percentage of their power from renewable source based projects.

The need to encourage installation of environment friendly wind power projects has been universally recognized and carbon credit benefits are extended under the Kyoto Protocol of UNFCCC (United Nations Framework Conference for Climate Change). Company had applied for such carbon credit benefit for the 4.75 MW bundled wind power project which has been approved and registered by UNFCCC, Bonn, Germany from 1st May 2011. The Company will be eligible to get carbon credit certificate for ten years from the date of Registration based on the yearly generation. As the first year has been completed on 30th April 2012, the Company is in the process of collecting data of monitoring, verification etc. and submitting to UNFCCC for approval. M/s. TUV India

Pvt. Ltd (subsidiary of TUV Nord, Germany) has been appointed to validate the project. Once the carbon credit certificate is issued, the same can be traded in the carbon credit market.

5. HEALTH, SAFETY & ENVIRONMENT

Health and Safety are the issues getting major attention of Regulatory Authorities. Govt is insisting on regular health check of mine workers especially for respiratory diseases like Silicosis. Company has responded to all such calls by arranging health camps for mine workers and thereafter regular follow up. During the year at least 1000 workers had undergone medical check up.

Maintaining a good, clean & cool environment at its workplace is the top most priority of the Company.

Environmental issues are getting serious momentum. Company has been complying with all environmental requirements and has set up a separate Environment Cell to monitor various parameters and taking up corrective steps in case of any deviation. Special attention is paid on plantation in mine area and rightful conservation of water source.

6. CORPORATE GOVERNANCE

The Company has complied with mandatory provisions of Corporate Governance as prescribed under the Listing Agreement.

A separate report on Corporate Governance is produced as a part of the Annual Report along with Auditors' Certificate on its compliance.

7. DIRECTORS' RESPONSIBILITY STATEMENT

As stipulated in Section 217(2AA) of Companies Act, 1956, your Directors subscribe to the "Directors Responsibility Statement" and confirm that:

- in the preparation of the annual accounts, 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 at the end of the financial year and of the profit or loss of the Company for that period;

- the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- the annual accounts have been prepared on a going concern basis.

8. DIRECTORS

Shri. Pramod G. Lath retires by rotation in accordance with the provisions of the Companies Act, 1956 and Articles of Association of the Company but being eligible, offers himself for reappointment.

Shri. S.M Shroff has resigned as Director of the Company w.e.f 02nd February, 2012. The Board wishes to place on record its gratitude and appreciation for the co-operation and guidance rendered by him during his tenure as Director of the Company.

9. AUDITORS

M/s. B.L. Ajmera & Co., Chartered Accountants, retires as auditors of the Company at the ensuing Annual General Meeting and are eligible for reappointment.

10. STATUTORY INFORMATION

The information pursuant to Section 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 is not applicable.

The Information pursuant to Section 217(1) (e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 is in Annexure.

The Company has been accepting deposits within the provisions of Section 58A of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rules, 1975. The Fixed Deposits as on 31st March, 2012 was Rs 251.25 Lacs.

11. 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

Mumbai
30th May, 2012

**Sd/-
Deepak Jatia
Chairman & Managing Director**

ANNEXURE TO DIRECTORS' REPORT

PARTICULARS REQUIRED UNDER THE COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF THE BOARD OF DIRECTORS) RULE, 1988.

CONSERVATION OF ENERGY

The aforesaid information is not applicable to the Company. The Company has taken effective measures to replace D.G. Power generation by the Grid Power where available. It has improved not only the environment but also reduced the cost of production.

Although Company's operations are not high power consuming, yet all efforts are made to conserve energy by way of improving power factor, using day lights for office working, reducing air conditioning and providing central cooling instead.

TECHNOLOGY ABSORPTION / RESEARCH & DEVELOPMENT

Company has focused on R & D work on utilising quarry waste for manufacture of normal portland cement. Ways and means are being worked out to reduce cost of enrichment and make the project viable.

Research and Development always remained a central issue for the Company's growth and prosperity. Exhaustive tests and studies have been organized in various Govt. of India's Laboratories to probe possibilities of recycling quarry wastes accumulated in large quantity over the years.

Imported Technology : None. It is all in-house development.

FOREIGN EXCHANGE EARNING AND OUTGO.

The relevant figures pertaining to Foreign Exchange Earning and Outgo are given in notes on accounts annexed to and forming part of Balance Sheet.

On behalf of the Board of Directors

Mumbai
30th May, 2012

**Sd/-
Deepak Jatia
Chairman & Managing Director**

Associated Stone Industries (Kotah) Ltd.

MANAGEMENT DISCUSSION AND ANALYSIS

The following discussion should be read in conjunction with the Company's financial statements and related notes appearing elsewhere. The discussion is not necessarily indicative of the results that the Company will achieve in future period. Important developments that could affect the Company's operations include downtrend in construction/infrastructure industry, significant changes in political and economic environment in India, Govt. policies, litigations, fuel cost, labour relations and interest costs.

OVERVIEW & INDUSTRY OUTLOOK

Generally the Kotah Stone Industry has shown an uprising trend of growth. However, recently Apex Court has zeroed in on the environmental issues in mines which has created a panic for small mines. This may affect over all production in coming years. Company has to foresee the situation in its favour.

The demand for Kotah Stone in the country and even in the global market has shown an upward trend throughout the year and is expected to be so over the years to come. Company believes that value added products should be introduced in the market which will fetch a better price. Company has taken advanced precautionary measures in cost cutting, quality improvement and strengthening the supervision to achieve targeted production.

Company has been actively considering the use of quarry waste for manufacturing of cement and other products and the Company has taken necessary initiatives in this regard.

REVIEW :

Financial results for the year ended 31st March, 2012, segment wise are as under:-

(Rs. In Lacs)

Particulars	Stone	Wind Power	Trading	Total	
	2011-12	2011-12	2011-12	2011-12	2010-11
REVENUE					
Sales	10980.39	151.63	5776.66	16908.68	17036.29
Other Operating Income	48.45	-	-	48.45	127.64
Other Income	125.61	5.45	-	131.03	200.91
RESULTS					
Profit before Finance					
Cost & Tax	1895.72	12.47	152.95	2061.14	2416.95
Less: Finance Cost	(501.31)	(100.51)	-	(601.82)	(559.48)
Profit/Loss Before Tax				1459.32	1857.47
Tax Expenses				(516.45)	(690.08)
Net Profit/ (Loss)				942.87	1167.39

OPPORTUNITIES AND THREATS

Company looks for better market in the year to come and there appears no immediate threat to the Industry. Overall market for Kotah Stone appears to be stable. However, continuous increase in the wage structure, fuel price and other additives has to be counteracted through improved technology, productivity and optimum assets utilisation.

Company is actively considering the use of quarry waste, which is low grade Limestone, in the manufacturing of Cement.

ENVIRONMENT

The Company strives to have a better tomorrow with a cleaner & greener environment. Company has been monitoring and abiding by all the guidelines and restrictions outlined in the environment clearance by Ministry of Environment & Forests and strives for compliance to enviro-friendly mining techniques.

PERFORMANCE AND REVIEW OF OPERATIONS

Company has been conducting operations at its mines and factory smoothly and economically and achieving its targets set for the year. To reduce the power cost in mining process, Company has taken 5MW electric power from State Electricity Board to replace 25 DG sets. This will reduce the pollution also in mines.

Company is planning to enter in Realty business under banner of ASI Realty. To start with Company is planning to develop a housing complex on its own surplus land in Ramganjmandi.

RISK AND CONCERNS

Years ahead are full of challenges. As the Company is nearing to lease boundaries, it has to purchase more land, acquire more lease area adjoining to existing area to continue the operation for many more years. Any deviation in environmental parameters will be open to high risk.

The Company does not foresee any risk in near future. However, changes in Government policies and economic slow down, environmental restrictions and other restrictions imposed on construction activities may affect the turn over and profitability of the Company.

OUR EDGE

Maintaining good industrial relations, carrying on its operations professionally & economically, respecting regulatory requirement especially on safety, health and environmental front will help in maintaining its leadership in the industry.

The Company has established a record of consistent relationship with customers. We are the only Company in the organized sector of Kotah Stone mining & processing which gives us an edge over our competitors.

INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY

The Company has maintained a strong and adequate internal control systems to ensure that all assets are safeguarded and protected against loss from unauthorised use or disposition and transactions are authorised, recorded and reported correctly.

The internal control is designed to ensure that financial and other records are reliable for preparing financial information and other data and for maintaining accountability of assets.

DEVELOPMENT IN HUMAN RESOURCE / INDUSTRIAL RELATIONS

Our Industry is highly labour oriented which needs regular interaction with the labours and attending to their concern. Company has always recognized human resource as natural capital and regular on job training and class room lectures have helped in improvement in the quality and utilization of resources.

Being a good pay master in the industry has helped in maintaining good industrial relation and facing challenges successfully. Mutual understanding, maintaining harmonious and cordial industrial relationship is of utmost priority of the Company.

Company has maintained very harmonious and cordial industrial relations throughout the year. This has helped in the improvement of productivity and optimum utilization of Company's resources including human resources.

CORPORATE SOCIAL RESPONSIBILITIES

Company has been discharging its social responsibility by contributing richly in the various social cause and events. The Company has been providing financial support for education, medical, technical institutions, supply of drinking water in the adjoining villages and religious functions of different religions. This has to continue even on a larger scale.

The Company is providing all support for running school and college and providing financial support in the form of scholarships for deserving meritorious children of employees for higher education.

CORPORATE GOVERNANCE REPORT

The detailed report on Corporate Governance as per the format prescribed by SEBI and incorporated in Clause 49 of the Listing Agreement is set out below:

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

The Company has been practising the principle of good Corporate Governance since inception.

The Company's philosophy on Corporate Governance aims at attaining the highest level of transparency, accountability towards its stakeholders, including shareholders, employees, the Government and lenders and to maximize return to the shareholders through creation of wealth on sustainable basis.

Corporate governance at ASI is an ongoing process and the Company continuously strives to improve upon its practices in line with changing demand of the business environment.

The Company believes that all its operations and actions should be devoted for enhancing corporate performance and maximising shareholders value, over a period of time.

2. BOARD OF DIRECTORS

Composition and category

The composition of the Board is in conformity with the clause 49 of the Listing Agreement which stipulates that at least 50% of the Board should consist of Independent Directors, if the Chairman is an Executive Director.

The Company's Board as on date consists of Three Non-Executive and Two Executive Directors. The details are as under:-

Name of Director	Category of Directorship	Number of Directorship held in other Companies (#)	Number of outside Committees	
			Chairman	Member
Shri. Deepak Jatia Chairman & Managing Director	Promoter/ Executive	1	-	-
Shri. Padam Kumar Poddar	Independent/ Non-Executive	-	-	-
Shri. Pramod G. Lath	Independent/ Non-Executive	3	-	-
Shri Tushya Jatia Executive Director	Promoter/ Executive	-	-	-
Shri Anshul M. Sonawala	Independent/ Non-Executive	1	-	-

(#) excludes Directorships in Indian Private Limited Companies.

Associated Stone Industries (Kotah) Ltd.

Attendance of each Director at the Board Meetings and the last Annual General Meeting

During the financial year ended 31st March, 2012, Seven Board Meetings were held on 30th May 2011, 1st July 2011, 29th July, 2011, 15th September 2011, 7th November 2011, 10th January 2012 and on 2nd February, 2012. The attendance of each Director at Board Meetings and the last Annual General Meeting (AGM) are as under:

Name of the Director	No. of Board Meeting attended	Attendance at last AGM held on 10th August, 2011
Shri. Deepak Jatia	6	-
Shri. Padam Kumar Poddar	7	-
Shri. S.M. Shroff (resigned w.e.f 02.02.2012)	-	-
Shri. Pramod G. Lath	7	-
Shri. Tushya Jatia	6	Present
Shri. Anshul M. Sonawala	6	-
Smt. Anita Jatia (Alternate to Shri. S.M. Shroff) (upto 02.02.2012)	6	-

3. AUDIT COMMITTEE

The Board constituted an Audit Committee of Directors comprising Members well versed in finance & accounts / legal matters and general business practices. During the Financial Year ended 31st March 2012, four Audit Committee Meetings were held on 30th May 2011, 29th July, 2011, 7th November 2011 & 2nd February 2012.

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

Name of the Directors	Category	No. of Meetings Attended
Shri. Pramod G. Lath	Chairman	4
Shri. Padam Kumar Poddar	Member	4
Shri. Anshul MS onawala	Member	3

Broad terms of reference

The terms of reference of this Committee cover the matters specified for Audit Committee under Clause 49 of the Listing Agreement as well as in Section 292A of the Companies Act, 1956.

The terms of reference of the Audit Committee include the following:

- Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- Recommending the appointment and removal of external auditor, fixation of audit fee and also approval for payment for any other services.
- Reviewing with management the annual financial statements before submission to the Board, focusing primarily on:
 - Any changes in accounting policies and practices.
 - Major accounting entries based on exercise of judgment by management.
 - Qualifications in draft audit report.
 - Significant adjustments arising out of audit.
 - The going concern assumption.
 - Compliance with stock exchange and legal requirements concerning financial statements.
 - Compliance with accounting standards.
 - Any related party transaction i.e. transactions of the Company of material nature, with promoters or the management, their subsidiaries or relatives etc. that may have potential conflict with the interests of the Company at large.
- Reviewing with the management, external and internal auditors, and the adequacy of internal control systems.
- 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.
- Discussions with external auditors before the audit commences on nature and scope of audit as well as to have post-audit discussion to ascertain any area of concern.
- Reviewing the Company's financial and risk management policies.
- To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non payment of declared dividends) and creditors.

4. REMUNERATION COMMITTEE

A) Composition

The Remuneration Committee of the Board of Directors comprises of three Independent, Non-Executive Directors. During the year under review the committee meeting was held on 1st July 2011. The composition of the Remuneration Committee and attendance at each meeting is as under:-

Name of the Directors	Category	No. of Meetings Attended
Shri. Padam Kumar Poddar	Chairman	1
Shri. Pramod G. Lath	Member	1
Shri. Anshul M. Sonawala	Member	1

B) Terms of Reference

The Remuneration Committee has been constituted to recommend / review remuneration of the Managing Director and Executive/ Whole time Directors.

C) Remuneration Policy and Remuneration of Director

The Remuneration to Managing Director and Executive Director is paid as approved by the Board of Directors on the recommendations of the Remuneration Committee. The remuneration so paid is subject to the approval of Shareholders and such authorities as may be required.

The Details of Remuneration paid / payable to the Whole Time Directors for the Financial Year 2011-12 are as under:
(Rs. In Lacs)

Name of the Director	Salary	Perquisites & Allowances	Total	Stock Option Granted(Nos)
Shri. Deepak Jatia Chairman & Managing Director	33.50	4.02	37.52	Nil
Shri. Tushya Jatia Executive Director	7.29	0.87	8.16	Nil

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.

5. SHAREHOLDERS'/INVESTORS' GRIEVANCE COMMITTEE

The Shareholders'/Investors' Grievance Committee of the Company comprises of three Directors. They are Shri. Anshul M. Sonawala (Chairman), Shri. Pramod G. Lath and Shri. Deepak Jatia as its member's .The Company Secretary Shri. Uttam Shetty is the Compliance Officer of the Company.

During the Financial Year ended 31st March 2012, Committee Meetings were held on 1st July, 2011, 29th July, 2011, 6th December 2011 & on 17th December 2011.

The Shareholders'/Investors' Grievance Committee deals with matters related to issue of duplicate share certificates, transmission of shares, review of dematerialised / rematerialised 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.

Share Transfer Committee (sub Committee to Shareholders /Investors Grievance Committee) met 5 times during the financial year 2011-2012 to facilitate speedy disposal of transfer of shares & other related matters.

There were no pending/unattended complaints as on March 31, 2012.

6. GENERAL BODY MEETINGS

Location and time, where last three Annual General Meetings were held are as under:

I. Annual General Meeting

AGM	Date	Location of the Meeting	Time
65th AGM	10th August, 2011	Registered Office of the Company, ASI House, Kudayala Indl, Area, Ramganjmandi 326519.	9.00 a.m.
64th AGM	27th August, 2010	Registered Office of the Company at Bazar No.1, Ramganjmandi Dist. Kota, Rajasthan	9.00 a.m.
63rd AGM	25th September, 2009	Registered Office of the Company at Bazar No.1, Ramganjmandi Dist. Kota, Rajasthan	9.00 a.m.

Special Resolutions passed during the last 3 AGMs.

65th AGM	Two Special Resolutions were passed at the Annual General Meeting held on 10th August, 2011: (i) Resolution for re-appointment of Mr. Deepak Jatia as Chairman & Managing Director (ii) Resolution for re-appointment of Mr. Tushya Jatia as Executive Director of the Company.
64th AGM	No Special Resolution was passed at the Annual General Meeting held on 27th August, 2010.
63rd AGM	No Special Resolution was passed at the Annual General Meeting held on 25th September, 2009.

II. Details of resolutions passed last year (i.e during Financial Year 2011-12) through Postal Ballot, the person who conducted the Postal Ballot exercise and details of the voting pattern:

During the year ended 31.03.2012 the Company sought approval from its shareholders on one occasion for passing Special Resolutions through the process of postal ballot in accordance with the provisions of Section 192A of the Companies Act, 1956.

The Board of Directors of the Company, at its meeting appointed scrutinizer for conducting Postal ballot in a fair and transparent Manner. The results of the postal ballot were announced on 01.03.2012. Details of the same are given below:

Sr. No.	Particulars	Details/Dates
1	Date of Board Meeting	10th January 2012
2	Name of the Scrutinizer appointed by the Board of Directors at its meeting	Mr. Prabhat Maheshwari, A.C.A, F.C S Practising Company Secretary
3	Date of notice seeking shareholders approval	10th January, 2012
4	Date of completion of dispatch of notice	25th January, 2012
5	Last date of receipt of duly filled Postal Ballot forms	27th February, 2012
6	Date of submission of scrutinizer report to the Chairman	29th February, 2012
7	Date of declaration of result	1st March, 2012

Particulars of Special Resolutions passed:

1	Alteration of object clause of the Memorandum of Association by inserting 3 new clauses i.e 44, 45 and 46 after the existing clause 43.
2	Commencement of all or any of the business specified in clause 44, 45 and 46.

Details of voting pattern are as under:

Particulars	Total votes	Total valid votes cast	Total valid votes cast in favour of the Resolution	Total valid votes cast against the Resolution
Resolution 1	13256746	10023072	10021856 (99.99%)	1216 (0.01%)
Resolution 2	13256746	10022094	10020956 (99.99%)	1138 (0.01%)

7. DISCLOSURES

- The Company had related party transactions which did not have potential conflict with the interests of the Company at large.

- The Company has complied with the requirement of the regulatory authorities on capital markets and no penalty has been imposed or stricture passed during last three years.
- No personnel have been denied access to the Audit Committee.
- The Company has complied with the mandatory requirements of Corporate Governance Clause of Listing Agreement. Non mandatory requirements have been complied with in so far as they relate to appointment of Remuneration Committee.

8. MEANS OF COMMUNICATION

- The Company does not send its quarterly/half-yearly financial results to each shareholder. The quarterly/half-yearly financial results are published in newspapers. 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.
- The quarterly, half-yearly and full year results are published in Business Standard (English daily) news paper (having all India editions) and in Seema Sandesh (Hindi daily)news paper circulated in Rajasthan State, where Registered Office of the Company is situated.
- The quarterly, half-yearly and full year results are displayed on Company's Website : www.asistone.com
- Management Discussion and Analysis forms part of the Annual Report.
- The Company has created dedicated email ID for Investors complaints viz: investors@asistone.com.

9. GENERAL SHAREHOLDER INFORMATION

Registered Office : ASI House, Kudayala Industrial Area , Ramganjmandi 326519.
Tel : 07459 – 645100 , Fax: 07459-220143

Annual General Meeting:

Date and Time: 24th August, 2012 at 9.00 a.m.
Venue: At the Registered Office of the Company.

Financial Calendar

The Company follows April – March as its financial year. The Financial results for every quarter are declared in the month following the quarter except for the quarter January – March, for which the audited financial results are declared in May as permitted under the Listing Agreement.

Date of Book Closure :
17th August, 2012 to 24th August, 2012
 (Both days inclusive)

Dividend payment :

The Board of Directors at their meeting held on 30th May 2012, have recommended a dividend of Re. 1/- per equity share of Rs. 5/- each for the financial year ended 31.03.2012, 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 25th August 2012.

Listing of Equity Shares on Stock Exchange

Equity Shares of the Company are listed on Bombay Stock Exchange. Annual Listing Fees as prescribed has been paid to the Stock Exchange for the year 2012-2013.

Stock Code : BSE, Mumbai – 502015.
 Demat : ISIN-INE443A01022

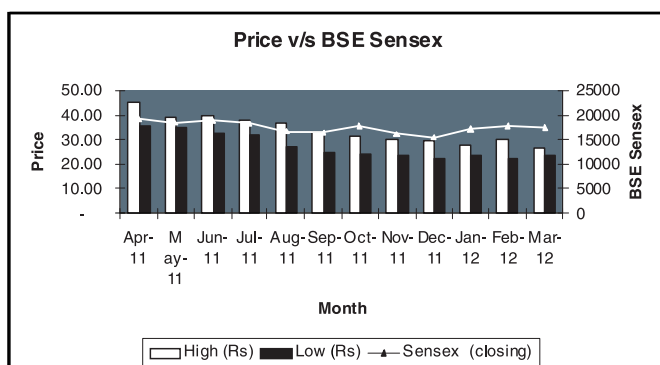
Stock Price Data

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

Equity share of Rs 5/- each

MONTH	HIGH Rs.	LOW Rs.	MONTH	HIGH Rs.	LOW Rs.
April, 2011	44.90	35.20	October, 2011	31.45	24.40
May, 2011	38.90	34.95	November, 2011	30.55	23.25
June, 2011	40.00	32.20	December, 2011	29.30	22.10
July, 2011	37.90	31.60	January, 2012	27.90	23.50
August, 2011	36.75	27.50	February, 2012	29.70	22.10
September, 2011	32.85	24.50	March, 2012	26.90	23.50

Performance in comparison to BSE Sensex



Registrar and Share Transfer Agents

Sharepro Services (India) Pvt. Ltd., 13AB, Samhita Warehousing Complex, 2nd Floor, Sakinaka Telephone Exchange Lane, Off Andheri Kurla Road, Sakinaka, Mumbai 400072. Tel: 022-67720300 / 67720400 Fax :022 28591568 Email: sharepro@shareproservices.com

Share Transfer System

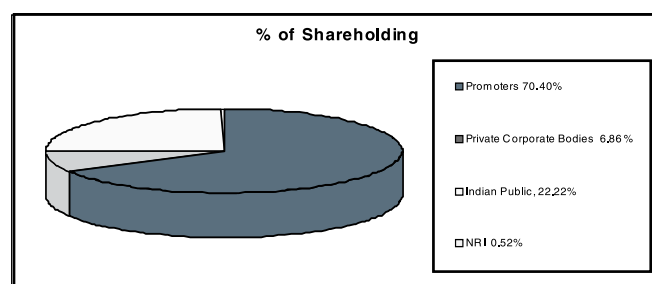
The shares for transfer received in physical form are transferred expeditiously, provided the documents are complete and the shares under transfer are not under any dispute. The share certificates duly endorsed are returned immediately to shareholders. Confirmation in respect of requests for dematerialisation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

Distribution of shareholding as on 31st March, 2012

No. of Equity Shares held	No. of Shareholders	Percentage of Shareholders	No. of Shares held	Percentage of shareholding
Upto 500	1879	68.402	356012	2.686
501 to 1000	437	15.908	358669	2.706
1001 to 2000	167	6.079	271563	2.048
2001 to 3000	68	2.475	175056	1.321
3001 to 4000	45	1.638	165360	1.247
4001 to 5000	27	0.983	126203	0.952
5001 to 10000	55	2.002	392235	2.959
10001 and above	69	2.513	11411648	86.081
Grand Total	2747	100.00	13256746	100.00

Shareholding Pattern as on 31st March, 2012

Category	No. of Shares held	Percentage
Promoters	9333140	70.40
Banks, Financial institutions	-	-
Private Corporate Bodies	909623	6.86
Indian Public	2945332	22.22
NRI	68651	0.52
Total	13256746	100.00



Plant Location :

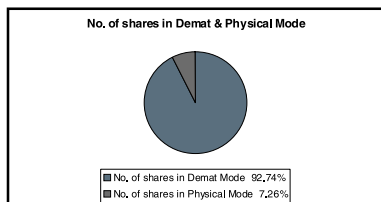
Mining :	Ramganjmandi Dist . Kota, Rajasthan
Wind Power:	1) Tungavi Village, Udumalpet Taluk, Dist. Tiruppur, Tamilnadu. 2) Beladadi Village, Taluk & Dist. Gadag, Karnataka 3) Rameshwar Village, Taluk Khatau, Dist Satara, Maharashtra.

Dematerialisation of Shares

The Company's shares are available for trading in the depository systems of both the National Securities Depository Ltd. (NSDL) and the Central Depository Services

Associated Stone Industries (Kotah) Ltd.

(India) Ltd. (CDSL). Company's ISIN No is "INE443A01022." As on March 31, 2012, 92.74% of the total outstanding shares were held in dematerialized form.



The Annual custody fees for the year 2012-13 have been paid to the Depositories as per SEBI Guideline.

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

There are no GDR/ADR/Warrants or any other convertible instruments pending conversion or any instruments likely to impact the equity share capital of the Company.

Address for Correspondence

For any assistance regarding transfer, transmissions, change of address, non-receipt of dividend and any other query relating to the shares of the Company, the shareholders may please write to Registrar and Share Transfer Agents of the Company.

10. CHAIRMAN OF THE BOARD

Shri. Deepak Jatia is the Chairman of the Company.

11. SHAREHOLDER RIGHTS

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

12. CEO/ CFO CERTIFICATION

The Chairman & Managing Director (CEO) and General Manager (Finance & Accounts) (CFO) have certified to the Board in accordance with Clause 49(V) of the Listing Agreement pertaining to CEO/CFO certification for the financial year ended 31st March, 2012.

DECLARATION

As provided under Clause 49 of the Listing Agreement with the Stock Exchange, the Board Members and the Management personnel have confirmed compliance with the Code of Conduct, for the year ended March 31, 2012.

For Associated Stone Industries (Kotah) Limited.

Mumbai
30th May, 2012

Sd/-
Deepak Jatia
Chairman & Managing Director

Auditors' Certificate on Corporate Governance

To the Members,

ASSOCIATED STONE INDUSTRIES (KOTAH) LTD.

We have examined the compliance of conditions of Corporate Governance by Associated Stone Industries (Kotah) Ltd., for the year ended on 31st March, 2012, as stipulated in Clause 49 of the Listing Agreement of the said Company with stock exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination has been limited to a review of the procedures and implementations thereof adopted by the Company for ensuring compliance with the conditions of the Corporate Governance as stipulated in the said clause. It is neither an audit nor an expression of opinion on the financial statement of the Company.

In our opinion and to the best of our information and according to the explanations given to us, and based on the representations made by the Directors and the Management, we certify the Company has complied with the conditions of Corporate Governance as stipulated in the Clause 49 of the above-mentioned Listing Agreement.

We 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)

Place: Jaipur
Dated: 31st May, 2012

Sd/-
(C. Venkatesan)
Partner
Membership No.010054

AUDITORS' REPORT

TO THE MEMBERS, ASSOCIATED STONE INDUSTRIES (KOTAH) LTD.

We have audited the attached Balance Sheet of ASSOCIATED STONE INDUSTRIES (KOTAH) LTD. as at March 31st, 2012 and also Profit and Loss Account and Cash Flow statement of the Company for the year ended on that date, annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

1. We conducted our audit in accordance with the auditing standards generally accepted in India. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
2. As required by the Companies (Auditors' Report) Order, 2003 issued by the Central Government of India in terms of Section 227 (4A) of the Companies Act, 1956 of India (the Act) and on the basis of such checks as we considered appropriate and according to the information and explanations given to us, we set out in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
3. Further to our comments in the Annexure referred to in paragraph 2 above, we report that:-
 - (a) We have obtained all the information and explanations which to the best of our knowledge and belief, were necessary for the purpose of our audit;
 - (b) In our opinion, proper books of Accounts, as required by law, have been kept by the Company, so far as appears from our examination of those books.
 - (c) The Balance Sheet and Profit & Loss Account and cash flow statement dealt with by this report are in agreement with the books of accounts.
 - (d) In our opinion the Balance Sheet, Profit and Loss Account and Cash Flow statement dealt with by this report comply with the mandatory Accounting

Standards referred to in sub-section 3C of section 211 of the Companies Act, 1956, to the extent applicable.

- (e) In our opinion, and based on information and explanations given to us, none of the directors are disqualified as on 31st March, 2012 from being appointed as director in terms of clause (g) of sub section (1) of Section 274 of the Companies Act, 1956;
- (f) In our opinion and to the best of our information and according to the explanations given to us the said accounts together with the notes there on and attached there to give in the prescribed manner the information required by the Act and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - i. In the case of Balance Sheet, of the state of affairs of the Company as at 31st March, 2012.
 - ii. In case of the Profit & Loss Account, of the profit of the Company for the year ended on that date and:
 - iii. In the case of the Cash Flow statements, of the cash flows for the year ended on that date.

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

Place: Jaipur
Dated: 31st May, 2012

Sd/-
(C. Venkatesan)
Partner
Membership No.010054

Associated Stone Industries (Kotah) Ltd.

ANNEXURE TO AUDITORS' REPORT

[Referred to in paragraph 2 of the auditors' report of even date to the members of The Associated Stone Industries (Kotah) Ltd. on the accounts for the year ended 31st March, 2012.]

- 1)
 - a) The Company is maintaining proper records showing full particulars including quantitative details and situation of fixed assets.
 - b) The fixed assets of the Company are physically verified by the management according to a phased programme designed to cover all the items over a period of three years, which in our opinion, is reasonable having regard to the size of the Company and nature of its assets. Pursuant to such programme, a physical verification was carried out during the year and this revealed no material discrepancies.
 - c) During the year, the Company has not disposed off substantial part of fixed assets.
 - 2)
 - a) The inventory lying at all location except in transit and third parties has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
 - 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 nature of its business.
 - c) On the basis of our examination of the records we are of the opinion that the Company is maintaining proper records of inventory.
 - d) The discrepancies noticed on physical verification were not material and the same have been properly dealt with in the books of accounts.
 - 3) According to the information and explanations given to us, the Company has not granted or taken any loans, secured/ unsecured to/from Companies, Firm or other parties covered in the Register maintained under Section 301 of the Companies Act, 1956.
 - 4) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business for purchase of inventory and fixed assets and for the sale of goods.
- During the course of our audit, no major weakness has been noticed in the internal controls.
- 5)
 - a) On the basis of representation made by the management and scrutiny of books of accounts carried out by us, the information that need to be entered in the Register in pursuance of Section 301 of the Companies Act, 1956 have been so entered.
 - b) In our opinion and according to the information and explanations given to us, transactions during the year exceeding the value of five lakh rupees in respect of any party which required to be entered in the register u/s 301 of Companies Act, 1956 have been made at prices which are reasonable having regard to prevailing market prices at the relevant time.
 - 6) In our opinion and according to the information and explanations given to us the Company has complied with the directives issued by the Reserve Bank of India and the provision of Section 58A and 58AA of the Act and the Companies (Acceptance of Deposit) Rules, 1975 with regard to the deposits accepted from the public. As per information and explanations given to us, no order under the aforesaid sections has been passed by the Company Law Board on the Company.
 - 7) In our opinion, the Company has an internal audit system commensurate with its size and nature of its business.
 - 8) Rule for maintenance of cost records prescribed under Section 209 (1) (d) of the Act is not applicable to the Company.
 - 9)
 - a) According to the information and explanations given to us and according to the books and records as produced and examined by us, in our opinion, the undisputed statutory dues in respect of provident fund, investor education and protection fund, employees' state insurance, income-tax, wealth tax, sales tax, customs duty, excise duty and other material statutory dues as applicable, have been regularly deposited by the Company during the year with the appropriate authorities.
 - b) As at March 31, 2012, according to the records of the Company and the information and explanations given to us, the following are the particulars of disputed dues (provided/contingent liability, as appropriate) on account of sales-tax, income-tax, custom duty, wealth-tax, service tax, excise duty and cess matters that have not been deposited on account of a dispute-

Name of the statute	Nature of the dues	Amount (Rs/ Lacs.)	Period to which the amount relates	Forum where dispute is pending
The Income Tax Act, 1961	Lease Payment	19.02	1951 to 1962	High Court
Sales Tax Act	Entry Tax	339.47	January 2007 to March 2012	High Court
Cess Matters	Land Tax	229.73	2006 to 2012	DIG Registration & Stamps/High Court
	Royalty	8.61	1977-78, 1990-91, 1992-93, 1993-94	Mining Dept / High Court

- 10) The Company has not incurred any cash loss during the financial year covered by our audit and the immediately preceding financial year and has no accumulated loss.
- 11) The Company has not defaulted in repayment of dues to financial Institution / Bank / Debenture holders.
- 12) The Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- 13) The Company is not a chit fund, nidhi of mutual benefit fund / society.
- 14) The Company is not dealing or trading in shares, securities, debentures and other investments.
- 15) The Company has not given any guarantee for loans taken by others from banks or financial institution, the terms & conditions, whereof, in our opinion, are prima facie prejudicial to the interest of the Company
- 16) According to the information and explanation given to us, term loans availed by the Company were prima facie, applied during the year for the purposes for which the loans were obtained.
- 17) According to the cash flow statement and other records examined by us and the information and explanations given to us, on an overall basis, funds raised on short term basis have prima facie, been not used during the year for long term investment and vice versa.
- 18) The Company has not made any issue of shares during the year.
- 19) The Company has not issued debenture during the year.

20) The Company has not made any public issue during the year.

21) Based upon the audit procedures performed and information and explanations given by the management, no fraud on or by the Company has been noticed or reported during the course of audit.

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

Place: Jaipur
Dated: 31st May, 2012

Sd/-
(C. Venkatesan)
Partner
Membership No.010054

Associated Stone Industries (Kotah) Ltd.

BALANCE SHEET AS AT 31st MARCH, 2012

	Note No.	As at 31.03.2012 (Rs. in lacs)	As at 31.03.2011 (Rs. in lacs)
EQUITY AND LIABILITIES			
Shareholders' Fund:			
Share Capital	1	662.84	662.84
Reserves and Surplus	2	15106.22	14320.33
		15769.06	14983.17
Non-Current Liabilities			
Long Term Borrowings	3	2792.21	3318.98
Deferred Tax Liabilities (Net)	4	378.45	421.60
		3170.66	3740.58
Current Liabilities			
Short Term Borrowings	5	2673.92	2622.55
Trade Payables	6	3079.76	2945.91
Other Current Liabilities	7	2803.37	2106.48
Short Term Provisions	8	207.44	405.40
Total		8764.49	8080.34
		27704.21	26804.09
ASSETS			
Non Current Assets			
Fixed Assets	9		
Tangible Assets	9	14606.70	14438.56
Intangible Assets	9	10.06	15.70
Capital Work-in-Progress	9	3186.74	3107.42
		17803.50	17561.68
Non Current Investments	10	41.04	41.04
Long Term Loans and Advances	11	323.55	112.48
		18168.09	17715.20
Current Assets			
Inventories	12	1656.00	1843.34
Trade Receivables	13	6783.59	6385.03
Cash and Cash Equivalents	14	637.38	505.06
Short Term Loans and Advances	15	406.79	332.29
Other Current Assets	16	52.36	23.17
Total		9536.12	9088.89
		27704.21	26804.09
Significant Accounting Policies			
Notes on Financial Statements	1 to 41		

As per our Report of even date

For B.L. AJMERA & CO.

Chartered Accountants

Firm Regn. No. 001100C

On Behalf of the Board of Directors

TUSHYA JATIA
(Executive Director)

DEEPAK JATIA
(Chairman & Managing Director)

C. VENKATESAN
Partner
Membership No. 010054

PAVAN SONI
(Chief Financial Officer)

UTTAM SHETTY
(Company Secretary)

Place : Jaipur
Date : 31st May, 2012

Place : Mumbai
Date : 30th May, 2012

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31st MARCH, 2012

		2011-12 (Rs. in lacs)	2010-11 (Rs. in lacs)
INCOME			
Revenue from Operations	17	16957.13	17163.93
Other Income	18	131.06	200.91
Total Revenue		<u>17088.19</u>	<u>17364.84</u>
EXPENDITURE			
Purchase of Traded Goods	19	5608.88	5595.19
Change in Inventories of Finished Goods, Work-in-Progress and Stock in Trade	20	233.43	(107.11)
Employee Benefit Expenses	21	2255.45	2173.17
Finance Costs	22	601.82	559.48
Depreciation & Amortisation Expense	23	577.20	524.22
Other Expenses	24	6352.09	6762.42
Total Expenses		<u>15628.87</u>	<u>15507.37</u>
Profit/(Loss) Before Tax		1459.32	1857.47
Less: Tax Expenses			
Current Tax		522.00	655.00
Deferred Tax		(43.15)	(24.72)
Earlier Years Adjustments		37.60	59.80
		<u>516.45</u>	<u>690.08</u>
Profit/(Loss) for the period		<u>942.87</u>	<u>1167.39</u>
Earnings per Equity Share (Face value Rs.5/- each)			
- Basic & Diluted Rs.		7.11	8.81
Significant Accounting Policies Notes on Financial Statements	1 to 41		

As per our Report of even date
For B.L. AJMERA & CO.
Chartered Accountants
Firm Regn. No. 001100C

On Behalf of the Board of Directors

TUSHYA JATIA
(Executive Director)

DEEPAK JATIA
(Chairman & Managing Director)

C. VENKATESAN
Partner
Membership No. 010054

PAVAN SONI
(Chief Financial Officer)

UTTAM SHETTY
(Company Secretary)

Place : Jaipur
Date : 31st May, 2012

Place : Mumbai
Date : 30th May, 2012

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 under the Companies (Accounting Standards) Rule, 2006, (as amended) and the relevant provisions of the Companies Act, 1956. 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) Presentation and Disclosure of Financial Statement

During the year ended 31-03-2012, the revised Schedule VI notified under the Companies Act, 1956, has become applicable to the Company, for preparation and presentation of its financial statements. The adoption of revised Schedule VI does not impact recognition and measurement principles followed for preparation of financial statements. However, it has significant impact on presentation and disclosures made in the financial statements. The Company has also reclassified the previous year figures in accordance with the requirements applicable in the current year.

c) 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.

d) 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.

e) Fixed Assets

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

Depreciation on Tangible Fixed Assets

- (i) Depreciation on Dumpers, Earth-moving machinery, and machineries of Kudayala polishing unit II and depreciation on Wind Power generating units installed at Coimbatore Dist (Tamilnadu), Gadag Dist. (Karnataka) & Satara Dist. (Maharashtra) has been provided on straight line method as per the rate and in the manner prescribed in schedule XIV of the Companies Act, 1956.
- (ii) Depreciation on other fixed assets except as stated in (i) above has been provided on written down value method as per rates and in the manner prescribed in schedule XIV of the Companies Act, 1956.

Depreciation on Intangible Fixed Assets

Depreciation on intangible assets (surface right of land) has been provided on written down value method as per rates prescribed in Appendix I of rule 5 of Income Tax Rules, 1962.

f) Inventories

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

g) Borrowing Costs:

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

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

h) Impairment of Tangible and Intangible Assets:

Impairment Loss is charged to the Profit & Loss Account 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.

i) Investments:

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

Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long term 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 Note No. 1 of Revised Schedule VI to the Companies Act, 1956, the portion of the Long term investments classified above, and expected to be realised within 12 months of the reporting date, have been classified as current investments.

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

j) Retirement and other employee benefits

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

k) Income Taxes

- (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.

l) Contingent Liabilities

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

Associated Stone Industries (Kotah) Ltd.

Notes to Financial Statements for the Year ended 31 March, 2012

		As at 31-03-2012 Rs. in Lacs	As at 31-03-2011 Rs. in Lacs
1.	SHARE CAPITAL		
	Authorised :		
	4,60,00,000 (Previous year 4,60,00,000) Equity Shares of Rs.5/- 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 :		
	1,32,56,746 (Previous year 1,32,56,746) Equity Shares of Rs 5/- each fully paid	662.84	662.84
		<u>662.84</u>	<u>662.84</u>
	Out of the above equity shares :		
(a) 64000	Shares have been allotted as fully paid up pursuant to a contract without payment being received in cash.		
(b) 100000	Shares have been allotted as fully paid up on conversion of 1,00,000 Deferred Shares of Rs.5/- each and		
(c) 7782000	Shares have been issued as fully paid Bonus Shares by capitalisation of General Reserve.		

1.1 Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

Particulars	As at 31-03-2012		As at 31-03-2011	
	Nos.	Rs. in Lacs	Nos.	Rs. in Lacs
Equity Shares at the beginning of the period	13256746	662.84	13256746	662.84
Issued during the period	---	---	---	---
Equity Shares at the end of the period	13256746	662.84	13256746	662.84

1.2 Terms/Rights attached to Equity Shares :

The Company has only one class of equity share having a par value of Rs. 5/- per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. During the year ended 31st March, 2012, the amount of per share dividend recognised as distributions to equity shareholders was Re 1/- per share (previous year Re 1/- per share).

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

Name of the shareholder	As at 31-03-2012		As at 31-03-2011	
	Nos.	% held	Nos.	% held
Equity shares of Rs. 5/- each fully paid				
a) Sampoorina Exports Private Limited	2279632	17.20%	2279632	17.20%
b) Devashish Exports Private Limited	2273434	17.15%	2273434	17.15%
c) Sundatta Sirur Private Limited	2004076	15.12%	2004076	15.12%
d) Status Impex Private Limited	1519506	11.46%	1519506	11.46%
e) DeeJay Mining & Exports Private Limited	711148	5.36%	711148	5.36%
a to e - Associate Company				
	8787796		8787796	

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.

2. RESERVES & SURPLUS

2.1 Revaluation Reserve

	As at 31.03.2012 (Rs. in lacs)	As at 31.03.2011 (Rs. in lacs)
Balance as per the last financial statements	9056.03	9102.26
Less: Reduction due sale of revalued assets	8.07	46.23
Closing balance	9047.96	9056.03

2.2 General Reserve

	As at 31.03.2012 (Rs. in lacs)	As at 31.03.2011 (Rs. in lacs)
Balance as per the last financial statements	1844.98	1699.62
Add: Amount transferred from surplus balance in the statement of profit and loss	125.00	125.00
Add : Profit on sale of revalued assets (Ref. note no 28)	5.17	20.36
Closing balance	1975.15	1844.98

2.3 Surplus / (Deficit) in the Statement of Profit and Loss

	As at 31.03.2012 (Rs. in lacs)	As at 31.03.2011 (Rs. in lacs)
Balance as per the last financial statements	3419.32	2531.01
Profit for the year	942.87	1167.39
Less: Appropriations		
Proposed equity dividend [Re.1/- per share (Pr. Year Re.1/-)]	132.57	132.57
Tax on proposed equity dividend	21.51	21.51
Transfer to general reserve	125.00	125.00
Net surplus in the statement of profit and loss	4083.11	3419.32
Total Reserves and Surplus	15106.22	14320.33

Associated Stone Industries (Kotah) Ltd.

3.	LONG TERM BORROWINGS	Current Maturities		Non-Current Portion	
		31-03-2012 (Rs. in lacs)	31-03-2011 (Rs. in lacs)	31-03-2012 (Rs. in lacs)	31-03-2011 (Rs. in lacs)
3.1	Term Loans				
	Indian rupee loan from banks (secured) (Secured by first equitable mortgage of specified immovable property and/or hypothecation of specified movable assets and guaranteed by Directors)	788.29	684.88	2637.57	3222.84
	From other parties (secured) (Secured by hypothecation of specified movable assets and guaranteed by Directors)	196.13	61.02	128.70	67.55
3.2	Other Loans and Advances				
	Security deposits (unsecured)	---	---	25.94	28.59
3.3	The above amount includes				
	Secured borrowings	984.42	745.90	2766.27	3290.39
	Unsecured borrowings	---	---	25.94	28.59
	Net Amount	984.42	745.90	2792.21	3318.98
				As at 31-03-2012 (Rs. in lacs)	As at 31-03-2011 (Rs. in lacs)
4.	DEFERRED TAX LIABILITY (NET)				
	Deferred Tax Liability				
	Related to fixed assets			665.70	696.44
	Gross Deferred Tax Liability			665.70	696.44
	Deferred Tax Assets				
	Disallowances U/s 43B of Income Tax Act, 1961			268.12	255.72
	Other disallowances under the Income Tax Act, 1961			19.13	19.12
	Gross Deferred Tax Asset			287.25	274.84
	Net Deferred Tax Liability			378.45	421.60
5.	SHORT TERM BORROWINGS				
	Secured				
	Cash Credit/WCDL from banks *			2422.67	2282.82
	Unsecured				
	Deposits from public			251.25	257.81
	Other loans			---	81.92
				2673.92	2622.55

* Secured by first charge by way of hypothecation of mining & 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.

6. TRADE PAYABLES

Trade payables (including acceptances)
(refer Note given below)

As at 31-03-2012 (Rs. in lacs)	As at 31-03-2011 (Rs. in lacs)
3079.76	2945.91
3079.76	2945.91

- (a) Trade Payable includes bills to the extent Rs. 2999.93 Lacs (Previous year Rs.2908.52 Lacs) accepted by the Company under letter of credit facility granted by IDBI Bank Ltd Jaipur. 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) In absence of proper details from the suppliers, the amount over due if any, to Micro, Small & Medium Enterprises under Micro , Small & Medium Enterprises Development Act, 2006 cannot be ascertained.

7. OTHER CURRENT LIABILITIES

Current maturities of long term borrowings (Ref.note No.3)	984.42	745.90
Interest accrued but not due on borrowings	36.64	24.71
Unclaimed dividend #	12.85	8.79
Unclaimed matured deposits #	2.07	2.57
Advance from customers	654.02	398.62
Statutory liabilities	699.93	611.64
Other payables	413.44	314.25
	2803.37	2106.48

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

8. SHORT TERM PROVISIONS

Provision for employee benefits	53.36	251.32
Proposed dividend	132.57	132.57
Tax on proposed dividend	21.51	21.51
	207.44	405.40

Associated Stone Industries (Kotah) Ltd.

9. FIXED ASSETS (AT COST)

(Rupees in Lacs)

GROSS BLOCK					DEPRECIATION				NET BLOCK	
	As at 01.04.2011	Additions/ Disposals	Sales / Other Adj.	As at 31.03.2012	As at 01.04.2011	For the year	Sales / Other Adj.	As at 31.03.2012	As at 31.03.2012	As at 31.03.2011
Tangible Assets										
Land	9663.35	17.03	8.10	9672.28	-	-	-	-	9672.28	9663.35
Buildings	990.24	275.63	15.04	1250.83	212.84	35.78	11.40	237.22	1013.61	777.40
Plant and Machinery	4304.26	221.98	291.13	4235.11	1635.58	259.69	278.72	1616.55	2618.56	2668.68
Furniture and Fixtures	95.36	10.73	15.37	90.72	41.98	10.10	15.26	36.82	53.90	53.38
Dumpers & Vehicles	1999.85	236.90	22.98	2213.77	728.68	264.64	19.69	973.63	1240.14	1271.17
Office Equipments	11.45	5.07	3.72	12.80	6.87	1.35	3.63	4.59	8.21	4.58
Total (A)	17064.51	767.34	356.34	17475.51	2625.95	571.56	328.70	2868.81	14606.70	14438.56
Intangible Assets										
Surface Right	113.46	-	-	113.46	97.76	5.64	-	103.40	10.06	15.70
Total (B)	113.46	-	-	113.46	97.76	5.64	-	103.40	10.06	15.70
Total (A+B)	17177.97	767.34	356.34	17588.97	2723.71	577.20	328.70	2972.21	14616.76	14454.26
Previous Year	17400.45	283.98	506.46	17177.97	2583.01	524.22	383.51	2723.72	14454.25	14817.44
Capital work- in progress									3186.74	3107.42

Note: Land value includes Rs. 9047.96 Lacs (Previous Year Rs. 9056.03 Lacs) on account of revaluation during the Financial Year 2006-07.

	As at 31-03-2012 (Rs. in lacs)	As at 31-03-2011 (Rs. in lacs)
10. NON CURRENT INVESTMENTS (Long Term Investment)		
Investment in Equity (unquoted)		
a) Investment in Associates		
410000 Equity shares of Rs 10/- each fully paid up in Stone Masters (India) Limited	41.00	41.00
100 Equity shares of Rs.10/- each fully paid up in Oasis Cement Limited	0.01	0.01
b) Investment in Others		
100 Equity shares of Rs.25/- each fully paid up in Sarvodaya Sahakari Samiti Limited	0.03	0.03
	<u>41.04</u>	<u>41.04</u>
Aggregate amount of Unquoted Investments	41.04	41.04
11. LONG TERM LOANS AND ADVANCES (unsecured and considered good)		
Capital advances	125.55	60.90
Security deposit	36.16	20.91
Advance Income Tax (Net of provision)	159.95	28.78
Other loans & advances	1.89	1.89
	<u>323.55</u>	<u>112.48</u>
12. INVENTORIES		
Work-in-progress	488.51	747.54
Finished goods	962.51	922.08
Traded goods	20.13	34.96
Stores & spares (includes goods-in-transit Rs. 10.85 Lacs) (Previous year Rs.0.78 Lacs)	184.85	138.76
	<u>1656.00</u>	<u>1843.34</u>
Inventories are valued at cost or net realisable value, whichever is lower.		
13. TRADE RECEIVABLES (Unsecured, Considered good unless stated otherwise)		
Less than six months	6191.58	6124.60
More than six months	591.99	259.95
More than six months - doubtful	58.97	59.43
	<u>6842.54</u>	<u>6443.98</u>
Less: Provision for doubtful receivables	58.95	58.95
	<u>6783.59</u>	<u>6385.03</u>

Associated Stone Industries (Kotah) Ltd.

	As at 31-03-2012 (Rs. in lacs)	As at 31-03-2011 (Rs. in lacs)
14. CASH AND BANK BALANCES		
14.1 Cash and Cash equivalents		
Cash on hand	17.42	9.66
Balance with banks :		
Current accounts	177.63	45.64
Unclaimed dividend accounts	12.85	8.78
	<u>207.90</u>	<u>64.08</u>
14.2 OTHER BANK BALANCES		
Deposits with original maturity for more than 12 months		
Margin Money Deposit *	325.48	336.98
Others #	104.00	104.00
	<u>429.48</u>	<u>440.98</u>
	<u>637.38</u>	<u>505.06</u>
* Pledged with the Bank towards Letter of Credit and Bank Guarantee facilities availed by the Company.		
# Pledged with Government Department as security Rs. 64.00 Lacs (previous year Rs. 64.00 Lacs).		
15. SHORT TERM LOANS & ADVANCES		
(Unsecured and considered good)		
Capital advances	29.87	25.02
Deposits	31.40	33.12
Loans to employees	9.94	5.63
Advances against purchase & expenses	82.53	44.91
Balances with statutory Government authorities	9.03	12.19
Others	244.02	211.42
	<u>406.79</u>	<u>332.29</u>
16. OTHER CURRENT ASSETS		
Interest accrued on fixed deposits	7.74	7.31
Miscellaneous expenditure (to the extent not w/o) (Ref note no. 29)	44.62	15.86
	<u>52.36</u>	<u>23.17</u>
	<u>2011-12</u>	<u>2010-11</u>
	(Rs. in lacs)	(Rs. in lacs)
17. REVENUE FROM OPERATIONS		
Sale of products	16908.68	17036.29
Other operating revenue	48.45	127.64
Revenue from Operations	<u>16957.13</u>	<u>17163.93</u>
Details of Products sold		
Finished Goods Sold		
Stones *	10980.39	11154.00
Wind power	151.63	124.95
Traded Goods sold	5776.66	5757.34
	<u>16908.68</u>	<u>17036.29</u>

* Sale of stones includes royalty recovered Rs. 1504.41 Lacs (previous year Rs. 1393.76 lacs)

	2011-12 (Rs. in lacs)	2010-11 (Rs. in lacs)
18. OTHER INCOME		
Interest on bank deposits	38.95	29.94
Interest from others	33.51	87.03
Net gain on foreign exchange transaction	0.19	(0.16)
Surplus on sale of fixed assets	24.00	40.08
Other non-operating income (net)	34.41	44.02
	<u>131.06</u>	<u>200.91</u>
19. PURCHASE OF TRADED GOODS	<u>5608.88</u>	<u>5595.19</u>
	<u>5608.88</u>	<u>5595.19</u>
20. CHANGE IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE		
20.1 Inventories (at close)		
Work-in-progress	488.51	747.54
Finished goods	962.51	922.08
Traded goods	20.13	34.96
	<u>1471.15</u>	<u>1704.58</u>
20.2 Inventories (at commencement)		
Work-in-progress	747.54	914.43
Finished goods	922.08	641.48
Traded goods	34.96	41.56
	<u>1704.58</u>	<u>1597.47</u>
(Increase)/Decrease in Inventories	<u>233.43</u>	<u>(107.11)</u>
21. EMPLOYEE BENEFIT EXPENSES		
Salaries,wages and bonus	1977.67	1834.01
Contribution to provident fund	184.39	177.03
Contribution to approved gratuity fund (note no.37)	69.74	142.66
Staff welfare expenses	23.65	19.47
	<u>2255.45</u>	<u>2173.17</u>
22. FINANCE COSTS		
Interest	570.34	517.78
Interest on income tax	16.21	32.87
Bank charges	15.27	8.83
	<u>601.82</u>	<u>559.48</u>
23. DEPRECIATION AND AMORTIZATION EXPENSES		
Depreciation on tangible assets	571.56	519.04
Depreciation on intangible assets	5.64	5.18
	<u>577.20</u>	<u>524.22</u>

Associated Stone Industries (Kotah) Ltd.

	2011-12 (Rs. in lacs)	2010-11 (Rs. in lacs)
24. OTHER EXPENSES		
24.1 Mining & Production Expenses		
Purchase	150.01	57.06
Consumption of stores & spares	385.65	291.26
Raising & mining expenses	425.02	574.93
Power and fuel	2589.51	2623.63
Repairs to machinery	127.10	131.50
Other manufacturing expenses	153.78	911.51
Royalty on stone	1573.21	1410.17
	<u>5404.28</u>	<u>6000.06</u>
24.2 Selling & Distribution Expenses		
Commission on sales	268.25	195.48
Other selling and distribution expenses	33.22	32.25
	<u>301.47</u>	<u>227.73</u>
24.3 Establishment Expenses		
Rent	116.52	71.17
Rates and taxes	125.49	127.54
Insurance	39.88	43.99
Repairs to building & others	30.44	34.41
Legal and professional fees	26.51	35.07
Travelling expenses	25.54	29.83
Directors' remuneration	40.79	33.60
Directors' sitting fees	0.40	0.34
Payment to auditor (Refer details below)	5.53	4.75
Loss on sale of investments	2.56	3.57
Charity & donations	3.58	0.25
General expenses	225.91	158.56
Prior period expenses/ (income)	3.19	(8.45)
	<u>646.34</u>	<u>534.63</u>
	<u>6352.09</u>	<u>6762.42</u>
Payment to Auditors		
Audit fees	2.53	2.21
Tax audit fees	0.84	0.55
Limited review	0.83	0.55
Reimbursement of expenses	1.33	1.44
	<u>5.53</u>	<u>4.75</u>

		For the year ended	
		31.03.2012 (Rs. in lacs)	31.03.2011 (Rs. in lacs)
25.	CONTINGENT LIABILITY AND COMMITMENTS		
	(i) Contingent Liabilities		
a.	Claims against the Company not acknowledge as debts	128.42	59.39
b.	Liabilities disputed for which no provision has been made in the accounts as same is contested in appeal by the Company		
	i) Income Tax	19.02	19.02
	ii) Royalty	67.37	67.37
	iii) Others	96.08	111.09
c.	Counter guarantees given by the Company in respect of guarantees given by the Bank to Government authorities & others	25.48	25.48
	(ii) Commitments		
a.	Estimated amount of contracts remaining to be executed on capital account not provided for (net of advances)	434.61	498.10
26.	PARTICULARS OF UNHEDGED FOREIGN CURRENCY EXPOSURE AS AT THE REPORTING DATE		
	Export Trade Receivable	Euro	11790
	Export Trade Receivable	USD	Nil
27.	Company has purchased mining machinery during the year 2007-08 under EPCG scheme in respect of which the Company has a future export obligation of US\$ 25,34,001.26 (Previous year US\$ 25,63,925.39) to be completed over a period of 8 years from June , 2007		
28.	During the year, the Company has sold some of the land for Rs.5.20 lacs revalued in the earlier year. The profit on sale of such assets to the extent of revalued amount Rs. 5.17 lacs has been credited to General Reserve Account and the Revaluation Reserve Account has been debited to the extent of assets revalued earlier.		
29.	During the year under review , the Company has incurred expenditure of Rs. 28.76 lacs (Previous year Rs.15.86 lacs) towards feasibility study & other expenses for setting up of new ventures and same has been debited to pre-operative expenses and shown under the head of Other Current Assets.		
30	VALUE OF STORES, SPARE PARTS & COMPONENTS CONSUMED		
		2011-12	2010-11
		Value	Value
	Imported	13.62	13.80
	Indigenous	372.03	277.46
		385.65	291.26
		100.00%	100.00%
31.	VALUE OF IMPORTS (CIF BASIS)		
	Raw Material	-	-
	Stores, Spare Parts & Components	-	15.32
	Capital Goods	-	-
32.	CAPTIVE CONSUMPTION OF RAW MATERIALS		
	Rough Stone Quantity (Lacs sq.fts)	8.58	10.61
	Value (Rs. in lacs)	43.67	57.52

Associated Stone Industries (Kotah) Ltd.

		For the year ended	
		31.03.2012 (Rs. in lacs)	31.03.2011 (Rs. in lacs)
33.	EXPENDITURE IN FOREIGN CURRENCY		
	Travelling	5.70	8.40
34.	EARNING IN FOREIGN CURRENCY		
	Exports at F.O.B.Value	16.64	71.78

35 EARNING PER SHARE (BASIC/DILUTED)

	2011-12	2010-11
Net Profit (After Tax) as per Profit & Loss Account available for equity shareholders (Rs. in lacs)	942.87	1167.39
Equity shares for calculation of earning per share of Rs. 5/- each (nos.)	13256746	13256746
Earning per share - Basic & Diluted (Rs.)	7.11	8.81

36. RELATED PARTIES DISCLOSURE :

I Name of related parties and description of relationship

A Key Management Persons and relatives

1. Mr. Deepak Jatia
2. Mr. Tushya Jatia

B Enterprises over which key Management Person(s) have significant influence and enterprises having a key Management Person(s) in common

Stone Masters (India) Ltd.

II Transactions with related parties

(Rs. in lacs)

Sr. No.	Particulars	Enterprises over which Key Management Person(s) have significant influence and enterprises having a key management person(s) in common.		
			2011-12	2010-11
1	Purchase of materials/finished goods		60.70	38.85
2	Rent paid		-	4.65

III Details regarding payment made to key Managerial Persons

(Rs. in lacs)

	Particulars	2011-12	2010-11
	Managerial Remuneration		
	Salary	40.79	33.60
	Contribution to Provident and other fund	4.89	4.03
		45.68	37.63

37. EMPLOYEE BENEFITS

(a) Plan Description.

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

(b) Defined benefit plans / compensated absences - As per actuarial valuation on 31st March 2012

	Particulars	Gratuity (Funded) 31-03-2012 (Rs. in Lacs)	Gratuity (Funded) 31-03-2011 (Rs. in Lacs)
I	Change in defined benefit obligation		
	Projected Benefit Obligation at the beginning of the year	790.63	669.52
	Interest cost	71.46	57.61
	Current service cost	32.28	32.73
	Benefit Paid	(76.75)	(58.75)
	Actuarial (gain)/loss on obligation	27.57	89.52
	Projected Benefit Obligation at the end of the year	845.19	790.63
II	Change in Plan Assets		
	Fair Value of Plan Assets at the beginning of the year.	589.19	378.18
	Expected Return on Plan Assets	65.21	37.21
	Contributions by Employers	271.18	232.56
	Benefit Paid	(76.75)	(58.75)
	Actuarial gains/(loss) on Plan Assets	(3.64)	(0.01)
	Fair value of plan assets at the end of the year	845.19	589.19
III	Actual Return on Plan Assets		
	Expected return on Plan Assets	65.21	37.21
	Actual gain/(loss) on Plan Assets	(3.64)	(0.01)
	Actual Return on Plan Assets	61.57	37.20
IV	Amount Recognized in the Balance Sheet		
	Liability at the end of the year	845.19	790.63
	Fair value of plan assets at the end of the year	845.19	589.19
	Amount Recognized in the Balance Sheet	0.00	201.44
V	Expenses Recognized in the Statement of Profit and Loss		
	Current Service Cost	32.28	32.73
	Interest Cost	71.46	57.61
	Expected return on plan assets	(65.21)	(37.21)
	Net Actuarial Gain/(Loss) to be recognized	31.20	89.53
	Expenses Recognized in P&L	69.73	142.66
VI	Amount Recognized in the Balance Sheet.		
	Opening net liability	201.44	291.34
	Expenses as above	69.74	142.66
	Contributions by employers/Benefits paid	(271.18)	(232.56)
	Amount Recognized in the Balance Sheet.	0.00	201.44
VII	Actuarial Assumptions for the year		
	Discount Rate	9.50%	9.00%
	Rate of Return on plan Assets	9.50%	8.00%
	Rate of Increase in Compensation Levels	3.00%	3.00%

Associated Stone Industries (Kotah) Ltd.

38. TURNOVER, PRODUCTION, PURCHASES, OPENING AND CLOSING STOCK OF GOODS

	Turnover		Production		Purchases		Opening Stock		Closing Stock	
	2012	2011	2012	2011	2012	2011	2012	2011	2012	2011
Rough Stone (Lacs Sq.Fts.)	1450.58	1472.43	1461.10	1506.19	2.63	1.24	168.16	147.29	169.73	168.16
Polished Stone (Lacs Sq.Fts.)	14.77	12.63	8.25	10.20	8.25	2.10	5.07	5.86	6.43	5.07
Wind Power (Lacs units)	44.69	41.35	44.69	41.35	-	-	-	-	-	-
Value (Stone) (Rs.in Lacs)	10980.39	11154.00	-	-	150.01	57.06	922.08	641.48	962.51	922.08
Value of Wind Power (Rs.in Lacs)	151.63	124.95	-	-	-	-	-	-	-	-
Trading (Rs. in Lacs)	5776.66	5757.34	-	-	5608.88	5595.19	34.96	41.56	20.13	34.96
Value (Rs. in Lacs)	16908.68	17036.29	-	-	5758.89	5652.25	957.04	683.04	982.64	957.04

39. 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

(Rupees in Lacs)

	Stone		Wind Power		Trading		Total	
	2011-12	2010-11	2011-12	2010-11	2011-12	2010-11	2011-12	2010-11
REVENUE								
External Sales	10980.39	11154.00	151.63	124.95	5776.66	5757.34	16908.68	17036.29
Other Operating Income	48.45	127.64	-	-	-	-	48.45	127.64
Other Income	125.61	198.06	5.45	2.84	-	-	131.06	200.90
RESULTS								
Profit before Finance Costs & Tax	1895.72	2282.81	12.47	(21.41)	152.95	155.55	2061.14	2416.95
Finance Costs	501.31	437.92	100.51	121.56	-	-	601.82	559.48
Profit/Loss Before Tax	1394.41	1844.89	(88.04)	(142.97)	152.95	155.55	1459.32	1857.47
Provision for Taxation								
Current Tax							(522.00)	(655.00)
Deferred Tax							43.15	24.72
Income tax for Earlier Years							(37.60)	(59.80)
Net Profit/ (Loss)							942.87	1167.39
Other Information								
Segment Assets	22703.34	21773.83	1867.75	1949.77	3133.12	3080.48	27704.21	26804.08
(including revaluation)								
Segment Liability	5452.54	4860.45	312.02	311.36	2999.93	2908.52	8764.49	8080.33
Capital Expenditure Incurred	846.65	3349.73	-	-	-	-	846.65	3349.73
Depreciation	459.66	406.68	117.54	117.54	-	-	577.20	524.22

(ii) Geographical Segments

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

	2011-12 (Rs. in lacs)	2010-11 (Rs. in lacs)
India	16892.04	16964.51
Outside India	16.64	71.78
	16908.68	17036.29

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

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

As per our Report of even date
For B.L. AJMERA & CO.
Chartered Accountants
Firm Regn. No. 001100C

On Behalf of the Board of Directors

TUSHYA JATIA
(Executive Director)

DEEPAK JATIA
(Chairman & Managing Director)

C. VENKATESAN
Partner
Membership No. 010054

PAVAN SONI
(Chief Financial Officer)

UTTAM SHETTY
(Company Secretary)

Place : Jaipur
Date : 31st May, 2012

Place : Mumbai
Date : 30th May, 2012

AUDITORS' CERTIFICATE

To,
The Board of Directors,
Associated Stone Industries (Kota) Ltd.
ASI House, Kudayala Industrial Area,
Ramganjmandi -326519,
Dist. Kota, Rajasthan.

We have examined the attached Cash Flow Statement of Associated Stone Industries (Kota) Ltd. for the period ended 31st March 2012. The statement has been prepared by the Company in accordance with the requirements of Clause 32 of listing agreements with Stock Exchange and is based on and in agreement with the corresponding Profit and Loss account and Balance Sheet of the Company covered by our report of 31st May, 2012 to the Members of the Company.

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

Place: Jaipur
Dated: 31st May, 2012

Sd/-
(C. Venkatesan)
Partner
Membership No.010054

Associated Stone Industries (Kotah) Ltd.

CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2012

(Rupees in Lacs)

For the year ended

	31.03.2012	31.03.2011
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before tax and Extra-ordinary items		
Adjusted for	1459.32	1857.47
Depreciation & Amortization Expenses	577.20	524.22
Interest Income	(72.46)	(116.97)
Loss on Sale of Investments	-	3.57
(Profit)/Loss on Sale of Fixed Assets	(24.00)	(40.08)
Finance Cost	601.82	559.48
Operating Profit before Working Capital Changes	2541.88	2787.69
Adjusted for changes in		
Trade & Other Receivables	(583.74)	(259.94)
Inventories	187.34	(126.45)
Trade Payables	515.47	254.00
Cash Generated from Operations	2660.95	2655.30
Interest Paid	(589.89)	(562.76)
Direct Taxes Paid	(653.17)	(778.78)
Earlier Year Expenses	(37.60)	(59.80)
NET CASH FLOW FROM OPERATING ACTIVITIES (A)	1380.29	1253.96
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(916.16)	(3417.31)
Sales of Fixed Assets	48.74	137.14
Sale of Investment	-	1.19
Movement in Loans & Deposits	71.52	1405.97
Interest Received	72.03	116.66
NET CASH USED IN INVESTMENT ACTIVITIES (B)	(723.87)	(1756.35)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Long Term Borrowings	616.50	2020.00
Repayment of Long Term Borrowings	(908.66)	(872.97)
Short-term Loans & Deposits	(81.92)	(525.11)
Dividend paid	(150.02)	(113.08)
NET CASH FROM FINANCING ACTIVITIES (C)	(524.10)	508.84
NET INCREASE IN CASH & CASH EQUIVALENT (A+B+C)	132.32	6.45
OPENING BALANCE OF CASH & CASH EQUIVALENT	505.06	498.61
CLOSING BALANCE OF CASH & CASH EQUIVALENT	637.38	505.06

As per our Report of even date

For B.L. AJMERA & CO.

Chartered Accountants

Firm Regn. No. 001100C

On Behalf of the Board of Directors

TUSHYA JATIA
(Executive Director)

DEEPAK JATIA
(Chairman & Managing Director)

C. VENKATESAN
Partner
Membership No. 010054

PAVAN SONI
(Chief Financial Officer)

UTTAM SHETTY
(Company Secretary)

Place : Jaipur
Date : 31st May, 2012

Place : Mumbai
Date : 30th May, 2012

Associated Stone Industries (Kotah) Ltd.

Registered Office: ASI House, Kudayala Industrial Area, Ramganjmandi 326519 ,Dist. Kota Rajasthan

Attendance Slip

(to be signed and handed over at the entrance of the meeting venue)

Regd. Folio No :
No. of Shares Held :

DP ID* :
Client ID* :

Full Name of the Member (in Block Letters)_____

Name of the Proxy_____

(to be filled –in if the Proxy Form has been duly deposited with the Company)

I, hereby record my presence at the **66th ANNUAL GENERAL MEETING** of the Company at Regd. Office, ASI House, Kudayala Industrial Area, Ramganjmandi 326519. Dist Kota, Rajasthan on Friday the 24th August, 2012 at 9.00 a.m.

Member / Proxy's Signature
(to be signed at the time of handing over this slip)

* Applicable for members holding shares in electronic form.

Note : Members are requested to bring their copies of Annual Report to the meeting

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Associated Stone Industries (Kotah) Ltd.

Registered Office: ASI House, Kudayala Industrial Area, Ramganjmandi 326519 ,Dist. Kota Rajasthan

PROXY FORM

Regd. Folio No :
No. of Shares Held :

DP ID* :
Client ID* :

I/We_____

of_____

being a member / members of the above – named Company hereby appoint Shri_____

_____of _____ or failing him

Shri _____of _____

As my / our proxy to vote for me /us/ on my / our behalf at the **66th ANNUAL GENERAL MEETING** of the Company to be held on Friday, 24th August, 2012 at 9.00 a.m at Regd. Office ASI House, Kudayala Industrial Area, Ramganjmandi 326519. Dist Kota, Rajasthan and any adjournment thereof.

Signed this _____ day of _____ 2012 Signature_____

Affix one
rupee
revenue
stamp

* applicable for members holding shares in electronic form.

Note : This form , 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 meeting.

NOTES

[illegible]

If undelivered please return to



Associated Stone Industries (Kotah) Limited
Marathon Innova, A Wing, 7th Floor, Off. Ganpatrao Kadam Marg, Lower Parel, Mumbai - 400013.