

GLOBAL SURFACES FZE
Dubai, United Arab Emirates
FINANCIAL STATEMENTS
For the year 31 March, 2024

FINANCIAL STATEMENTS & INDEPENDENT AUDITOR'S REPORT
FOR THE YEAR ENDED 31 MARCH 2024

GLOBAL SURFACES FZE

Dubai, United Arab Emirates

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GLOBAL SURFACES FZE

Dubai, United Arab Emirates

GENERAL INFORMATION

Shareholder : M/s Global Surfaces Limited
(formerly known as Global Stones Private Limited)

Manager : Mr. Mayank Shah

License No. : 10498188

TRN : 100531123600003

Principal activities of the Entity:

The licensed activities of the company are as follows:

- Artificial Marble Manufacturing.

Business Address : S50902, Jebel Ali Freezone,
Dubai, United Arab Emirates.

Bank : Bank of Baroda
HDFC bank
ADCB bank
EDB Bank
Kotak Mahindra Bank

The Auditor : Coast Accounting and Auditing
P.O Box 45341
Dubai, United Arab Emirates

GLOBAL SURFACES FZE

Dubai, United Arab Emirates

MANAGEMENT'S REPORT

The Management is presenting its report and the audited financial statements for the year ended 31 March 2024.

Principal activities of the Entity:

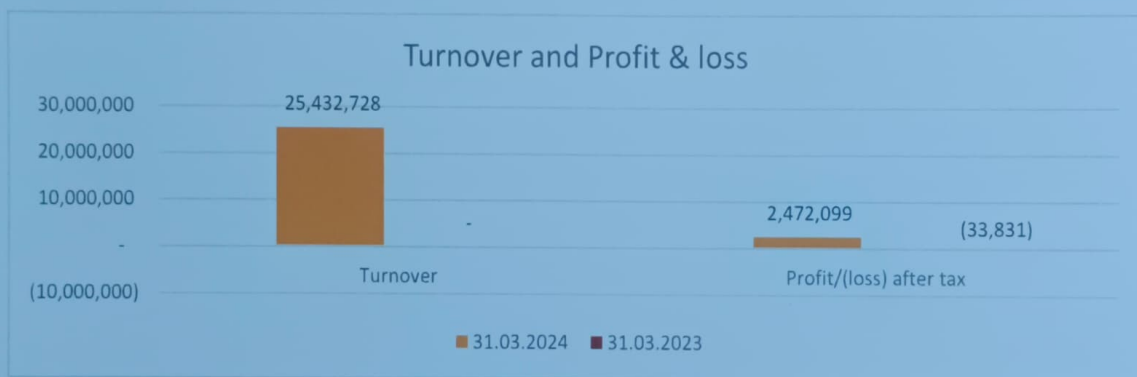
The licensed activities of the company are as follows:

- Artificial Marble Manufacturing.

Financial review:

The table below summarizes the results of 2024 and 2023:-

<u>Particulars</u>	(figures in U.A.E Dirhams)	
	<u>31.03.2024</u>	<u>31.03.2023</u>
Turnover	25,432,728	-
Profit/(loss) after tax	2,472,099	(33,831)
Total Comprehensive Income	2,472,099	(33,831)
Total assets	150,079,704	78,560,244
Shareholder's equity	12,063,168	9,591,069



Role of the Manager:

The Manager of the Entity is Mr. Mayank Shah, the Entity's principal decision maker. He has the overall responsibility for leading and supervising the Entity, for delivering sustainable shareholder value through their guidance and supervision of the Entity's business. He sets the strategies and policies of the Entity. He monitors performance of the Entity's business, guides and supervises the management.

(cont...)

GLOBAL SURFACES FZE
Dubai, United Arab Emirates

Events after year end:

In the opinion of the Manager, no transaction or event of a material and unusual nature, favorable or unfavorable, has arisen in the interval between the end of the financial year and the date of this report that is likely to affect, substantially, the result of the operations or the financial position of the Entity.

Auditor:

M/s Coast Accounting & Auditing Chartered Accountants, have showed their willingness to continue and are appointed to carry out independent audit for the year ending 31 March 2024.

Statement of Management's responsibilities:

The applicable requirements require the Management to prepare the financial statements for each financial year, which presents fairly, in all material respects, the financial position of the Entity, and its financial performance for the year then ended.

The audited financial statements for the year under review have been prepared in conformity and in compliance with the relevant statutory requirements and other governing laws. The Management confirms that sufficient care has been taken for the maintenance of proper and adequate accounting records that disclose with reasonable accuracy at any time, the financial position of the Entity and enables them to ensure that the financial statements comply with the requirements of applicable statute. The Management also confirms that appropriate accounting policies have been selected and applied consistently in order that the financial statements reflect fairly the form and substance of the transactions carried out during the year under review and reasonably present the Entity's financial conditions and results of it. These financial statements were approved by the Board and signed on behalf by the authorized representative of the Entity.

For GLOBAL SURFACES FZE

Authorized Signatory



INDEPENDENT AUDITOR'S REPORT

To,
The Shareholder
GLOBAL SURFACES FZE
Dubai, United Arab Emirates

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of **GLOBAL SURFACES FZE, Dubai, United Arab Emirates ("Entity")** which comprise the statement of financial position as at 31 March 2024, and the statement of profit or loss and other comprehensive income, statement of changes in equity, statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at 31 March 2024 and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis of Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the requirements of Code of Ethics for Professional Accountants, issued by International Ethics Standards Board for Accountants (IESBA) together with ethical requirements that are relevant to our audit of the financial statements and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.



GLOBAL SURFACES FZE**Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

We communicate with management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



GLOBAL SURFACES FZE

Auditor's Responsibilities for the Audit of the Financial Statements (Cont..)

Report on other legal and regulatory requirements :

We further confirm that,

1. Compliance with Federal Law No (2) of 2015 of U.A.E.
2. We have obtained all the information and explanations including the physical stock verification which was taken on 31 March 2024 which we considered necessary for our audit,
3. The financial statements have been prepared and comply in all material respects with the applicable provisions of the relevant U.A.E. laws, and the Memorandum and Articles of Association of the Entity,
4. Proper books of accounts have been maintained by the Entity,
5. The contents of the Manager's report which relates to the financial statements are in agreement with the Entity's books of account,

COAST ACCOUNTING & AUDITING
Chartered Accountants

R.Bhatia

R.I.Bhatia
Reg. No. 174, United Arab Emirates
Ministry of Economy (Audit Division)

Date: *28 May 2024*



GLOBAL SURFACES FZE

Dubai, United Arab Emirates

Statement of Financial Position as at 31 March 2024

Assets	Notes	(figures in U.A.E Dirhams)	
		31.03.2024	31.03.2023
Non-current assets			
Property, plant and equipments	7	96,066,044	99,252
Capital work-in-progress	8	51,948	55,744,090
Right-of-use assets	9	17,852,801	18,454,804
Intangible Assets	10	15,436	-
Financial assets			
Other non financial assets	11	249,674	3,200,397
Total non-current assets		114,235,903	77,498,543
Current assets			
Inventories	12	7,195,471	-
Trade receivables	13	25,791,983	-
Loans, advance and deposit	14	-	10,767
Other current assets	15	1,188,419	895,721
Cash and cash equivalents	16	1,667,928	155,213
Total current assets		35,843,801	1,061,701
Total assets		150,079,704	78,560,244
Equity and liabilities			
Equity			
Share capital	17	9,624,900	9,624,900
Retained earnings	18	2,438,268	(33,831)
Total equity		12,063,168	9,591,069
Non current liabilities			
Borrowings	18(a)	100,314,173	10,922,864
Lease liabilities	20	20,162,599	20,020,693
Total non current liabilities		120,476,772	30,943,557
Current liabilities			
Borrowings	18(b)	2,183,743	28,900,659
Lease liabilities	20	716,046	-
Trade and other payables	21	5,894,646	12,765
Other financial liabilities	22	8,745,329	9,112,194
Total current liabilities		17,539,764	38,025,618
Total equity and liabilities		150,079,704	78,560,244

We approve these financial statements and confirm that we are responsible for them, including selecting the accounting policies and making the judgment underlying them. We also confirm that we have made available all relevant accounting records and information for their compilation.

The attached notes form an integral part of these accounts.

For GLOBAL SURFACES FZE

MAYANK SHAH

Director



SWETA SHAH

Director



GLOBAL SURFACES FZE

Dubai, United Arab Emirates

Statement of Profit or Loss and Other Comprehensive Income for the year ended 31 March 2024

		(figures in U.A.E Dirhams)	
	Notes	31.03.2024	31.03.2023
Income			
Revenue	23	25,432,728	-
Other income	24	328,305	-
Total income		25,761,033	-
Expenses			
Cost of materials consumed	25	(3,183,367)	-
Purchase of Stock-in-Trade	25	(18,500,000)	-
Changes in inventories of finished goods and work-in-progress	25	2,701,082	-
Employee benefit expenses	26	(956,485)	-
General and administrative expenses	27	(859,808)	(1,283)
Selling and distribution expenses	28	(13,864)	-
Finance cost	29	(1,642,866)	-
Depreciation and amortization	30	(833,626)	(32,548)
Total expenses		(23,288,935)	(33,831)
Net profit before tax		2,472,099	(33,831)
Tax expense			
Current tax		-	-
Deferred tax		-	-
Profit for the year		2,472,099	(33,831)
Other comprehensive income		-	-
Total comprehensive profit for the year		2,472,099	(33,831)

Earnings per share (in AED)

Basic earnings per share

25.68 -

The above statement of profit and loss should be read in conjunction with accompanying notes.

We approve these financial statements and confirm that we are responsible for them, including selecting the accounting policies and making the judgment underlying them. We also confirm that we have made available all relevant accounting records and information for their compilation.

The attached notes form an integral part of these accounts.

For GLOBAL SURFACES FZE

MAYANK SHAH

Director

SWETA SHAH

Director



GLOBAL SURFACES FZE

Dubai, United Arab Emirates

Statement of Cash Flows for the year ended 31 March 2024

(figures in U.A.E Dirhams)

	Notes	31.03.2024	31.03.2023
Cash Flows from operating activities			
Net profit for the year		2,472,099	(33,831)
Adjustments:			
Depreciation and amortization	30	833,626	32,548
Net cash from operating activities before changes in working capital changes.		3,305,725	(1,283)
Changes in working capital			
Other non financial assets	11	2,950,723	(2,658,470)
Inventories	14	(7,195,471)	-
Trade receivables	12	(25,791,983)	-
Loans, advance and deposit	21	10,767	-
Other current assets	15	(292,698)	(906,488)
Lease liabilities	20	857,952	(699,713)
Trade and other payables	21	5,881,881	(646,636)
Other financial liabilities	22	(366,865)	2,891,644
Net cash from operating activities		(20,639,968)	(2,020,946)
Cash Flows from investing activities			
Purchase and capitalization property, plant and equipments	7	(96,655,426)	(131,800)
Capital work-in-progress	8	55,692,142	(47,447,991)
Right-of-use assets	9	458,341	-
Intangible Assets	10	(16,766)	-
Net cash from/(used in) investing activities		(40,521,709)	(47,579,791)
Cash Flows from financing activities			
Borrowings	18(a)	62,674,393	40,131,049
Share capital		-	8,924,900
Net cash (used in) financing activities		62,674,393	49,055,949
Net increase in cash and cash equivalents		1,512,715	(544,787)
Cash and cash equivalents beginning of the year		155,213	700,000
Cash and cash equivalents end of the year		1,667,928	155,213
CASH AND CASH EQUIVALENTS			
Cash and bank balance	16	1,667,928	155,213
		1,667,928	155,213

The attached notes form an integral part of these accounts.

For GLOBAL SURFACES FZE



GLOBAL SURFACES FZE

Dubai, United Arab Emirates

Statement of Changes in Equity for the year ended 31 March 2024


(figures in U.A.E Dirhams)

	<u>Share capital</u>	<u>Retained Earnings</u>	<u>Total</u>
<u>Changes in Equity</u>			
Balance at 31 March 2022	700,000	-	700,000
a. Share issued during the year	8,924,900	-	8,924,900
b. Net (loss) for the year	-	(33,831)	(33,831)
c. Transfer to statutorre reserve	-	-	-
Balance at 31 March 2023	9,624,900	(33,831)	9,591,069
<u>Changes in Equity</u>			
a. Net profit for the year	-	2,472,099	2,472,099
b. Net movement during the year	-	-	-
c. Profit transfer to statutorre reserve	-	-	-
Balance at 31 March 2024	9,624,900	2,438,268	12,063,168

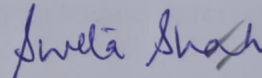
The attached notes form an integral part of these accounts.

For GLOBAL SURFACES FZE

MAYANK SHAH


Director

SWETA SHAH


Director



GLOBAL SURFACES FZE

Dubai, United Arab Emirates

Notes to the financial statements - for the year ended 31 March 2024

1 LEGAL STATUS :

M/S GLOBAL SURFACES FZE, Jebel Ali Free Zone, Dubai, United Arab Emirates is incorporated on 23th December, 2021 and operate as a Free Zone Company under a License No. 10498188, issued by the Jebel Ali Free Zone Authority, Dubai, U.A.E.

The registered address of the company is S50902, Jebel Ali Freezone, Dubai, United Arab Emirates.

The company is managed by Board of director of company.

Value Added Tax (VAT) was introduced in the UAE on 01 January 2018. As per UAE Cabinet Decision No. (52) of 2017 on the Executive regulations of the Federal Decree Law No. (8) of 2017 on Value Added Tax, the VAT TRN No of the company is 100531123600003

2 BUSINESS ACTIVITIES :

The licensed activities of the company are as follows:

- Artificial Marble Manufacturing.

3 BASIS OF PREPARATION :

(a) The financial statements are prepared under the historical cost convention basis applied consistently. Accrual basis of accounting has been followed by the company for the financial statements except the cash flow. These financial statements are prepared on the assumption of going concern basis.

(b) The Financial Statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as promulgated by the International Accounting Standard Board ("IASB"), interpretations issued by the International Financial Reporting Interpretation Committee ("IFRIC") and requirements of the Laws, Regulations & Rules issued by the Ras Al Khaimah Economic Zone Authority.

4 SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS:

(a) The preparation of these financial statements require management to make judgements, estimates and assumptions that affect the reported amount of revenues, expenses, assets and liabilities and disclosure at the reporting date.

(b) Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the year in which the estimates are revised and in any future periods affected.

5 Application of new and revised International Financial Reporting Standards (IFRS)

The company has adopted and complied with the IFRS for SME's since the time it was first published. Any amendments or improvements are adopted by the company with effective dates. These financial statements are prepared as per IFRS effective as on 31 March 2024, except some IFRS not relevant to the company or not applicable as on the date of the financial statements have been excluded.



GLOBAL SURFACES FZE

Dubai, United Arab Emirates

Notes to the financial statements - for the year ended 31 March 2024

Significant Accounting Policies : (cont., page 11)

(i) Standards, amendments and interpretations effective and adopted in the year 2023:

The following new standards, amendments and interpretations to existing standards or interpretations to published standards are mandatory for the first time for the financial year beginning on or after 01 April 2023 and have been adopted in the preparation of the combined Financial Statements, if required.

Amendments to IAS 1 - Presentation of Financial Statements and IFRS Practice Statement 2 Making Materiality Judgements—Disclosure of Accounting Policies

Amendments to IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors—Definition of Accounting Estimates

Amendments to IAS 12 Income Taxes- Deferred Tax related to Assets and Liabilities arising from a Single Transaction

Amendments to IAS 12 Income Taxes- International Tax Reform—Pillar Two Model Rules

IFRS 17 - Insurance Contracts (including the June 2020 and March 2021 Amendments to IFRS 17)

The Company does not have any contracts that meet the definition of an insurance contract under IFRS 17.

The adaption of these new Standards, Improvements, Interpretations and Amendments did not have any material impact on the Company for the year ended 31 March 2023.

(ii) New Standards, Improvements, Interpretations and Amendments issued but not yet effective

The following new accounting Standards, Improvements, Interpretations and Amendments have been issued, but are not mandatory and hence have not been early adopted by the Company in preparing the financial statements for the year ended 31 March 2023.

Amendments to IFRS 10 and IAS 28 - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

Amendments to IAS 1 - Classification of Liabilities as Current or Non-current and Disclosure of Accounting Policies

Amendments to IAS 1 - Non-current Liabilities with Covenants

Amendments to IAS 7 and IFRS 7 - Supplier Finance Arrangements

Amendments to IFRS 16 - Lease Liability in a Sale and Leaseback

Management anticipates that all of the above standards, improvements, interpretations and amendments will be adopted by the Company to the extent applicable from their effective dates. The adoption of these Standards, Improvements, Interpretations and Amendments is not expected to have a material impact on the combined financial statements of the Company in the year of their initial application.



GLOBAL SURFACES FZE

Dubai, United Arab Emirates

Notes to the financial statements - for the year ended 31 March 2024

Significant Accounting Policies : (cont., page 12)

6 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

(a) Revenue recognition:

The Establishment recognizes revenue from contracts with customers based on five step model as set out in IFRS 15:

Step 1 - Identify the contracts with a customer : A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met.

Step 2 - Identify the performance obligations in the contract : A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer.

Step 3 - Determine the transaction price : The transaction price is the amount of consideration to which the Establishment expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Step 4 - Allocate the transaction price to the performance obligation in the contract : For a contract that has more than one performance obligation, the Establishment will allocate the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the Establishment expects to be entitled in exchange for satisfying each performance obligation.

Step 5 - Recognize revenue when (or as) the Establishment satisfies a performance obligation.

Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes and duty.

Revenue is recognized to the extent it is probable that the economic benefits will flow to the Establishment and revenue and cost, if applicable, can be measured reliably.

(b) Current and non-current classification:

Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the company's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in the company's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.



GLOBAL SURFACES FZE

Dubai, United Arab Emirates

Notes to the financial statements - for the year ended 31 March 2024

Significant Accounting Policies : (cont., page 13)

(c) Financial assets:

Except for those trade receivables that do not contain a significant financing component and are measured at the transaction price in accordance with IFRS 15, all financial assets are initially measured at fair value adjusted for transaction costs (where applicable). Financial assets are classified into the following categories:

- 1 Amortised cost
- 2 Fair value through profit or loss (FVTPL)
- 3 Fair value through other comprehensive income (FVOCI).

The above classification is determined by both:

- a. the Company's business model for managing the financial asset
- b. the contractual cash flow characteristics of the financial asset.

Financial assets at amortised cost

Financial assets are measured at amortised cost if the assets meet the following conditions (and are not designated as FVTPL):

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

After initial recognition, these are measured at amortised cost using the effective interest method. The Company's cash and cash equivalents, trade and other receivables and due from related parties fall into this category of financial instruments.

(d) Cash and cash equivalents

Cash and cash equivalents for the purpose of cash flow statement is cash in hand, bank balance, bank deposits and bank overdraft balances only.

(e) Employees end-of-service benefits

Provision is made for the end of service benefits due to employees in accordance with U.A.E Labour Law for their periods of service up to the reporting date. The provision for the employees' end-of-service benefits is calculated annually based on their current basic remuneration.

(f) Reporting currency and rounding Up

The functional currencies are USD and Arab Emirates Dirham and reporting currency is Arab Emirates Dirham. The figures are rounded up to Dirham ignoring fils.

(g) Trade and other receivables

Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any allowance for expected credit losses. The consolidated entity has applied the simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance. To measure the expected credit losses, trade receivables have been grouped based on days overdue. Other receivables are recognised at amortised cost, less any allowance for expected credit losses.



GLOBAL SURFACES FZE

Dubai, United Arab Emirates

Notes to the financial statements - for the year ended 31 March 2024

Significant Accounting Policies : (cont., page 14)

(h) Trade and other payables

These amounts represent liabilities for goods and services provided to the consolidated entity prior to the end of the financial year and which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted.

(i) Property, plant and equipment

Property, plant and equipments are stated at cost less accumulated depreciation and any impairment in value. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. The cost of property, plant and equipment is depreciated using the written down value method over their estimated useful economic lives as follows:

<u>Particulars</u>	<u>Life of assets (In years)</u>
Vehicle	8
Building	30
Plant and Machinery	15
Office Equipements	5
Electrical Installations & Equipments	4
Furniture and Fixtures	10
Computers	3

(j) Right-of-use assets

A right-of-use asset is recognised at the commencement date of a lease. The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and, except where included in the cost of inventories, an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset.

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Where the company expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is over its estimated useful life. Right-of use assets are subject to impairment or adjusted for any remeasurement of lease liabilities.

The company has elected not to recognise a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are expensed to profit or loss as incurred.

(k) Lease liabilities

A lease liability is recognised at the commencement date of a lease. The lease liability is initially recognised at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the company's incremental borrowing rate. Lease payments comprise of fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, amounts expected to be paid under residual value guarantees, exercise price of a purchase option when the exercise of the option is reasonably certain to occur, and any anticipated termination penalties. The variable lease payments that do not depend on an index or a rate are expensed in the period in which they are incurred.



GLOBAL SURFACES FZE

Dubai, United Arab Emirates

Notes to the financial statements - for the year ended 31 March 2024

Significant Accounting Policies : (cont., page 15)

Lease liabilities are measured at amortised cost using the effective interest method. The carrying amounts are remeasured if there is a change in the following: future lease payments arising from a change in an index or a rate used; residual guarantee; lease term; certainty of a purchase option and termination penalties. When a lease liability is remeasured, an adjustment is made to the corresponding right-of use asset, or to profit or loss if the carrying amount of the right-of-use asset is fully written down.

(l) Inventories

Raw materials, work in progress and finished goods are stated at the lower of cost and net realisable value on a 'first in first out' basis. Cost comprises of direct materials and delivery costs, direct labour, import duties and other taxes, an appropriate proportion of variable and fixed overhead expenditure based on normal operating capacity, where applicable, transfers from cash flow hedging reserves in equity. Costs of purchased inventory are determined after deducting rebates and discounts received or receivable. Stock in transit is stated at the lower of cost and net realisable value. Cost comprises of purchase and delivery costs, net of rebates and discounts received or receivable. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

(m) Intangible assets

Intangible assets acquired as part of a business combination, other than goodwill, are initially measured at their fair value at the date of the acquisition. Intangible assets acquired separately are initially recognised at cost. Indefinite life intangible assets are not amortised and are subsequently measured at cost less any impairment. Finite life intangible assets are subsequently measured at cost less amortisation and any impairment. The gains or losses recognised in profit or loss arising from the derecognition of intangible assets are measured as the difference between net disposal proceeds and the carrying amount of the intangible asset. The method and useful lives of finite life intangible assets are reviewed annually. Changes in the expected pattern of consumption or useful life are accounted for prospectively by changing the amortisation method or period.

(n) Contingent liabilities

A contingent liability is disclosed when the Company has a possible obligation as a result of past events, the existence of which will be confirmed only by the occurrence or non-occurrence, of one or more uncertain future events, not wholly within the control of the Company; or when the Company has a present legal or constructive obligation that arises from past events, but it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation, or the amount of the obligation cannot be measured with sufficient reliability.

(o) Provisions

Provisions are recognized when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate.



GLOBAL SURFACES FZE

Dubai, United Arab Emirates

Notes to the financial statements - for the year ended 31 March 2024

Significant Accounting Policies : (cont., page 16)

(p) Borrowings

Loans and borrowings are initially recognised at the fair value of the consideration received, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method. The component of the convertible notes that exhibits characteristics of a liability is recognised as a liability in the statement of financial position, net of transaction costs. On the issue of the convertible notes the fair value of the liability component is determined using a market rate for an equivalent non-convertible bond and this amount is carried as a non-current liability on the amortised cost basis until extinguished on conversion or redemption. The increase in the liability due to the passage of time is recognised as a finance cost. The remainder of the proceeds are allocated to the conversion option that is recognised and included in shareholders equity as a convertible note reserve, net of transaction costs. The carrying amount of the conversion option is not remeasured in the subsequent years. The corresponding interest on convertible notes is expensed to profit or loss.

	(figures in U.A.E Dirhams)	
	<u>31.03.2024</u>	<u>31.03.2023</u>
7 PROPERTY, PLANT & EQUIPMENTS		
(See separate schedule attached page no. 26)	<u>96,066,044</u>	<u>99,252</u>
8 CAPITAL WORK IN PROGRESS		
<u>Particulars</u>		
Opening balance	55,744,090	721,956
Addition during the year	25,731,932	55,022,134
Transferred to property plant and equipment	(81,424,074)	-
Closing balance	<u>51,948</u>	<u>55,744,090</u>
<u>Particulars</u>		
Balance as of March 31, 2024 & 2023	<u>51,948</u>	<u>55,744,090</u>

Particulars	Less than 1 year	1-2 year	More than 2 year	Total
Balance as of March 31, 2024	51,948	-	-	51,948
Balance as of March 31, 2023	55,022,134	721,956	-	55,744,090

9 RIGHT OF USE ASSETS

<u>Particulars</u>		
Opening balance	18,454,804	19,441,331
Addition during the year	437,442	-
Depreciation capitalized to CWIP	(895,783)	(986,527)
Depreciation capitalized to Pnl	(143,662)	-
Closing balance	<u>17,852,801</u>	<u>18,454,804</u>
<u>Particulars</u>		
Balance as of March 31, 2024 & 2023	<u>17,852,801</u>	<u>18,454,804</u>

(cont.)



GLOBAL SURFACES FZE

Dubai, United Arab Emirates

Notes to the financial statements - for the year ended 31 March 2024

Significant Accounting Policies : (cont., page 17)

		(figures in U.A.E Dirhams)	
		<u>31.03.2024</u>	<u>31.03.2023</u>
10	<u>INTANGIBLE ASSETS</u>		
	Opening balance	-	-
	Addition during the year	16,766	-
	Closing balance	<u>16,766</u>	<u>-</u>
	Accumulated Depreciation		
	Opening balance	-	-
	Addition during the year	1,330	-
	Closing balance	<u>1,330</u>	<u>-</u>
	Net Intangible Assets	<u>15,436</u>	<u>-</u>
11	<u>OTHER NON FINANCIAL ASSETS</u>		
	Security Deposit	249,674	61,000
	Capital advances	-	3,139,397
		<u>249,674</u>	<u>3,200,397</u>
12	<u>INVENTORIES</u>		
	Raw materials and components [including goods in transit]	2,100,653	-
	Work-in-Progress	241,062	-
	Finished goods [(including goods in transit) and Semi - Finished Goods]	2,460,010	-
	Goods In Transit	27,424	-
	Consumables	2,366,322	-
		<u>7,195,471</u>	<u>-</u>
13	<u>TRADE RECEIVABLES</u>		
	Trade receivables	25,791,983	-
		<u>25,791,983</u>	<u>-</u>
	<u>Ageing schedule of trade receivables considered good</u>		
	Less than 6 Months	25,791,983	-
	6 Months - 1 Year	-	-
	More than 1 Years	-	-
		<u>25,791,983</u>	<u>-</u>
14	<u>LOANS, ADVANCES AND DEPOSIT</u>		
	Loans to employees	-	10,767
		<u>-</u>	<u>10,767</u>
15	<u>OTHER CURRENT ASSETS</u>		
	Balance with government authorities	668,368	878,533
	Advance to vendors	-	17,188
	Prepaid expenses	520,051	-
		<u>1,188,419</u>	<u>895,721</u>



(cont...)

GLOBAL SURFACES FZE

Dubai, United Arab Emirates

Notes to the financial statements - for the year ended 31 March 2024

Significant Accounting Policies : (cont., page 18)

(figures in U.A.E Dirhams)

	31.03.2024	31.03.2023
16 CASH AND CASH EQUIVALENTS		
Cash balance	3,098	-
Balance with banks-current accounts	1,664,830	155,213
	<u>1,667,928</u>	<u>155,213</u>

17 SHARE CAPITAL

(i) Authorised share capital

96,249 shares of AED 100 each	9,624,900	9,624,900
	<u>9,624,900</u>	<u>9,624,900</u>

(ii) Issued, subscribed and paid up

The Company has only one class of shares referred to as shares having a par value of AED 100/-. Each share holder of shares is entitled to one vote per share with same rights, preferences. In the event of liquidation of the Company, the holders of shares will be entitled to received the remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of shares held by the shareholders.

<u>Name of the Shareholder</u>	<u>Nationality</u>	<u>No. of shares</u>	<u>Share capital</u>
Global Surfaces Limited (formerly known as Global Stones Private Limited	India	96,249	9,624,900
		<u>96,249</u>	<u>9,624,900</u>

(iii) Movement in share capital

<u>Particulars</u>	<u>Number of shares</u>	<u>Par value of Each share</u>	<u>Share capital</u>
Shares outstanding as at the beginning of the year	7,000	100	700,000
Add: Share issued during the year	89,249	100	8,924,900
Shares outstanding as at the end of the year	<u>96,249</u>		<u>9,624,900</u>

18 RETAINED EARNINGS

Opening balance	(33,831)	-
Net profit for the year	2,472,099	(33,831)
Closing balance	<u>2,438,268</u>	<u>(33,831)</u>

The cumulative gain or loss arising from the operations which is retained by the Company is recognised and accumulated under the heading "Retained Earnings". At the end of the year, the profit/(loss) after tax are transferred from the statement of profit and loss to retained earnings.

19 BORROWINGS

(I) SECURED LOANS

Term loans from banks	23,368,331	34,576,247
Vehicle Loans from banks and financial institutions	75,000	-
	<u>23,443,331</u>	<u>34,576,247</u>

(cont...)



GLOBAL SURFACES FZE

Dubai, United Arab Emirates

Notes to the financial statements - for the year ended 31 March 2024

Significant Accounting Policies : (cont., page 19)

	(figures in U.A.E Dirhams)	
	31.03.2024	31.03.2023
(II) UNSECURED LOANS		
From Holding Company	77,354,179	5,247,276
Packing Credit Loans	1,700,406	-
(See separate Note attached page no. 25)	<u>79,054,585</u>	<u>5,247,276</u>
The bifurcation of Term Loan as follows:-		
(a) Non- Current portion	100,314,173	10,922,864
(b) Current portion	2,183,743	28,900,659
	<u>102,497,916</u>	<u>39,823,523</u>

Current maturities for long term debt is determined on the basis of repayment made subsequent to reporting date in accordance with utilisation of IPO proceeds as per the objects of the IPO as stated in the offer document filed by the parent company. The parent company got listed on March 23, 2023.

Security details and terms of repayment:

Secured loans:

Term loan is taken from HDFC Bank Limited and Kotak Mahindra Bank Limited on the basis of SBLC issued by HDFC and Kotak Bank denominated in USD through Global Surfaces Limited based on the charge on the immovable and current assets of the Global Surfaces Limited. Interest is payable @ SOFR + 2.25% to 2.35% presently.

Term loan is taken from HDFC Bank Limited and Kotak Mahindra Bank Limited on the basis of SBLC issued by HDFC and Kotak Bank denominated in USD through Global Surfaces Limited based on the charge on the immovable and current assets of the Global Surfaces Limited. Interest is payable @ SOFR + 2.25% to 2.35% presently.

Unsecured loans:

Interest on loan from holding company is payable at an interest rate of SOFR+2%. Further, the loan is repayable in maximum period of 7 years.

The company enters into transactions with other companies and entities that fall within the definition of a related party as per IAS 24, International Financial Reporting Standards (IFRS). The related parties are companies and management with common interests. The transactions are in the normal course of business normally available when the company deals with third parties. Above transaction is in nature of advance given.

20 LEASE LIABILITIES

Lease Liability	20,878,645	20,020,693
	<u>20,878,645</u>	<u>20,020,693</u>

The bifurcation of Lease Liability as follows:-

Non- Current portion	20,162,599	20,020,693
Current portion	716,046	-
	<u>20,878,645</u>	<u>20,020,693</u>

(cont...)



GLOBAL SURFACES FZE

Dubai, United Arab Emirates

Notes to the financial statements - for the year ended 31 March 2024

Significant Accounting Policies : (cont., page 20)

		(figures in U.A.E Dirhams)	
		<u>31.03.2024</u>	<u>31.03.2023</u>
21	<u>TRADE AND OTHER PAYABLES</u>		
	Trade payables	5,878,307	-
	Other payable	16,339	12,765
		<u>5,894,646</u>	<u>12,765</u>
22	<u>OTHER FINANCIAL LIABILITES</u>		
	Employee Benefits payables	307,431	56,691
	Lease Liability	-	169,994
	Payable for capital expenditure	-	5,688,030
	Interest accrued on borrowings	4,203,963	307,526
	Others financial liabilities	4,222,166	2,834,953
	Advances from customers	-	55,000
	Statutory Liabilities	11,770	-
		<u>8,745,329</u>	<u>9,112,194</u>
23	<u>REVENUE</u>		
	Exports (including deemed exports)	970,620	-
	Domestic Sale	24,462,107	-
		<u>25,432,728</u>	<u>-</u>
24	<u>OTHER INCOME</u>		
	Interest received	18,987	-
	Exchange gain and loss (net)	(425,222)	-
	Management fees	734,540	-
		<u>328,305</u>	<u>-</u>
25	<u>COST OF REVENUE</u>		
	Cost of materials consumed	3,183,367	-
	Purchase of Stock-in-Trade	18,500,000	-
	Changes in inventories of finished goods and work- in-progress	(2,701,082)	-
(I)	<u>COST OF RAW MATERIAL CONSUMED</u>		
	Opening balance	-	-
	Purchases for the year	7,677,766	-
	Closing balance	(4,494,399)	-
	Total Consumption	<u>3,183,367</u>	<u>-</u>
(II)	<u>CHANGES IN INVENTORIES</u>		
	Opening stock	-	-
	Work-in-progress	-	-
	Finished Goods	-	-
	Total	<u>-</u>	<u>-</u>
(III)	<u>Closing stock</u>		
	Work-in-progress	241,062.00	-
	Finished Goods	2,460,020	-
	Total	<u>2,701,082</u>	<u>-</u>



(cont.)

GLOBAL SURFACES FZE

Dubai, United Arab Emirates

Notes to the financial statements - for the year ended 31 March 2024

Significant Accounting Policies : (cont., page 21)

	(figures in U.A.E Dirhams)	
	31.03.2024	31.03.2023
26 EMPLOYEE BENEFIT EXPENSES		
Salaries and wages	700,648	-
Staff welfare expenses	255,838	-
	<u>956,485</u>	<u>-</u>
27 GENERAL AND ADMINISTRATIVE EXPENSES		
Rent, Rates and Taxes	9,315	-
Electricity expenses	94,371	-
Consumables and Stores consumed	49,630	-
Repair and Maintenance (Machinery)	28,555	-
Other direct expenses	93,357	-
Legal and Professional Fee	46,156	-
Insurance expenses	23,537	-
Travelling and Conveyance	73,016	-
Repair and Maintenance expenses	53,023	-
Security Charges	12,800	-
Training and education expense	1,955	-
Office expenses	194,844	1,283
Miscellaneous Expenses	179,250	-
	<u>859,808</u>	<u>1,283</u>
28 SELLING AND DISTRIBUTION EXPENSES		
Business promotion expenses (includes foreign travelling expenses)	1,619	-
Transportation charges	8,095	-
Packing expenses	4,150	-
	<u>13,864</u>	<u>-</u>
29 FINANCE COST		
Interest on Long term Borrowings	110,928	-
Interest on Short term Borrowings	14,302	-
Unsecured Borrowings from related parties	1,227,653	-
Interest on Lease liabilities	134,488	-
Bank Charges and Processing Fees	75,792	-
Guarantee Commission Charges	79,703	-
	<u>1,642,866</u>	<u>-</u>
30 DEPRECIATION AND AMORTIZATION EXPENSES		
Depreciation on tangible assets	688,634	32,548
Amortization of intangible assets	1,330	-
Depreciation on right to use assets	143,662	-
	<u>833,626</u>	<u>32,548</u>



(cont.)

GLOBAL SURFACES FZE

Dubai, United Arab Emirates

Notes to the financial statements - for the year ended 31 March 2024

Significant Accounting Policies : (cont., page 22)

31 FINANCIAL INSTRUMENTS

Financial instruments comprise financial assets and financial liabilities. Financial assets and financial liabilities are recognized on company's balance sheet when it has become a party to the contractual provisions of the instrument. A financial asset is any asset that is cash, contractual right to receive cash or other financial asset, a contractual right to exchange financial instruments under conditions that are potentially favorable or any equity instrument. A financial liability is any liability that is contractual obligation to deliver cash or another financial asset, or to exchange financial instruments under conditions that are potentially un favorable. The fair value of financial assets and financial liabilities equals their carrying values.

32 RISK MANAGEMENT

Credit Risk

The company's exposure to credit risk is concentrated on trade receivables, bank balance and deposits.

Trade receivables are stated at realizable value net of allowance and bad debts. Deposits with government departments are refundable and secured.

Interest risk

Bank borrowings consist of term loan. However, the company has/will generate sufficient profit to cover the interest cost. Therefore interest risk is minimal.

Exchange Risk

There are no significant exchange rate risks as substantially all financial assets and financial liabilities are denominated in U.A.E Dirhams or US Dollars to which the U.A.E Dirham is fixed.

Fair values

At the balance sheet date, the fair values of financial assets and liabilities at year end approximate to their carrying amounts and have been very carefully scrutinized by the management for their correctness.

33 EMPLOYEES TERMINAL BENEFITS

The company has to provide end of service benefits to its employees according to UAE labour law. The company pays the entitlements as and when the employee service is terminated and accounted on accrual basis. Provision has been estimated and provided during the current year.

34 UAE CORPORATE TAX LAW

On 9 December 2022, the UAE Ministry of Finance released the Federal Decree-Law No .47 of 2022 on the Taxation of Corporations and Businesses (the Law) to enact a Federal Corporate Tax (CT) regimen the UAE. The CT regime will become effective for accounting periods beginning on or after 1 June 2023

The Cabinet of Ministers Decision No.116/2022 effective from January 2023, has confirmed the threshold of income over which the 9% tax rate would apply, and the Law is considered to be substantively enacted. A rate of 9% will apply to taxable income exceeding AED 375,000. A rate of 0% will apply to taxable income not exceeding AED 375,000.

(cont.)



GLOBAL SURFACES FZE

Dubai, United Arab Emirates

Notes to the financial statements - for the year ended 31 March 2024

Significant Accounting Policies : (cont., page 23)

For the Company, current taxes shall be accounted for as appropriate in the financial statements for the period beginning January 01, 2024. In accordance with IAS 12 Income Taxes, the related deferred tax accounting impact has been considered for the financial year ended March 31, 2023.

Since the corporate tax was introduced only recently, this may create tax risks in UAE that are more significant than in other countries. The Company has assessed the deferred tax implications for the year ended March 31, 2023 and, after considering its interpretations of applicable tax law, official pronouncements, cabinet decisions and ministerial decisions (especially with regard to transition rules), it has been concluded that it is not expected to be material.

The Company shall continue to monitor critical Cabinet Decisions to determine the impact on the Company, from deferred tax perspective.

35 COMPARATIVE FIGURES

The fiscal period covers the period of 12 months from 01 April 2023 to 31 March 2024. Previous year figures are reclassified and regrouped to conform to current year presentation.

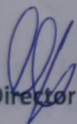
36 APPROVAL OF FINANCIAL STATEMENTS

These financial statements were approved and signed by the shareholder on 28 May 2024.

The attached notes form an integral part of these accounts.

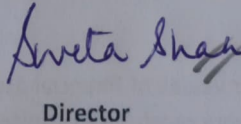
For GLOBAL SURFACES FZE

MAYANK SHAH



Director

SWETA SHAH



Director



GLOBAL SURFACES FZE

Dubai, United Arab Emirates

Notes to the financial statements - for the year ended 31 March 2024

37 RELATED PARTY TRANSACTIONS AND BALANCES

The Company receives funds from, related parties as and when required as working capital facilities.

(figures in U.A.E Dirhams)

(i) Transactions	31.03.2023
Directors' and KMP Remuneration (including Bonus, Commission and PF)	
Mayank Shah	396,127
Professional Fee to Directors	
Ashish Kumar Kachawa	57,600
Interest Expenses	
Global Surfaces Limited (on Warrant Fund)	341,575
Global Surfaces Limited (on Unsecured Loan)	3,841,648
Sale including discount and Insurance	
Superior Surfaces Inc	329,701
Management Fees (Income)	
Superior Surfaces Inc	734,540
Guarantee Commission Expense	
Global Surfaces Limited- Bagru	559,454
Sale of Property, Plant and Equipment	
Global Surfaces Limited-SEZ	82,942
Loan Taken	
Long Term Loan from Global Surfaces Limited	
Opening balance	5,247,276
Loan Taken	72,106,903
Transferred Loan	-
Interest	3,841,648
Less: Repaid	-
Net balance	81,195,828
(ii) Balances	31.03.2024
Employee benefits payables	
Mayank Shah	396,127
Trade payables	
Global Surfaces Limited	120,415
Loans include interest payables	
Global Surfaces Limited	-
Trade receivable	
Opening balance	5,247,276
Other Receivables	
Opening balance	-
Global Surfaces Limited	-
Corporate Guarantee	
Global Surfaces Limited	24,229,075
Other Financial Liabilities	
Global Surfaces Limited	4,161,865



GLOBAL SURFACES FZE

Dubai, United Arab Emirates

Note to the financial statement for the year ended 31 March 2024.

7 Property, Plant and Equipment

(figures in U.A.E Dirhams)

	Building	Office equipments	Plant and equipment	Computers	Electrical Installation	Furniture and Fixtures	Vehicle	Total
Cost :								
As at 31 March 2022	-	-	-	-	-	-	-	-
Opening gross carrying amount	-	-	-	-	-	-	-	-
Disposals during the year	-	-	-	6,847	-	-	124,953	131,800
As at 31 March 2023	-	-	-	6,847	-	-	-	-
Gross carrying amount	-	-	-	6,847	-	-	124,953	131,800
Additions during the year	50,345,580	130,800	42,295,282	16,502	2,884,569	361,968	620,725	96,655,426
Disposals during the year	-	-	-	-	-	-	-	-
As at 31 March 2024	50,345,580	130,800	42,295,282	23,349	2,884,569	361,968	745,678	96,787,226

Accumulated Depreciation :

As at 31 March 2022	-	-	-	-	-	-	31,223	32,548
Opening accumulated depreciation	-	-	-	-	-	-	-	-
Disposals/Adjustments	-	-	-	1,325	-	-	-	-
As at 31 March 2023	-	-	-	1,325	-	-	31,223	32,548
Depreciation during the year	230,634	2,307	388,117	4,359	26,531	664	36,023	688,634
Disposals/Adjustments	-	-	-	-	-	-	-	-
As at 31 March 2024	230,634	2,307	388,117	5,684	26,531	664	67,246	721,182

Net Book Value

As at 31 March 2024	128,493	17,665	361,305	678,432	96,066,044	
As at 31 March 2023	-	5,522	-	-	93,730	99,252

Notes:

1) The Company has not revalued any of its property, plant and equipment during the current year and previous period.