Independent

Auditor's Report

To the Members of

Global SurfacesLimited (formerly known as Global Stones Private Limited)

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of Global Surfaces Limited (formerly known as Global Stones Private Limited) (hereinafter referred to as the' "Parent") and its subsidiaries (the parent company and its subsidiaries together referred to as the "Group")which comprise the Consolidated Balance Sheet as at March 31, 2024, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended, and notes to the consolidated financial statements, including a summary of material accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us,the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standard ("Ind AS") prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group and consolidated profit (including other comprehensive income), consolidated changes in equity and its consolidated cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Groupin accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics.We believe that the audit evidence we have obtainedis sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current year. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report:

Sr. No.	Key Audit Matters	Auditors' response
1.	**Inventory of Raw materialand Finished Goods (Valuation)** Finished goods inventory are valued at lower of cost and net realizable value (estimated selling price less estimated cost to sell) and raw material are written down below cost where it is estimated that the cost of finished products produced from such raw material will exceed their net realisable value. Considering the nature of finished goods and raw materials which is dependent upon various market conditions and evaluating possible impact of quality, class, size and ageing, determination of the net realizable value for finished goods and raw material involves significant management judgement and therefore has been considered as a key audit matter.	With respect to the net realisable value : • Obtained an understanding of the determination of the net realizable values of natural stone and engineered quartz slabs and assessed and tested the reasonableness of the significant judgements applied by the management; • Evaluating the physical condition of the raw material, its cost and yield vis a vis market price of the finished goods likely to be produced from such raw material; • Evaluated the design of internal controls relating to the valuation of raw material and finished goods and also tested the operating effectiveness of the aforesaid controls; • Assess the reasonableness of the net realisable value considering the market condition and evaluating possible impact of quality, class, size and ageing that was estimated and considered by the management; • Compared the actual costs incurred to sell based on the latest sale transactions to assess the reasonableness of the cost to sell that was estimated and considered by the management; • Compared the cost of the finished goods with the estimated net realisable value and checked if the finished goods were recorded at net realisable value where the cost was higher than the net realisable value; • Tested the appropriateness of the disclosure in the consolidated financial statements in accordance with the applicable financial reporting framework.

Independent
Auditor's Report

Other Information

The Parent's Board of Directors is responsible for the preparation of other information. The other information comprises of the information to be included in Parents Board's Report including Annexures to Board's Report, but does not include the consolidated financial statements and our auditor's report thereon. The other information comprising the above documents is expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidatedfinancial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the consolidatedfinancial statements, our responsibility is to read the other information comprising the above documents and, in doing so, consider whether the other information is materially inconsistent with the consolidatedfinancial statements or our knowledge obtained during the course of our audit, or otherwise appears to be materially misstated.

When we read the other information comprising the above documents, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take necessary actions as per applicable laws and regulations.

Management's Responsibility for the Consolidated Financial Statements

The Parent's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated total comprehensive income, consolidated statement of changes in equity and consolidated cash flows of the Groupin accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under Section 133 of the Act. The respective board of directors of the Companies included in the Groupare responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Groupand for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidatedfinancial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error which have been used for the purpose of preparation of the consolidated financial statement by the Board of Directors of the ParentCompany, as aforesaid.

In preparing the consolidatedfinancial statements, the respective board of directors of the Companies included in the Group are responsible for assessing the ability of the each Companyto continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Groupor to cease operations, or has no realistic alternative but to do so.

The respective board of directors of the Companies included in the Group are responsible for overseeing the financial reporting process of the Company.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidatedfinancial 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 SAs 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 consolidatedfinancial statements.

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

- Identify and assess the risks of material misstatement of the consolidated 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 financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Grouphas adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty

exists related to events or conditions that may cast significant doubt on the ability of the Groupto continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause theGroupto cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the consolidated financial statements.

We communicate with those charged with governance of the ParentCompanyregarding, 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.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication

Other Matter

We did not audit the financial information of one subsidiary, whose financial statements reflects total assets (before consolidation adjustments) of Rs. 3409.78 Million as at 31 March 2024, total income(before consolidation adjustments) of Rs.580.85 Million, total comprehensive income (before consolidation adjustments) of Rs.59.46 Million and net cash inflows(before consolidation adjustments) amounting to Rs.34.37 million for the year ended on that date, as considered in the consolidated financial statements. These financial information have been audited by other auditor whose report have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaryis based solely on the report of the other auditor.

The above subsidiaryis located outside India whose financial statements and other financial information have been prepared in accordance with accounting principles generally accepted in that country and which have been audited by other auditor under generally accepted auditing standards applicable in that country. The Parent Company's management has converted the financial information of the subsidiary located outside India from accounting principles generally accepted in that country to accounting principles generally accepted in India. We have audited these conversion adjustmentsmade by the Parent's management. Our opinion in so far as it relates to the balances and affairs of the subsidiary located outside India is based on the reports of other auditor and the conversion adjustments audited by us and other disclosures prepared by the management of the Parent Company.

We did not audit the financial information of one subsidiary, whose financial statements reflects total assets (before consolidation adjustments) of Rs. 161.71 Million as at 31 March 2024, total income(before consolidation adjustments) of Rs.193.71 million,total comprehensive income (before consolidation adjustments) of Rs.21.87 million and net cash inflows (before consolidation adjustments) amounting to Rs 5.91 million for the periodended on that date, as considered in the consolidated financial statements. These financial statements / financial information are unaudited and have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary, and our report in terms of sub-section (3) of Section 143 of the Act in so far as itrelates to the aforesaid subsidiary, is based solely on such unaudited financial statements / financial information. In our opinion and according to the information and explanations given to us by the Management, these financial statements / financial information are not material to the Group.

Independent
Auditor's Report

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of this matter with respect to our reliance on the work done and the report of the other auditor.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, the clause no (ii)(b), iii(c) & (f),(vii)(a) and (xx) of Parents Company's report contains qualification or adverse remarks on the matters specified in paragraphs 3 and 4 of the Order. The subsidiaries are incorporated outside India and therefore are not required to report on the matters specified in paragraphs 3 and 4 of the Order.

2. As required by Section 143(3) of the Act, based on our audit and on consideration of report of the other auditor on separate financial statement of subsidiary, as was audited by other auditor, as noted in the "Other Matter" paragraph, we report, to the extent applicable, that:

   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statement.

   (b) In our opinion, proper books of account as required by law relating to the preparation of the aforesaid consolidated financial statement have been kept by so far as it appears from our examination of those books and report of other auditor , except for the matters stated in paragraph 2 (h) (vi) belowon reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014;

   (c) theconsolidated balance sheet, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of cash flows and the consolidated statement of changes in equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of consolidated financial statement

   (d) In our opinion, the aforesaid consolidated financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with relevant rules issued thereunder.

   (e) On the basis of the written representations received from the Directors of the Parent Company as on 31st March, 2024 taken on record by the Board of Directors of the Parent Companynone of the Directors of the Parent Company is disqualified as on 31st March, 2024 from being appointed as a director in terms of Section 164 (2) of the Act.

   (f) With respect to the adequacy of the internal financial controls over financial reporting of the parent and the operating effectiveness of such controls, refer to our separate Report in "Annexure A";

   (g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the parent company to its Directors during the year is in accordance with the provisions of Section 197 of the Act.

   (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

      i) The Group has disclosed the impact of pending litigations on its consolidated financial position in its consolidated financial statements – Refer Note No. 46 to the consolidated financial statements;

      ii) The Groupdid not have any long term contracts including derivative contracts, hence the question of any material foreseeable losses does not arise;

      iii) There are no amounts which are required to be transferred to the Investor Education and protection Fund by the group.

      iv) (a) The Parent Company's Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the parent company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the parent company "Ultimate Beneficiaries" or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

      (b) The Parent Company's Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the parent companyfrom any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the parent company, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v) (a) The Group has not declared or paid any dividend during the year and therefore compliance of Section 123 of the Act, is not applicable.

vi) Based on our examination, which included test checks, the Holding Company, which is the only company in the group incorporated in India, has used accounting software's for maintaining its books of account for the financial year ended March 31, 2024 which has a feature of recording audit trail (edit log) facility and the audit trail has been operated throughout the year for all relevant transactions recorded in the software. except that:

(i) Audit trail was not enabled at the database level to log any direct changes for accounting software used for maintaining books of accounts;

(ii) During the period from April 01, 2023 to June 30, 2023, the Company was using production and sales module namely "E-stones" use of which was discontinued from July 01, 2023. In absence of any information and documentation regarding audit trail in the above software,we are unable to comment on whether the said accounting software has a feature of recording audit trail (edit log) facility and whether it was operated effectively throughout the period of its use.

(iii) During the course of our audit we did not come across any instance of the audit trail feature being tampered with.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024.

For **B. Khosla & Co.**
Chartered Accountants
Firm Registration No. 000205C

Sandeep Mundra
Partner
Membership No: 075482
UDIN: 24075482BKCMNP5705

Place: Jaipur
Date: May 29, 2024

Annexure A

To The Independent Auditor's Report

(Referred to in paragraph 2(g) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

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

TO THE MEMBERS OF GLOBAL SURFACES LIMITED (formerly known as Global Stones private Limited)

We have audited the internal financial controls over financial reporting of the parent company as of March, 31, 2024 in conjunction with our audit of the consolidated financial statements of the group for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with the generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the Company; (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the parent company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **B. Khosla & Co.**
Chartered Accountants
Firm Registration No. 000205C

Sandeep Mundra
Partner
Membership No: 075482
UDIN: 24075482BKCMNP5705

Place: Jaipur
Date: May 29, 2024

GLOBAL SURFACES

Consolidated Balance Sheet

as at 31st March, 2024

(All amounts in INR millions, unless otherwise stated)

Particulars	Note	As at March 31, 2024	As at March 31, 2023
ASSETS			
Non-current assets			
Property, plant and equipment	3	2,443.32	382.50
Capital work-in-progress	4	1.18	1,236.83
Right-of-use assets	5	496.42	505.25
Investment properties		-	-
Intangible assets	6	2.57	0.25
Intangible assets under devlopement		-	-
Financial assets			
i. Investments		(0.00)	-
i. Loans	7	0.27	0.30
ii. Other financial assets	8	26.75	22.88
Income tax assets (net)		28.87	20.32
Deferred tax assets (net)	9	213.72	216.70
Other non-current assets	10	3.28	79.92
Total non-current assets		**3,216.38**	**2,464.95**
Current assets			
Inventories	11	767.55	439.58
Financial assets			
i. Investments	12	1.54	57.19
ii. Trade receivables	13	1,098.55	439.96
iii. Cash and cash equivalents	14	25.87	65.02
iv. Bank balances other than (iii) above	15	28.52	1,070.80
v. Loans	16	1.15	18.88
vi. Other financial assets	17	18.11	20.42
Other current assets	18	60.26	43.79
Total current assets		2,001.55	2,155.64
Total assets		**5,217.93**	**4,620.59**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	19(a)	423.82	423.82
Other equity			
Reserves and surplus	19(b)	2,881.25	2,189.48
Total equity attributable to the owners of the Company		**3,305.07**	**2,613.30**
Non-controlling interests		19.68	0.01
Total equity		**3,324.75**	**2,613.31**
LIABILITIES			
Non-current liabilities			
Financial liabilities			
i. Borrowings	20	524.55	193.36
ii. Lease liabilities	21	463.00	453.82
Provisions	22	3.66	5.06
Total non-current liabilities		**991.21**	**652.24**
Current liabilities			
Financial liabilities			
i. Borrowings	23	458.75	1,014.80
ii. Trade payables	24		
a) Total outstanding dues of micro and small enterprise		51.26	66.25
b) Total outstanding dues of creditors other than (ii)(a) above		335.36	95.65
iii. Other financial liabilities	25	37.53	149.80
Current tax liabilities	26	6.48	1.03
Provisions	27	0.80	1.47
Other current liabilities	28	11.79	26.04
Branch		-	-
Total current liabilities		**901.97**	**1,355.04**
Total liabilities		**1,893.18**	**2,007.28**
Total equity and liabilities		**5,217.93**	**4,620.59**

The above consolidated balance sheet should be read in conjunction with accompanying notes.

As per our report of even date
For **B. KHOSLA & CO.**
Chartered Accountants
FRN: 000205C

SANDEEP MUNDRA
Partner
M. No. 075482

Dated : May 29, 2024
Place: Jaipur

For **and on behalf of the Board of Directors**

MAYANK SHAH
Managing Director
DIN:01850199
Place : Dubai

SWETA SHAH
Executive Director
DIN:06883764
Place : Dubai

KAMAL KUMAR SOMANI
Chief Financial Officer
Place : Jaipur

DHARAM SINGH RATHORE
Company Secretary
M. No.: A57411
Place : Jaipur

Consolidated Statement of Profit and Loss

for the year ended 31st March, 2024

(All amounts in INR millions, unless otherwise stated)

Particulars	Note	Year ended March 31, 2024	Year ended March 31, 2023
Income			
Revenue from operations	29	2,252.91	1,780.66
Other income	30	37.17	27.76
Total income		**2,290.08**	**1,808.42**
Expenses			
Cost of materials consumed	31	888.06	852.63
Purchase of stock in trade	31(a)	492.06	-
Changes in inventories of finished goods and work- in-progress	32	(194.35)	(8.27)
Employee benefit expenses	33	154.06	119.36
Depreciation and amortisation expense	34	89.28	94.31
Finance costs	35	45.03	35.69
Other expenses	36	563.42	461.79
Total expenses		**2,037.56**	**1,555.51**
Profit before tax		**252.52**	**252.91**
Income tax expense			
- Current tax	37	52.56	47.05
- Deferred tax		2.15	(36.48)
Total tax expense		**54.71**	**10.57**
Profit for the year		**197.81**	**242.34**
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Remeasurements of post-employment benefit obligations	42	2.87	0.43
Income tax relating to above	37	(0.84)	(0.12)
Items that will be reclassified to profit or loss			
Exchange difference on translation of foreign operation		4.08	14.48
Income tax relating to above		-	-
Other comprehensive income for the year, net of tax		6.11	14.79
Total comprehensive income for the year		**203.92**	**257.13**
Profit is attributable to :			
Owners of the Company		187.00	242.34
Non controlling interests		10.81	0.00
		197.81	**242.34**
Other comprehensive income is attributable to :			
Owners of the Company		6.00	14.79
Non controlling interests		0.11	0.00
		6.11	**14.79**
Total comprehensive income is attributable to :			
Owners of the Company		193.00	257.13
Non controlling interests		10.92	0.00
		203.92	**257.13**
Earnings per equity share (in INR)			
Basic earnings per share	44	4.41	7.10
Diluted earnings per share	44	4.41	7.10

The above consolidated balance sheet should be read in conjunction with accompanying notes.

As per our report of even date
For **B. KHOSLA & CO.**
Chartered Accountants
FRN: 000205C

SANDEEP MUNDRA
Partner
M. No. 075482

Dated : May 29, 2024
Place: Jaipur

For **and on behalf of the Board of Directors**

MAYANK SHAH
Managing Director
DIN:01850199
Place : Dubai

SWETA SHAH
Executive Director
DIN:06883764
Place : Dubai

KAMAL KUMAR SOMANI
Chief Financial Officer
Place : Jaipur

DHARAM SINGH RATHORE
Company Secretary
M. No.: A57411
Place : Jaipur

Consolidated Statement of Cash Flows

for the year ended 31st March, 2024

(All amounts in INR millions, unless otherwise stated)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
A. Cash flows from operating activities		
Profit before tax	252.52	252.91
Adjustments for :		
Depreciation and amortisation	89.28	94.31
Interest and other finance costs	45.03	35.69
Provision/ (reversal) for Expected credit loss	2.97	5.63
Interest income	(9.43)	(13.63)
Gain on sale and revaluation of Mutual Funds	(0.35)	(0.62)
Unrealised) loss/(gain)	15.94	(4.12)
Net loss/(gain) on disposal of property, plant and equipment	-	0.07
Operating profit before working capital changes	**395.97**	**370.24**
Changes in working capital:		
Increase in provisions	0.79	2.74
Increase/(decrease) in trade payables	224.87	(25.59)
(Decrease)/increase in other current financial and non financial liabilities	(8.61)	43.33
Decrease/(increase) in other financial and non-financial assets	67.15	(26.32)
(Increase)/Decrease in inventories	(327.97)	29.56
(Increase) in trade receivables	(669.04)	(48.66)
Cash (used)/generated from operations	**(316.85)**	**345.30**
Taxes paid (net of refunds)	(55.67)	(75.04)
Net cash (outflow)/inflow from operating activities	**(372.52)**	**270.26**
B. Cash flows from investing activities		
Loan recovered during the year	17.77	93.06
Payments for property, plant and equipment and intangible assets	(1,035.22)	(1,144.45)
Proceeds from redemption of Mutual Funds	56.00	50.06
Bank deposits matured/(placed) during the year	1,042.29	(1,064.87)
Interest received	9.43	13.63
Net cash inflow/(outflow) in investing activities	**90.27**	**(2,052.57)**
C. Cash flows from financing activities		
Proceeds from issue of equity shares (net of issue expenses)	-	1,015.78
Proceeds from issue of convertible warrants	498.75	-
Transaction with non-controlling interests	8.74	-
(Repayment of)/Proceeds from borrowings	(215.12)	837.63
Repayment of lease liabilities	(4.66)	(16.04)
Interest and other finance costs paid	(44.61)	(10.38)
Net cash inflow in financing activities	**243.11**	**1,826.99**

Consolidated Statement of Cash Flows

for the year ended 31st March, 2024

(All amounts in INR millions, unless otherwise stated)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Net (decrease)/increase in cash and cash equivalents (A+B+C)	**(39.14)**	**44.68**
Cash and cash equivalents at the beginning of the year	65.02	20.34
Cash and cash equivalents at the end of the year	**25.87**	**65.02**
Reconciliation of cash and cash equivalents as per the consolidated statement of cash flow		
Cash and cash equivalents comprise of the following (refer note 14):		
Balances with banks		
In current accounts	24.95	63.78
Cash on hand	0.92	1.24
Cash and cash equivalents at the end of the year	**25.87**	**65.02**

Net debt reconciliation:

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Borrowings (including interest accrued)	984.74	1,212.78
Net Debt	**984.74**	**1,212.78**

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Opening Balance	**1,212.78**	**372.89**
Proceeds/(repayment) of borrowings	(215.12)	**837.63**
Interest expense recorded in profit and loss	45.03	35.69
Interest paid in cash	(26.12)	(10.38)
Unrealized foreign exchange	(9.74)	(2.29)
Interest accrued on lease liabilities	(22.09)	(20.76)
Closing Balance	**984.74**	**1,212.78**

Notes:

1. The Statement of cash flows has been prepared under the Indirect method as set out in Ind AS 7 on Statement of cash flows notified under Section 133 of The Companies Act 2013, read together with Paragraph 7 of the Companies (Indian Accounting Standard) Rules 2015 (as amended).
2. Purchase of property, plant and equipment includes movements of capital work-in-progress (including capital advances and creditors for capital goods) during the year.

The above consolidated balance sheet should be read in conjunction with accompanying notes.

As per our report of even date
For **B. KHOSLA & CO.**
Chartered Accountants
FRN: 000205C

SANDEEP MUNDRA
Partner
M. No. 075482

Dated : May 29, 2024
Place: Jaipur

For **and on behalf of the Board of Directors**

MAYANK SHAH
Managing Director
DIN:01850199
Place : Dubai

SWETA SHAH
Executive Director
DIN:06883764
Place : Dubai

KAMAL KUMAR SOMANI
Chief Financial Officer
Place : Jaipur

DHARAM SINGH RATHORE
Company Secretary
M. No.: A57411
Place : Jaipur

GLOBAL SURFACES

Consolidated Statement of Changes in Equity

for the year ended 31st March, 2024

(All amounts in INR millions, unless otherwise stated)

A. Equity share capital

Particulars	Amount
As at April 01, 2022	**338.62**
Changes in equity share capital	85.20
As at March 31, 2023	**423.82**
Changes in equity share capital	-
As at March 31, 2024	**423.82**

B. Other equity

Particulars	Money received against convertible share warrants	Reserves and surplus		Other comprehensive income- Foreign Currency Translation Reserve	Total other equity	Non-controlling interests	Total
		Securities premium	Retained earnings				
As at April 01, 2022	**-**	**172.30**	**829.27**	**0.15**	**1,001.72**	**0.00**	**1,001.72**
Profit for the year	-		242.34	-	242.34	0.00	242.35
Other comprehensive income	-	-	0.31	-	0.31	0.00	0.31
Total comprehensive income for the year	**-**	**-**	**242.66**	**-**	**242.66**	**0.00**	**242.66**
Change in foreign currency translation reserve	-	-	-	14.48	14.48	-	14.48
Securities premium on issue of shares	-	1,107.60	-	-	1,107.60	-	1,107.60
Share issue expenses	-	(177.02)	-	-	(177.02)	-	(177.02)
Balance as at March 31, 2023	**-**	**1,102.89**	**1,071.94**	**14.64**	**2,189.48**	**0.01**	**2,189.49**
Profit for the year	-	-	187.00		187.00	10.81	197.81
Other comprehensive income	-	-	2.03	3.97	6.00	0.11	6.11
Total comprehensive income for the year	**-**	**-**	**189.03**	**3.97**	**192.99**	**10.93**	**203.92**
Transaction with non-controlling interests	-	-	-	-	-	8.74	8.74
Money received against convertible share warrants	498.75	-	-		498.75	-	498.75
Balance as at March 31, 2024	**498.75**	**1,102.89**	**1,260.98**	**18.62**	**2,881.25**	**19.67**	**2,900.92**

The above consolidated balance sheet should be read in conjunction with accompanying notes.

As per our report of even date
For **B. KHOSLA & CO.**
Chartered Accountants
FRN: 000205C

SANDEEP MUNDRA
Partner
M. No. 075482

Dated : May 29, 2024
Place: Jaipur

For **and on behalf of the Board of Directors**

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Chief Financial Officer
Place : Jaipur

DHARAM SINGH RATHORE
Company Secretary
M. No.: A57411
Place : Jaipur

Notes to Consolidated Financial Statements

as at and for the year ended 31st March, 2024

Background

Global Surfaces Limited ('the Company') is a limited Company. It is incorporated and domiciled in India and has its registered office at Mahindra World City, Sanganer, Jaipur - 302037.

The Company is incorporated since August 23, 1991 and is engaged primarily in the business of manufacturing of quartz and processing granite and marble. The company has been converted from a private limited company to a public company on October 21, 2021.The Company got listed on National Stock Exchange and Bombay Stock Exchange on March 23, 2023.

The Company together with its subsdiary is hereinafter referred to as 'Group'. These consolidated financial statements were authorized to be issued by the Board of Directors on May 29, 2024.

Note 1: Basis of preparation and Material Accounting Policies

(a) Basis of preparation

These financial statements have been prepared in accordance with the Indian Accounting Standards (referred to as "Ind AS") as prescribed under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time

(b) Principles of consolidation

(i) Subsidiaries

Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the group. They are deconsolidated from the date that control ceases.

The acquisition method of accounting is used to account for business combinations by the Group.

The Group combines the financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the group.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the restated consolidated statement of profit and loss, restated consolidated statement of changes in equity and restated balance sheet respectively.

(ii) Changes in ownership interests

Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the group. They are deconsolidated from the date that control ceases.

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When the group ceases to consolidate or equity account for an investment because of a loss of control, joint control or significant influence, any retained interest in the entity is remeasured to its fair value with the change in carrying amount recognised in profit or loss. This fair value becomes the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

(c) Historical cost convention

The financial statements have been prepared on a historical cost basis, except for the following:

(a) certain financial assets and liabilities that is measured at fair value; and

(b) defined benefit plans – plan assets measured at fair value

Notes to Consolidated Financial Statements

as at and for the year ended 31st March, 2024

(d) **Use of estimates and judgements**

The preparation of consolidated financial statement requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on a periodic basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

The areas involving critical estimates or judgements are:

- Estimated useful life of property, plant and equipment and intangible assets– Management reviews its estimate of the useful lives of property, plant and equipment and intangible assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economy obsolescence that may change the utility of property, plant and equipment and intangible assets.

- Estimation of defined benefit obligation – • Estimation of defined benefit obligation – Measurement of defined benefit obligation and related under plans require numerous assumptions and estimates that can have a significant impact on the recognized costs and obligation, such as future salary level, discount rate, attrition rate and mortality.

- Impairment of trade receivable: The loss allowances for financial assets are based on assumptions about risk of default and expected loss rates. The Group uses judgement in making these assumptions and selecting the inputs to the impairment calculation

- Estimation of net realisable value for raw material and finished goods: The management has determined net realisable value of finished goods and raw material based on the analysis of physical conditions, ageing, technology, and market conditions to determine excess or obsolete inventories.

  Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Group and that are believed to be reasonable under the circumstances.

(e) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker (CODM).

The Board of Directors of the Holding Company has been identified as being the CODM as they assesses the financial performance and position of the Group, and makes strategic decisions. Refer Note 44 for segment information.

(f) Foreign currency translation

(i) Functional and presentation currency

Items included in the Consolidated financial statements of the Group are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The Consolidated financial statements are presented in Indian rupee (INR), which is the functional and presentation currency of the Group.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in profit or loss. A monetary item for which settlement is neither planned nor likely to occur in the foreseeable future is considered as a part of the entity's net investment in that foreign operation.

(iii) Group Companies

The results and financial position of foreign operations that have a functional currency different from the presentation currency are translated into the presentation currency as follows.

- assets and liabilities are translated at the closing rate at the date of that balance sheet

- income and expenses are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions), and

- all resulting exchange differences are recognised in other comprehensive income.

On consolidation, exchange differences arising from the translation of any net investment in foreign entities are recognised in other comprehensive income. When a foreign operation is sold, the associated exchange differences are reclassified to statement of profit and loss, as part of the gain or loss on sale.

(g) Revenue recognition

Revenue from sale of goods is recognised at when control of the goods is transferred to the customer which is generally on dispatch of goods and/or on the date of clearance by Customs and there is no unfulfilled obligation that could affect the customer's acceptance of the goods. The Group recognizes revenue from the sale of goods measured at the price specified in the contract, net of returns and allowances, trade discounts and volume rebates.

Notes to Consolidated Financial Statements

as at and for the year ended 31st March, 2024

Revenue from value added services, namely freight and shipping insurance, is recognised as and when services are rendered, as per the terms agreed with the customers. Shipping and handling expenses have been netted off while recognition of revenue.

The Group does not have any significant financing element included in the sales made.

(h) Income tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

(i) Current income tax

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. The provision for current tax is made at the rate of tax as applicable for the income of the previous year as defined under the Income Tax Act, 1961.

Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

(ii) Deferred tax

Deferred income tax is recognised using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts as per consolidated financial statements as at the reporting date. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss).

Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised to the extent that it is probable that future taxable income will be available against which the deductible temporary differences, unused tax losses, depreciation carry-forwards and unused tax credits could be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax assets to be recovered.

Deferred tax assets are not recognised for temporary differences between the carrying amount and tax bases of investments in associate where it is not probable that the differences will reverse in the foreseeable future and taxable profit will not be available against which the temporary difference can be utilised.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

Minimum Alternate Tax (" MAT ") credit entitlement is recognized as deferred tax asset if it is probable that MAT credit will reverse in foreseeable future and taxable profit will be available against which such deferred tax can be utilised.

(i) Leases

As a lessee

Leases are recognised as a right-of-use asset and a corresponding liability at the lease commencement date. Contracts may contain both lease and non-lease components. The Group allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices.

Assets and liabilities arising from a lease are initially measured on a present value basis. liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable
- variable lease payment that are based on an index or a rate, initially measured using the index or rate as at the commencement date
- amounts expected to be payable by the Group under residual value guarantees

- the exercise price of a purchase option if the Group is reasonably certain to exercise that option, and
- payments penalties for terminating the lease, if the lease term reflects the Group exercising an option to terminate the lease

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability. The lease payments discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the group, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

To determine the incremental borrowing rate, the Group:

- where possible, uses recent third-party financing received by the individual lessee as a starting point, adjusted to reflect changes in financing conditions since third party financing was received
- uses a build-up approach that starts with a risk-free interest rate adjusted for credit risk for leases held by the group, which not have recent third party financing, and
- makes adjustments specific to the lease, e.g. term, country, currency and security.

The Group is exposed to potential future increases in variable lease payments based on an index or rate take effect, which are not included in the lease liability until they take effect. When adjustments to lease payments based on an index or rate take effect, the lease liability is reassessed and adjusted against the right—of-use asset.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Variable lease payments that depend on sales are recognised in profit or loss in the period in which the condition that triggers those payments occurs.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability
- any lease payments made at or before the commencement date less any incentives received
- any initial direct costs, and
- restoration costs.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Group is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

Payments associated with short-term leases of equipment and all leases of low-value assets are recognised on a Straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise IT equipment and small items of office furniture.

As a lessor

Lease income from operating leases where the group is a lessor is recognised in income on a straight-line basis over the lease term. Initial direct cost incurred obtaining an operating lease are added to the carrying amount of the underlying asset and recognised as expense over the lease term on the same basis as lease income. The respective leased assets are included in the balance sheet based on their nature.

(i) Business Combination

The acquisition method of accounting is used to account for all business combinations except common control, regardless of whether equity instruments or other assets are acquired. The consideration transferred for the acquisition of a subsidiary comprises the

- fair values of the assets transferred;
- liabilities incurred to the former owners of the acquired business;
- equity interests issued by the group; and
- fair value of any asset or liability resulting from a contingent consideration arrangement.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date. The group recognises any non-controlling interest in the acquired entity on an acquisition-by-acquisition basis either at fair value or at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets.

Acquisition-related costs are expensed as incurred.

The excess of the

- consideration transferred;
- amount of any non-controlling interest in the acquired entity, and

Notes to Consolidated Financial Statements

as at and for the year ended 31st March, 2024

- acquisition-date fair value of any previous equity interest in the acquired entity.

over the fair value of the net identifiable assets acquired is recorded as goodwill. If those amounts are less than the fair value of the net identifiable assets of the business acquired, the difference is recognised in other comprehensive income and accumulated in equity as capital reserve provided there is clear evidence of the underlying reasons for classifying the business combination as a bargain purchase. In other cases, the bargain purchase gain is recognised directly in equity as capital reserve.

Where settlement of any part of cash consideration is deferred, the amounts payable in the future are discounted to their present value as at the date of exchange. The discount rate used is the entity's incremental borrowing rate, being the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date. Any gains or losses arising from such remeasurement are recognised in profit or loss or other comprehensive income, as appropriate.

Business combination between entities under common control is accounted using pooling of interest method of accounting. Under pooling of interest method of accounting, assets and liabilities of combining entities are reflected at carrying amount and no adjustments are made to reflect fair values, or recognize any new assets and liabilities. The only adjustments are made to harmonise accounting policies. The difference between the amount recorded as share capital plus any additional consideration in the form of cash or other assets and amount of share capital of the transferor is transferred to capital reserve and is presented separately from capital reserve.

(j) Impairment of assets

Goodwill and intangible that have an indefinite useful life are subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets(cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

(k) Cash and cash equivalents

For the purpose of presentation in the consolidated statement of cash flows, cash and cash equivalents includes cash on hand, deposits held a call with financial institutions, other short-term highly liquid investments with original maturities of less than three months that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

(l) Trade receivables

Trade receivables are amounts due from customer for sold or services performed in the ordinary course of business. Trade receivables are recognised initially at the amount of consideration that is unconditional they contain significant financing components, when they are recognised at fair value. The Group holds the trade receivables with the objective of collecting the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method, less loss allowance.

(m) Inventories

Inventories are valued at lower of cost and estimated net realisable value. Cost is determined on "First-in-First-Out", "Specific Identification" or Weighted Averages" basis as applicable. Cost of Inventories comprises of cost of purchases, cost of conversion and other direct costs incurred in bringing the inventories to their present location and condition. Cost of Finished goods are determined on absorption costing method. Semi Finished Goods are Finished Goods pending Quality Inspection.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and estimated selling expenses. Identification of a specific item and determination of estimated net realisable value involves technical judgment of the management, which has been relied upon by the Auditors.

The group assess the valuation of Inventories at each reporting period and write down the value for different finished goods based on their quality classes and ageing. Inventory provisions are provided to cover risks arising from slow-moving items, discontinued products, and net realizable value lower than cost. The process for evaluating these write-offs often requires to make subjective judgments and estimates, based primarily on historical experience, concerning prices at which such inventory will be able to be sold in the normal course of business, to the extent each of these factors impact the group's business.

(n) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets and liabilities are recognised when the Group becomes a party to the contractual provisions of the instrument.

Financial assets:

Classification

The Group classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those measured at amortised cost

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

Initial recognition and measurement

Regular way purchases and sales of financial assets are recognised on trade-date, the date on which the Group commits to purchase or sale the financial asset. Financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed of in profit or loss.

Subsequent measurement

After initial recognition, financial assets are measured at:

- fair value (either through other comprehensive income or through profit or loss), or
- amortised cost

Debt instruments

Debt instruments are subsequently measured at amortised cost, fair value through other comprehensive income ('FVOCI') or fair value through profit or loss ('FVTPL') till de-recognition on the basis of (i) the entity's business model for managing the financial assets and (ii) the contractual cash flow characteristics of the financial asset.

Amortised cost:

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in other income using the effective interest rate method.

Fair value through other comprehensive income (FVOCI):

Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/ (losses). Interest income from these financial assets is included in other income using the effective interest rate method.

Fair value through profit or loss (FVTPL):

Assets that do not meet the criteria for amortised cost or FVOCI are measured at FVTPL. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss is recognised in profit or loss in the period in which it arises. Interest income from these financial assets are recognised in other income.

Equity instruments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Group decides to classify the same either as at fair value through other comprehensive income (FVTOCI) or FVTPL.

The Group makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Group decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognised in other comprehensive income (OCI). There is no recycling of the amounts from OCI to profit and loss, even on sale of such investments.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognised in the consolidated statement of profit and loss.

Investment in equity instruments of subsidiaries

The Group records the investments in subsidiaries, associates and joint ventures at cost.

When the Group issues financial guarantees on behalf of subsidiaries, initially it measures the financial guarantees at their fair values and subsequently measures at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognized less cumulative amortization.

The Group records the initial fair value of financial guarantee as deemed investment with a corresponding liability recorded as deferred revenue. Such deemed investment is added to the carrying amount of investment in subsidiaries.

Deferred revenue is recognized in the Statement of Profit and Loss over the remaining period of financial guarantee issued.

Notes to Consolidated Financial Statements

as at and for the year ended 31st March, 2024

Impairment of financial assets

The Group assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 41 details how the Group determines whether there has been a significant increase in credit risk.

For trade receivables only, the Group applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

Derecognition of financial assets

A financial asset is derecognized only when:

- the Group has transferred the rights to receive cash flows from the financial asset or
- retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Group evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognized if the Group has not retained control of the financial asset. Where the Group retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

Income recognition

Interest income

Interest income from financial assets at fair value through profit or loss is disclosed as interest income within other income. Interest income on financial assets at amortised cost and financial assets at FVOCI is calculated using the effective interest rate method and recognised in the Consolidated statement of profit and loss as part of other income.

Interest income is calculated by applying the effective interest rate to the gross carrying amount of financial asset except for financial assets that subsequently become credit-impaired. For credit-impaired financial assets the effective rate is applied to the net carrying amount of the financial asset (after deduction of the loss allowance)

Dividend income

Dividends are received from financial assets at fair value through profit or loss and at FVOCI. Dividends are recognised as other income in profit or loss when the right to receive payment is established. This applies even if they are paid out of pre-acquisition profits, unless the dividend clearly a recovery part of the cost of the investment.

Other income

All other income is accounted on accrual basis when no significant uncertainty exist regarding the amount that will be received.

Financial liabilities:

Initial recognition and measurement

Financial liabilities are initially measured at its fair value plus or minus, in the case of a financial liability not at fair value through profit or loss, transaction costs that are directly attributable to the issue/ origination of the financial liability.

Subsequent measurement

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held for trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in the consolidated statement of profit and loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in the consolidated statement of profit and loss. Any gain or loss on derecognition is also recognised in the consolidated statement of profit and loss.

Derecognition

A financial liability is derecognised when the obligation specified in the contract is discharged, cancelled or expires.

Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the Consolidated balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Group or the counterparty.

(o) Property, plant and equipment

Items of property, plant and equipment are stated at historical cost less accumulated depreciation and impairment. Historical cost comprises of the purchase price including import duties and non-refundable taxes and directly attributable expenses incurred to bring the asset to the location and condition necessary for it to be capable of being operated in the manner intended by management.

Notes to Consolidated Financial Statements

as at and for the year ended 31st March, 2024

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Depreciation methods, estimated useful lives and residual value

Depreciation is calculated using the written down value method, to allocate their cost, net of residual values, over the estimated useful lives of the assets, based on technical evaluation done by the management's expert which is in accordance with the Schedule II to the Companies Act, 2013, in order to reflect the actual usage of the assets. The residual values are not more than 5% of the original cost of the asset. The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Depreciation on property, plant and equipment is provided based on the management estimated useful life for the property, plant and equipment:

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within other income / other expenses.

(p) Investment properties

Properties that are held for long-term rental yields or for capital appreciation or both, and that is not occupied by the Group, are classified as investment properties. Investment properties are measured initially at its cost, including related transaction costs and where applicable borrowing costs. Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognised.

(q) Capital Work in Progress

Expenditure incurred on construction of assets which are not ready for their intended use are carried at cost less impairment (if any), under Capital work-in-progress. The cost includes the purchase cost of materials, including import duties and non-refundable taxes, interest on borrowings used to finance the construction of the asset and any directly attributable costs of bringing an assets ready for their intended use

(r) Intangible assets

Intangible assets are stated at acquisition cost, net of accumulated amortisation and accumulated impairment losses, if any. Intangible assets are amortised on a written down value basis over their estimated useful lives.

Depreciation on intangible assets is provided based on the management estimated useful life for the intangible assets:

The amortisation period and the amortisation method are reviewed at least at each financial year end. If the expected useful life of the asset is significantly different from previous estimates, the amortisation period is changed accordingly.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within other income / other expenses.

(s) Trade and other payables

These amounts represent liabilities for goods and services provided to the group prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period or operating cycle, as applicable. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

(t) Borrowing cost

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. Capitalisation of borrowing costs is suspended and charged to the consolidated statement of profit and loss during extended periods when active development activity on the qualifying asset is interrupted.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

Other borrowing costs are expensed in the period in which they are incurred.

(u) Provisions and contingent liabilities

Provisions

Provisions are recognized when there is a present legal or constructive obligation as a result of a past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the

Notes to Consolidated Financial Statements

as at and for the year ended 31st March, 2024

obligation and there is a reliable estimate of the amount of the obligation. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognised as an interest expense.

Contingent liabilities

Contingent liabilities are disclosed when there is a possible obligation arising from 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 group, or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

(v) Employee benefits

(i) Short term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within period of operating cycle after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled.

(ii) Other long term employee benefit obligations

The liabilities for earned leave are not expected to be settled wholly within period of operating cycle after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss. The obligations are presented as current liabilities in the balance sheet if the group does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

(iii) Post-employment obligations

The group operates the following post-employment schemes.

- defined benefit plan i.e. gratuity
- defined contribution plans such as provident fund and employees state insurance(ESI)

Gratuity obligations

The liability or asset recognised in the consolidated balance sheet in respect of defined benefit gratuity plan is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefits expense in the consolidated statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income.

They are included in retained earnings in the consolidated statement of changes in equity and in the consolidated balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

Defined contribution plans

The group pays provident fund contributions to publicly administered provident funds as per local regulations and also makes contribution to employees state insurance. The group has no further payment obligation once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefits expense when they are due.

(w) Contributed equity

Equity shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

(x) Earnings per share

(i) Basic earnings per share

Basic earnings per share is calculated by dividing:

- The profit attributable to owners of respective class of equity shares of the Holding Company

- By the weighted average number of equity shares (respective class wise) outstanding during the financial year.

(ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

(y) Rounding of amounts

All amounts disclosed in the consolidated financial statements and notes have been rounded off to the nearest millions as per the requirement of Schedule III, unless otherwise stated.

Note 2: Changes in accounting policies and disclosures

New amendments issued but not effective

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Group.

Notes to Consolidated Financial Statements

as at and for the year ended 31st March, 2024

(All amounts in INR millions, unless otherwise stated)

3. Property, plant and equipment

Particulars	Building	Office equipment's	Plant and equipment	Computers	Electrical Installation	Leasehold Improvements	Furniture and Fixtures	Vehicles	Total
Year ended March 31, 2023									
Gross carrying amount									
Opening gross carrying amount	212.40	5.46	681.15	2.43	30.39	-	9.39	46.25	987.48
Additions	2.21	3.33	1.61	0.97	(0.00)	79.02	0.38	2.80	90.31
Disposals	-	-	(1.12)	(0.04)	-	-	-	(3.31)	(4.48)
Closing gross carrying amount	**214.62**	**8.79**	**681.65**	**3.36**	**30.38**	**79.02**	**9.76**	**45.73**	**1,073.31**
Accumulated depreciation									
Opening accumulated depreciation	52.55	4.81	484.03	1.93	27.20	-	6.73	25.36	602.60
Additions	9.68	1.87	61.97	0.48	1.55	9.27	0.74	7.08	92.65
Disposals/ Adjustments	(0.05)	(0.25)	(1.00)	(0.04)	0.00	-	0.00	(3.10)	(4.44)
Closing accumulated depreciation	**62.18**	**6.44**	**545.00**	**2.36**	**28.75**	**9.27**	**7.47**	**29.34**	**690.81**
Net carrying amount	**152.44**	**2.35**	**136.65**	**1.00**	**1.64**	**69.75**	**2.29**	**16.39**	**382.50**
Year ended March 31, 2024									
Gross carrying amount									
Opening gross carrying amount	214.62	8.79	681.65	3.36	30.38	79.02	9.76	45.73	1,073.31
Additions	1,102.72	3.90	944.11	1.75	65.54	3.99	8.60	14.10	2,144.72
Adjustment on account of foreign currency translation	-	-	-	0.00	-	-	-	0.04	0.05
Disposals	**-**	**-**	**(0.50)**	**-**	**-**	**-**	**-**	**(0.12)**	**(0.62)**
Closing gross carrying amount	**1,317.34**	**12.69**	**1,625.26**	**5.11**	**95.92**	**83.01**	**18.37**	**59.76**	**3,217.46**
Accumulated depreciation									
Opening accumulated depreciation	62.18	6.44	545.00	2.36	28.75	9.27	7.47	29.34	690.81
Additions	14.12	1.58	52.87	1.05	0.70	7.61	0.68	5.14	83.75
Adjustment on account of foreign currency translation	**0.04**	**0.00**	**0.07**	**0.00**	**0.00**	**-**	**0.00**	**0.03**	**0.14**
Disposals/ Adjustments	**-**	**-**	**(0.46)**	**-**	**-**	**-**	**-**	**(0.11)**	**(0.57)**
Closing accumulated depreciation	**76.34**	**8.02**	**597.48**	**3.42**	**29.45**	**16.88**	**8.15**	**34.40**	**774.14**
Net carrying amount	**1,240.99**	**4.67**	**1,027.78**	**1.69**	**66.48**	**66.13**	**10.21**	**25.36**	**2,443.32**

Notes:

1) Refer note 20 and 23 for information on property, plant and equipment offered as security against borrowings taken by the group

2) The group has not revalued any of its property, plant and equipment during the current year and previous year.

Notes to Consolidated Financial Statements

as at and for the year ended 31st March, 2024

(All amounts in INR millions, unless otherwise stated)

Note 4 - Capital Work in Progress

PARTICULARS	Total
Balance as of April 01, 2022	**70.75**
Adjustment on account of foreign currency translation	1.17
Addition during the year	1,243.92
Transferred to property plant and equipment	79.02
Balance as at March 31, 2023	**1,236.83**
Adjustment on account of foreign currency translation	19.16
Addition during the year	**(1,254.81)**
Transferred to property plant and equipment	-
Balance as at March 31, 2024	**1.18**

Particulars	Less than 1 year	1-2 years	More than 2 years	Total
Balance as at March 31, 2023	1,221.85	14.98	-	1,236.83
Balance as at March 31, 2024	1.18	-	-	**1.18**

Note 5 - Right-of-use-Assets (ROU assets)

PARTICULARS	Total
Balance as of April 01, 2022	**496.48**
Adjustment on account of foreign currency translation	31.61
Addition during the year	0.74
Depreciation	**1.50**
Depreciation capitalized to capital work-in progress	22.07
Balance as at March 31, 2023	**505.25**
Adjustment on account of foreign currency translation	6.32
Addition during the year	9.94
Depreciation	4.74
Depreciation capitalized to capital work-in progress	20.35
Balance as at March 31, 2024	**496.42**

1) Refer note 20 and 23 for information on right-of-use-Assets offered as security against borrowings taken by the group.

Note 6 - Intangible assets

PARTICULARS	Total
Year ended March 31, 2023	
Gross carrying amount	
Opening gross carrying amount	1.37
Additions	-
Closing gross carrying amount	**1.37**
Accumulated amortisation	
Opening accumulated amortisation	0.96
Amortisation charge during the year	0.16
Closing accumulated amortisation and impairment	**1.12**
Net carrying amount	**0.25**
Year ended March 31, 2024	
Gross carrying amount	
Opening gross carrying amount	1.37
Additions	3.11
Closing gross carrying amount	**4.48**

Notes to Consolidated Financial Statements

as at and for the year ended 31st March, 2024

(All amounts in INR millions, unless otherwise stated)

PARTICULARS	Total
Accumulated amortisation	
Opening accumulated amortisation	1.12
Amortisation charge during the year	0.78
Closing accumulated amortisation and impairment	**1.90**
Net carrying amount	**2.57**

Note 7 - Non-Current Loans

PARTICULARS	As at March 31, 2024	As at March 31, 2023
Unsecured and considered good		
Loans (At amortised cost)		
- To employees	0.27	0.30
Total	**0.27**	**0.30**

(i) The loans have been given for general business purpose and has been utilized by the borrowers for the same.

Break-up of security details

PARTICULARS	As at March 31, 2024	As at March 31, 2023
Loans considered good – Secured	-	-
Loans considered good - Unsecured	0.27	0.30
Loans which have significant increase in credit risk	-	-
Loans – credit impaired	-	-
Total	**0.27**	**0.30**
Loss allowance	-	-
Total loans	**0.27**	**0.30**

Note 8 - Other non-current financial asset

PARTICULARS	As at March 31, 2024	As at March 31, 2023
Unsecured, Considered good		
Security Deposit	26.75	22.88
Total	**26.75**	**22.88**

Note 9 - Deferred tax assets (net)

PARTICULARS	As at March 31, 2024	As at March 31, 2023
Deferred Tax	31.67	31.42
MAT credit entitlement	182.05	185.28
Total	**213.72**	**216.70**

Note 10 - Other non-current assets

PARTICULARS	As at March 31, 2024	As at March 31, 2023
Unsecured, Considered good		
Capital advances	3.28	79.92
Total	**3.28**	**79.92**

Notes to Consolidated Financial Statements

as at and for the year ended 31st March, 2024

(All amounts in INR millions, unless otherwise stated)

Note 11 - Inventories

PARTICULARS	As at March 31, 2024	As at March 31, 2023
(As per Inventory taken, valued and certified by the management) (refer accounting policy)		
Raw Material	168.18	51.34
Work-in-Progress	17.25	6.88
Finished Goods (includes goods in transit*) and Semi - Finished Goods	537.72	353.73
Consumables	44.40	27.62
Total	**767.55**	**439.58**

*Goods in transit amounting to INR 25.50 (March 31, 2023: 11.96)

Refer note 20 and 23 for information on inventories offered as security against borrowings taken by the Group

Note 12 - Current Investments

Particulars	As at March 31, 2024	As at March 31, 2023
Quoted- Mutual Funds (Valued at fair value through profit and loss)		
Investment in Mutual Funds 1,04,314.99 (PY: 45,13,694.37 Units of Axis Ultra Short Term Fund- Regular Growth having face value of INR 10)	1.41	57.19
Investment in Mutual Funds 34.52 (PY: Nil Units of Nippon India Ultra Short DurationFund- Growth having face value of INR 10)	0.13	-
Total	**1.54**	**57.19**
Aggregate amount of unquoted investment	-	-
Aggregate amount of quoted investment and market value thereof	1.54	57.19
Aggregate amount of impairment in value of investments	-	-

Note 13 - Trade Receivables

Particulars	As at March 31, 2024	As at March 31, 2023
Trade receivables		
- To related parties (refer note 38)	0.47	0.04
- To other parties	1,104.66	443.86
Less: Loss allowance	(6.58)	(3.94)
Total	**1,098.55**	**439.96**

Particulars	As at March 31, 2024	As at March 31, 2023
Trade receivables considered good – Secured	-	-
Trade receivables considered good – Unsecured	1,078.48	427.42
Trade receivables which have significant increase in credit risk	26.65	16.49
Trade receivables – Credit impaired	-	-
Total	**1,105.13**	**443.91**
Loss allowance	(6.58)	(3.94)
Total trade receivables	**1,098.55**	**439.96**

Note:

(i) Trade amounting to INR 0.47 (March 31, 2023: INR 0.04) are due from director and from firms in which directors are partners.

(ii) Refer note 20 and 23 for information on trade receivable offered as security against borrowings taken by the Group

Notes to Consolidated Financial Statements

as at and for the year ended 31st March, 2024

(All amounts in INR millions, unless otherwise stated)

Ageing schedule of trade receivables considered good – unsecured

Particulars	As at March 31, 2024	As at March 31, 2023
Not due	965.34	263.11
Less than 6 Months	84.24	151.28
6 Months - 1 Year	28.89	13.03
1-2 Years	-	-
2-3 Years	-	-
More than 3 Years	-	-
Total	**1,078.48**	**427.42**

Ageing schedule of trade receivables which have significant increase in credit risk

Particulars	As at March 31, 2024	As at March 31, 2023
Not due	-	-
Less than 6 Months	-	-
6 Months - 1 Year	-	-
1-2 Years	18.25	13.46
2-3 Years	6.51	1.31
More than 3 Years	1.89	1.72
Total	**26.65**	**16.49**

Note 14 - Cash and cash equivalents

Particulars	As at March 31, 2024	As at March 31, 2023
Balances with banks		
In current accounts	24.95	63.78
Cash on hand	0.92	1.24
Total	**25.86**	**65.02**

Note 15 - Bank balances other than cash and cash equivalents

Particulars	As at March 31, 2024	As at March 31, 2023
Balances with banks		
In Escrow accounts	19.05	69.15
In Trust accounts	0.02	-
In Lien accounts (refer note 38)	7.69	-
Deposits for original maturity of less than 12 months*	1.76	1,001.65
Total	**28.52**	**1,070.80**

*These are restricted deposits. The restriction are primarily on account of utilization of deposit held from IPO proceeds for which authorization from board is required amounting for Rs INR Nil (PY: INR 1001.57) and also include deposit held as margin money against borrowings amounting to Rs INR 1.76 (PY: INR 0.08)

Note 16 - Current Loans

Particulars	As at March 31, 2024	As at March 31, 2023
Unsecured and considered good		
Loans (At amortised cost)		
- To related parties (refer note 38)	-	16.02
- To employees *	1.15	2.86
Total	**1.15**	**18.88**

* Includes loan given to related parties (refer note 38)

Notes to Consolidated Financial Statements

as at and for the year ended 31st March, 2024

(All amounts in INR millions, unless otherwise stated)

Break-up of security details

Particulars	As at March 31, 2024	As at March 31, 2023
Loans considered good – Secured	-	-
Loans considered good - Unsecured	1.15	18.88
Loans which have significant increase in credit risk	-	-
Loans – credit impaired	-	-
Total	**1.15**	**18.88**
Loss allowance	-	-
Total loans	**1.15**	**18.88**

Note:

(i) The loans have been given for general business purpose and has been utilized by the borrowers for the same.

(ii) Loans to employees (unsecured and considered good) includes INR Nil (March 31, 2023: INR 0.13) due from Managing director and other officers given as a part of the conditions of service extended by the Group to all of its employees.

(iii) None of the loans or advances in the nature of loans granted to Promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013) is repayable on demand or without specifying any terms of repayment.

Note 17 - Other current financial assets

Particulars	As at March 31, 2024	As at March 31, 2023
Unsecured and considered good		
Export incentive receivable	1.82	1.33
Security deposits	15.77	15.50
Other receivable	0.52	3.59
Total	**18.11**	**20.42**

Note 18 - Other current assets

Particulars	As at March 31, 2024	As at March 31, 2023
Unsecured and considered good		
Balance with government authorities	21.46	24.58
Advance to vendors		
Related party	0.09	-
Others*	24.22	11.82
Prepaid expenses	14.49	7.39
Unsecured and considered doubtful		
Advance to vendors		
Others	0.79	0.29
Less: Provision for doubtful advance	(0.79)	(0.29)
Total	**60.26**	**43.79**

*Includes INR 2.68 (Previous Year: INR Nil) related to expenses for proposed warrants offer.

Notes to Consolidated Financial Statements

as at and for the year ended 31st March, 2024

(All amounts in INR millions, unless otherwise stated)

Note 19 - Equity Share capital and other equity

Equity share capital

(i) Authorised share capital

Particulars	As at March 31, 2024	As at March 31, 2023
Equity share capital		
5,50,00,000 (For previous year: 4,60,00,000) equity shares of INR 10 each	550.00	460.00
Total	**550.00**	**460.00**

(ii) Issued, subscribed and paid up

Particulars	As at March 31, 2024	As at March 31, 2023
Equity share capital		
4,23,81,818 (For previous year: 4,23,81,818) Equity shares of INR 10 each	423.82	423.82
Total	**423.82**	**423.82**

(iii) Rights, preferences and restrictions attached to shares

Equity Shares

The Company has only one class of shares referred to as equity shares having a par value of` Rs. 10/-. Each holder of equity shares is entitled to one vote per share with same rights, preferences.In the event of liquidation of the Company, the holders of equity 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 equity shares held by the shareholders. The Equity Shares issued by the company have equal right as to voting and dividend.

(iv) Movement in equity share capital

Particulars	As at March 31, 2024		As at March 31, 2023	
	Number of shares	Amount	Number of shares	Amount
Equity Shares				
Shares outstanding as at the beginning of the year	4,23,81,818	423.82	3,38,61,818	338.62
Add: Share issued during the year (Refer note (i) below)	-	-	85,20,000	85.20
Shares outstanding as at the end of the year	**4,23,81,818**	**423.82**	**4,23,81,818**	**423.82**

Note (i) : During the year ended March 31, 2023, the company has completed its Initial Public offer (IPO) of 1,10,70,000 equity shares of face value of Rs. 10 each at an issue price of Rs. 140 per share aggregating to Rs. 1,549.80 million, comprising of fresh issue of 85,20,000 shares aggregating to Rs. 1,192.80 million and offer for sale of 25,50,000 shares by the selling shareholders aggregating to Rs. 357 million. The Equity Shares were listed on the BSE Limited and National Stock Exchange of India Limited on March 23, 2023. Further, the Company has incurred Rs. 230 million as IPO expenses and proportionately allocated such expenses between the Company amounting to Rs. 177.02 million (netted off against securities premium) and selling shareholders amounting to Rs. 52.98 million which has been reimbursed by the selling shareholders to the Company.

(v) Details of shareholders other than promoter holding more than 5% shares in the Company

Particulars	As at March 31, 2024		As at March 31, 2023	
	Number of shares	% Holding	Number of Shares	% Holding
Sweta Shah	23,99,000	5.66%	23,99,000	5.66%
Mayank Shah (HUF)	28,92,488	6.82%	28,92,488	6.82%

Notes to Consolidated Financial Statements

as at and for the year ended 31st March, 2024

(All amounts in INR millions, unless otherwise stated)

(vi) Details of shares held by promoter

Particulars	As at March 31, 2024		As at March 31, 2023	
	Number of shares	% Holding	Number of Shares	% Holding
Mayank Shah	2,35,06,368	55.46%	2,35,06,368	55.46%

(vii) Change in shareholding of promoters are disclosed below:

Name of Promoters	Number of shares	% Total shares	% Changes during the year
As at March 31, 2024			
Mayank Shah	2,35,06,368	55.46%	0.00%
As at March 31, 2023			
Mayank Shah	2,35,06,368	55.46%	-0.13%

(viii) The Company has not bought back any shares during the preceding 5 years.

(ix) Aggregate number of shares issued as fully paid up bonus shares (during 5 years immediately preceding March 31, 2024):

Particulars	As at March 31, 2024	As at March 31, 2023
Fully paid up Bonus Shares of face value 10 each	-	-
Total	**-**	**-**

19(b) - Other equity

Particulars	As at March 31, 2024	As at March 31, 2023
Securities premium	1,102.89	1,102.89
Retained earnings	1,260.98	1,071.94
Money received against convertible share warrants	498.75	-
Other comprehensive income Foreign Currency Translation Reserve	18.62	14.64
Total	**2,881.25**	**2,189.48**

(i) Securities premium

Particulars	As at March 31, 2024	As at March 31, 2023
Opening balance	**1,102.89**	**172.30**
Add: Securities premium on issue of shares	-	1,107.60
Less: Share issue expenses	-	(177.02)
Closing balance	**1,102.89**	**1,102.89**

(ii) Retained earnings

Particulars	As at March 31, 2024	As at March 31, 2023
Opening balance	**1,071.94**	**829.27**
Profit for the year	187.00	242.34
Other comprehensive income	2.03	0.31
Closing balance	**1,260.98**	**1,071.94**

Notes to Consolidated Financial Statements

as at and for the year ended 31st March, 2024

(All amounts in INR millions, unless otherwise stated)

(iii) Money received against convertible share warrants

Particulars	As at March 31, 2024	As at March 31, 2023
Opening balance		
Add: Money received against Share warrants	498.75	-
Closing balance	**498.75**	**-**

(iv) Other comprehensive income- Foreign Currency Translation Reserve

Particulars	As at March 31, 2024	As at March 31, 2023
Opening balance	**14.64**	**0.15**
Changes during the year	3.97	14.48
Closing balance	**18.62**	**14.64**

Nature and purpose of reserves

(i) Securities premium

Amounts received on issue of shares in excess of the par value has been classified as securities premium, net of utilisation.

(ii) Retained earnings

The cumulative gain or loss arising from the operations which is retained by the Group is recognised and accumulated under the heading "Retained Earnings". At the end of the year, the profit after tax and Other Comprehensive income are transferred from the statement of profit and loss to retained earnings. Other comprehensive income comprises actuarial gains and losses on defined benefit obligation.

(iii) Money received against convertible share warrants

Pursuant to approval of shareholders in the EGM held on November 16, 2023, the company allotted 95,00,000 convertible warrants at a price of Rs. 210/- per warrant convertible in to equivalent number of equity shares including premium of Rs. 200/- total amounting Rs.1995.00 million in the meeting of Board of directors of the Company held on December 4, 2023. An Amount of Rs. 498.75 million was received (25% being the warrants subscription price) was received from the issue proceed of convertible warrants.

(iv) Other comprehensive income- Foreign Currency Translation Reserve

The exchange differences arising from the translation of financial statements of foreign operations prepared in functional currency other than Indian Rupee is recognised in other comprehensive income and is presented within equity in the foreign currency translation reserve**.**

Note 20 - Non current borrowings

Particulars	As at March 31, 2024	As at March 31, 2023
At amortised cost		
Secured		
Term loan from banks	589.70	865.07
Vehicle Loans from bank and financial institutions	9.34	8.78
Unsecured		
Less : Current maturities of non current borrowings (refer note 23)	(74.50)	(680.49)
Total	**524.55**	**193.36**

Note:

(i) Credit facilities from Banks

Credit facilities from bank (presently in multiple banking with HDFC Bank Limited and Kotak Mahindra Bank Limited) is secured by Equitable mortgage of factory Land and Building of the Holding Company situated at Bagru Industrial Area and at Mahindra SEZ and equitable mortgage of industrial unit situated at shah industrial estate, West Bengal of Laminated Products (partnership firm of Director) and hypothecation of existing and future movable fixed assets, book debts, fixed deposits, plant and machinery and stock of the Holding Company.

Notes to Consolidated Financial Statements

as at and for the year ended 31st March, 2024

(All amounts in INR millions, unless otherwise stated)

-Further secured by

Personal Guarantees of managing director and executive director and loan to Global Surfaces FZE is further secured by Corporate Guarantee of the holding compnay.

Repayment:

Holding company Term Loan is repayable as under:

Term Loan I:- 25 monthly instalments of INR 0.76 each beginning from 07/09/2022 (Interest rate @ 9.48% presently);

Term Loan II:- 19 monthly instalments of INR 1.08 each beginning from 07/09/2022 (Interest rate @ 9.48% presently);

Term Loan III:- 19 monthly instalments of INR 0.70 each beginning from 07/09/2022 (Interest rate @ 9.48% presently);

GECL Loan:- 37 monthly instalments of INR 1.80 each beginning from 07/01/2024 (Interest rate @ 9.25% presently).

Vehicle Loans is secured by hypothecation of respective Motor vehicle.(i) Repayable in 48 monthly instalment of INR 0.15 and bullet repayment of INR 5.43 at the end of loan period

Term Loan facility with Kotak Mahindra Bank Limited availed by Global Surfaces FZE

Term Loan I:- 58 monthly instalments of INR 0.04 each beginning from 29/12/2023 (Interest rate @ 7..69% presently

Term Loan II:- 58 monthly instalments of INR 0.15 each beginning from 29/12/2023 (Interest rate @ 7..69% presently

Term Loan III:- 58 monthly instalments of INR 0.09 each beginning from 29/12/2023 (Interest rate @ 7..68% presently

Term Loan IV:- 58 monthly instalments of INR 0.06 each beginning from 29/12/2023 (Interest rate @ 7..69% presently

Term Loan V:- 58 monthly instalments of INR 0.17 each beginning from 29/12/2023 (Interest rate @ 7..69% presently

Term Loan VI:- 58 monthly instalments of INR 0.33 each beginning from 29/12/2023 (Interest rate @ 7.74% presently)

Term Loan VII:- 58 monthly instalments of INR 0.07 each beginning from 29/12/2023 (Interest rate @ 7..69% presently)

Term Loan facility with HDFC Bank Limited availed by Global Surfaces FZE is sanctioned for 6 years including 12 months moratorium. However, repayment schedule after the expiry of moratorium period is yet stipulated by the bankers :- Interest rate @SOFR +2.25 presently.

Vehicle Loans is secured by hypothecation of respective Motor vehicle.(i) Repayable in 48 monthly instalment of INR 0.04 (Interest rate @ 3.25% presently)

Note 21 - Lease liabilities

Particulars	As at March 31, 2024	As at March 31, 2023
Lease liabilities on right to use asset (refer note 46)	463.00	453.82
Total	**463.00**	**453.82**

Note 22 - Non current provisions

Particulars	As at March 31, 2024	As at March 31, 2023
Provision for employee benefit		
Provision for gratuity (refer Note 42)	0.41	0.71
Provision for compensated absences (refer Note 42)	3.26	4.35
Total	**3.66**	**5.06**

Note 23 - Current Borrowings

Particulars	As at March 31, 2024	As at March 31, 2023
Secured Borrowings- from banks		
Cash Credit/ Working capital revolving facility	46.94	3.05
Post shipment Loan	55.32	41.84
Pre-shipment Loan	281.99	289.43
Current maturities of non current borrowings	74.50	680.49
Total	**458.75**	**1,014.80**

Notes to Consolidated Financial Statements

as at and for the year ended 31st March, 2024

(All amounts in INR millions, unless otherwise stated)

(i) Working capital limits availed by holding company

Primary Security

Working capital loans from bank is secured by Stock-in-Trade and other current assets in form of maintaining the margin money in respect of each utilization.

Further secured by

(a) Equitable mortgage of factory Land and Building of Holding Company. situated at Bagru Industrial Area and at Mahindra SEZ and equitable mortgage of industrial unit situated at shah industrial estate, West Bengal belonging to Laminated Products (partnership firm of Director) and hypothecation of existing and future movable fixed assets and plant and machinery of the Holding Company.

(b) Personal Guarantee of managing director and executive director

Repayment:

On Demand

Interest Rate:

Cash Credit and Export Credit in INR - MCLR + spread i.e. presently 9.43%. Interest rate on Pre-Shipment and Post shipment availed in Foreign currency are linked with SOFR plus spread as stipulated by bank.

(ii) Working capital limits availed by Global Surfaces FZE

Primary Security

Working capital loans from bank is secured by Stock-in-Trade, Receivables, Balance in Lien account and other current assets of the Global Surfaces FZE.

Further secured by

(a) Assignment of leasehold right in favor of the lender over property situated at Plot no S50902 at Jabel Ali Free Zone Authority and Equitable mortgage over the property located on of above factory leasehold Land of Global Surfaces FZE.

(b) Personal Guarantee of director and Corporate guarantee of holding company "Global Surfaces Limited

Repayment:

On Demand

Interest Rate:

Working capital revolving facility in is linked with AED- EIBOR 3 month + 2.25% PA (Minimum 5.5% per annum)

Reconciliation of quarterly returns/statements submitted to banks with Books of accounts:

Particulars	Amount reported in the stock statement	Amount as per Books of accounts	Difference
Jun-23			
Inventory	444.21	469.91	(25.70)
Trade Receivables	509.24	499.62	9.62
Trade Payables	178.82	195.78	(16.97)
Sep-23			
Inventory	502.59	513.80	(11.21)
Trade Receivables	520.99	518.64	2.36
Trade Payables	205.88	235.15	(29.27)
Dec-23			
Inventory	522.07	540.16	(18.09)
Trade Receivables	489.62	481.31	8.31
Trade Payables	160.15	187.76	(27.61)

Notes to Consolidated Financial Statements

as at and for the year ended 31st March, 2024

(All amounts in INR millions, unless otherwise stated)

Particulars	Amount reported in the stock statement	Amount as per Books of accounts	Difference
Mar-24			
Inventory	516.31	524.95	(8.64)
Trade Receivables	573.41	557.89	15.52
Trade Payables	196.81	227.90	(31.08)

Reason for material discrepancies

Inventory

While preparing stock statements adjustments for overhead allocation and NRV valuation is carried out on estimated basis whereas in books of accounts the same exercise is carried on reporting date basis.

Trade receivables and payables

These figures are based on provisional financial statements. However certain settlements, restatement, provision for doubtful debts and reconciliation adjustments of receivables and payables have been carried out at later date in books of accounts. Further, the Company is providing details of trade payable related to raw material and consumables only in the stock statements submitted to banks.

There are no stipulation for submission of monthly or quarterly returns to bank against the loan obtained by the subsidiary company on the basis of security of its current assets.

Note 24 - Trade payables

Particulars	As at March 31, 2024	As at March 31, 2023
Trade payables	386.62	161.90
Total	**386.62**	**161.90**

* Includes trade payables to related parties (refer note 38)

Trade payable ageing schedule - Not disputed

Particulars	As at March 31, 2024	As at March 31, 2023
Unbilled	19.22	13.82
Not due	231.99	94.53
Less than 1 year	128.86	50.85
1-2 Years	5.96	2.69
2-3 Years	0.59	0.00
More than 3 Years	-	-
Total	**386.62**	**161.90**

Note 25 - Other current financial liabilities

Particulars	As at March 31, 2024	As at March 31, 2023
Interest accrued on borrowings	1.44	4.61
Employee benefits payables	18.89	12.55
Lease liabilities on right to use asset (refer note 46)	17.20	4.65
Payable for capital expenditure	-	127.28
Others financial liabilities	0.00	0.71
Total	**37.53**	**149.80**

Notes to Consolidated Financial Statements

as at and for the year ended 31st March, 2024

(All amounts in INR millions, unless otherwise stated)

Note 26 - Current tax liabilities

Particulars	As at March 31, 2024	As at March 31, 2023
Income tax (net of advance tax)	6.48	1.03
Total	**6.48**	**1.03**

Note 27 - Current Provisions

Particulars	As at March 31, 2024	As at March 31, 2023
Provision for employee benefit		
Provision for gratuity (refer Note 42)	0.46	1.06
Provision for compensated absences (refer Note 42)	0.33	0.41
Total	**0.80**	**1.47**

Note 28 - Other current liabilities

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Statutory Liabilities*	8.94	21.15
MTM payable on outstanding forward contracts	0.24	-
Advances from customers #	2.61	4.91
Total	**11.78**	**26.04**

* includes Rs 0.51 unspent corporate social responsibility expenditure

Includes advances from customers to related parties (refer note 37)

Note 29 - Revenue from operations

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Revenue from operations		
Sale of goods	2,226.47	1,772.91
Other operating revenue		
Export Incentives	2.86	3.20
Handling charges and Job work Income	23.59	4.54
Total	**2,252.91**	**1,780.66**

Note 30 - Other income

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Interest income on financial assets at amortised cost		
Loan to staff	0.03	0.03
Loan to body corporate and others	1.66	13.01
On deposits with bank	7.74	0.58
Gain on disposal of property, plant and equipment	0.09	-
Reversal of expected credit loss	-	0.08
Rental income (refer note 38)	2.55	0.15
Gain on sale and revaluation of mutual funds	0.35	0.62
Exchange gain (net)	24.55	7.93
Miscellaneous income	0.21	5.35
Total	**37.17**	**27.76**

Notes to Consolidated Financial Statements

as at and for the year ended 31st March, 2024

(All amounts in INR millions, unless otherwise stated)

Note 31 - Cost of Material Consumed

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Raw Material		
Opening stock	51.34	57.59
Add: Purchases (net of return)	1,001.42	836.41
Add: Freight	3.47	9.97
Less: Closing stock	(168.18)	(51.34)
Total	**888.06**	**852.63**

Note 31(a) - Purchase of stock in trade

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Purchase of stock in trade	490.11	-
Total	**490.11**	**-**

Note 32 - Changes in inventories of finished goods and work- in-progress

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Inventories at the beginning of the year		
Finished Goods/ Semi Finished Goods (Including GIT)	353.73	345.54
Work-in-Process	6.88	6.81
Total (A)	**360.62**	**352.35**
Inventories at the end of the year		
Finished Goods/ Semi Finished Goods (Including GIT)	537.72	353.73
Work-in-Process	17.25	6.88
Total (B)	**554.97**	**360.62**
Increase in stock (A-B)	**(194.35)**	**(8.27)**

Note 33 - Employee benefit expenses

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Salaries, Wages, Bonus etc.	111.42	88.31
Contribution to Provident and Other Funds	5.09	5.24
Director's Remuneration (including commission to directors)	22.42	14.98
Gratuity (refer Note 42)	2.52	2.22
Compensated absences	(0.58)	0.90
Staff Welfare Exp.	13.19	7.73
Total	**154.06**	**119.36**

Note 34 - Depreciation and amortisation expense

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Depreciation on tangible assets	83.75	92.65
Amortisation of intangible assets	0.78	0.16
Depreciation on right to use assets	4.74	1.50
Total	**89.28**	**94.31**

Notes to Consolidated Financial Statements

as at and for the year ended 31st March, 2024

(All amounts in INR millions, unless otherwise stated)

Note 35 - Finance costs

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Interest expense on		
Secured Long term borrowings	10.23	9.80
Secured Short term Borrowings	22.28	14.44
Unsecured Borrowings from body corporates	0.05	-
Lease liabilities	22.09	20.76
Others	2.38	-
Other borrowing cost		
Bank Charges and Processing Fees	5.57	10.82
Guarantee Commission Charges	0.92	-
	63.52	55.82
Finance costs capitalised to PPE/Capital work-in-progress	(18.49)	(20.13)
Total	**45.03**	**35.69**

Note 36 - Other expenses

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Manufacturing Expenses		
Electricity Expenses	41.87	30.29
Consumables and Stores Consumed	145.50	155.07
Repair and Maintenance-Machinery	20.33	3.25
Other Direct Expenses	47.45	33.16
Total Manufacturing Expenses	**255.15**	**221.77**
Administration Expenses		
Auditors Remuneration- statutory audit and limited review fees	1.75	1.20
CSR Expenses	6.27	6.00
Donation	0.32	0.29
Insurance	4.73	4.70
Legal and Professional Fee	7.05	12.00
Rent, Rates and Taxes	10.53	4.11
Repair & Maintenance	10.62	15.39
Security Charges	4.08	4.32
Travelling and Conveyance	11.88	14.04
Director sitting fees	0.78	0.77
Listing Fees	0.74	0.69
Training and education expense	9.38	4.68
Provision for Expected credit loss	2.97	0.95
Loss on disposal of property, plant and equipment	-	0.07
Office expenses	14.40	2.83
Miscellaneous Expenses	11.51	5.11
Total Administration Expenses	**96.99**	**77.15**
Selling & Distribution Expenses		
Business Promotion Expenses (Includes Foreign Travelling Expenses)	36.46	20.12
Transportation Charges	94.09	75.62
Participation expenses of fairs	24.97	15.67
Packing Expenses	27.63	30.84
Other Selling and Distribution Expenses	28.12	20.62
Total Selling & Distribution Expenses	**211.27**	**162.87**
Total	**563.42**	**461.79**

Notes to Consolidated Financial Statements

as at and for the year ended 31st March, 2024

(All amounts in INR millions, unless otherwise stated)

Note 37- Taxation

(a) Income tax expense

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Current tax		
Current tax on profits for the year	52.56	47.05
Total current tax expense	52.56	47.05
Deferred tax		
Deferred tax asset created	2.15	(36.48)
Total deferred tax benefit	**2.15**	**(36.48)**
Income tax expense/ (benefit)	**54.71**	**10.57**

(b) Deferred tax assets (net)

The balance comprises temporary differences attributable to:

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Deferred tax assets		
Difference in carrying amount of property plant and equipment and Intangible assets as per tax accounts and books	28.61	28.97
On Gratuity & Leave Encashment Provision	1.52	1.52
On expected credit loss	1.54	0.93
MAT Credit entitlement	182.05	185.28
Deferred tax assets	**213.72**	**216.70**

Movement in deferred tax assets (net)

Particulars	Year ended March 31, 2023	(Charged)/ credited to profit and loss	(Charged)/ credited to OCI	Others	Year ended March 31, 2024
Movement in deferred tax assets					
Difference in carrying amount of property plant and equipment and Intangible assets as per tax accounts and books	28.97	(0.36)	-	-	28.61
On Gratuity & Leave Encashment Provision	1.52	0.83	(0.84)	-	1.52
On expected credit loss	0.93	0.61	-	-	1.54
MAT Credit entitlement	**185.28**	**(3.24)**	**-**	**-**	**182.05**
Total	**216.70**	**(2.15)**	**(0.84)**	**-**	**213.72**

Particulars	Year ended April 01, 2022	(Charged)/ credited to profit and loss	(Charged)/ credited to OCI	Others	Year ended March 31, 2023
Movement in deferred tax assets					
Difference in carrying amount of property plant and equipment and Intangible assets as per tax accounts and books	22.86	6.11	-	-	28.97
On Gratuity & Leave Encashment Provision	1.00	0.64	(0.12)	-	1.52
On expected credit loss	0.67	0.26	-	-	0.93
MAT Credit entitlement	**155.81**	**29.47**	**-**	**-**	**185.28**
Total	**180.34**	**36.48**	**(0.12)**	**-**	**216.70**

Notes to Consolidated Financial Statements

as at and for the year ended 31st March, 2024

(All amounts in INR millions, unless otherwise stated)

(c) Reconciliation of tax expense and accounting profit multiplied by statutory tax rates

Particulars	As at March 31, 2024	As at March 31, 2023
Profit before tax for the year	252.52	252.91
Statutory tax rate applicable to the Holding Company	27.82%	27.82%
Tax expense at applicable tax rate	**70.25**	**70.36**
Items disallowed under section 37 of the Income Tax Act, 1961	2.74	1.85
Deductions under section 10AA of the Income Tax Act, 1961	(25.99)	(68.12)
Others	7.71	6.48
Income tax expense	**54.71**	**10.57**

Note 38 - Related party transactions

(a) Names of related parties and nature of relationship:

Key Managerial Personnel (KMP)

Mr. Mayank Shah - Managing Director
Mrs. Sweta Shah - Executive Director
Mr. Ashish Kumar Kachawa - Non Executive Director
Mr. Sudhir Baxi - Independent Director
Mr. Dinesh Kumar Govil - Independent Director
Mr. Yashwant Kumar Sharma - Independent Director
Mr. Rajesh Gattani - Chief Financial Officer (ceased w.e.f July 04, 2023)
Mr. Kamal Kumar Somanai - Chief Financial Officer (w.e.f September 30, 2023)
Mr. Aseem Sehgal - Company Secretary (ceased w.e.f January 29, 2024)

Key Managerial Personnel (KMP)

Mr. Mayank Shah - Managing Director
Mrs. Sweta Shah - Executive Director
Mr. Ashish Kumar Kachawa - Non Executive Director
Mr. Sudhir Baxi - Independent Director
Mr. Dinesh Kumar Govil - Independent Director
Mr. Yashwant Kumar Sharma - Independent Director
Mr. Rajesh Gattani - Chief Financial Officer (ceased w.e.f July 04, 2023)
Mr. Kamal Kumar Somanai - Chief Financial Officer (w.e.f September 30, 2023)
Mr. Aseem Sehgal - Company Secretary (ceased w.e.f January 29, 2024)

Relatives of Management personnel :

Mridvika Shah
Vatsankit Shah
Rajiv Shah
Nisha Shah
Vimal Kumar Agarwal
Karuna Devi agarwal
Mudit Agarwal
Stutee Agarwal

Entities in which Key Management personnel and their relatives exercise significant influence and with whom transactions took place during the reporting periods:

Vaishanavi Natural Minerals LLP
Global Mining Company
Global Casting Private Limited
Laminated Products (India)
Granite Mart Limited

Notes to Consolidated Financial Statements

as at and for the year ended 31st March, 2024

(All amounts in INR millions, unless otherwise stated)

Orange Monkey Media
Divine Surfaces Private Limited
AVA Stones Private Limited

B) Details of Transaction Entered during the year

	As at March 31, 2024	As at March 31, 2023
I. Transactions		
Directors' and KMP Remuneration (including bonus,commission and PF)		
Mayank Shah *	23.18	19.02
Sweta Shah*	6.96	6.96
Sudhir Baxi - Sitting Fees	0.26	0.17
Dinesh Kumar Govil - Sitting Fees	0.24	0.30
Yashwant Kumar Sharma - Sitting Fees	0.29	0.30
Rajesh Gattani	1.46	2.62
Kamal Kumar Somani	1.92	-
Aseem Sehgal	0.93	0.97
Ashish Kumar Kachawa	1.07	1.07
* INR 7.72 million (Previous year INR 12.61 million) capitalized in Property, Plant and Equipment		
Rental income and maintenance charges		
Global Mining Company	0.15	0.15
Mayank Shah	2.40	-
Payment of lease liability (Lease Rent Paid)		
Sweta Shah	1.20	0.90
Sale		
Granite Mart Limited	0.00	2.47
Sweta Shah	0.04	0.71
Global Mining Company	0.22	0.35
Education and Training related expenses		
Mridvika Shah	4.15	-
Purchase of Packing Material		
Orange Monkey Media	2.17	-
Purchase of Service		
Orange Monkey Media	0.43	0.28
Interest Income		
Shah Projects Private Limited	-	0.38
AVA Stones Private Limited	-	0.39
Divine Surface Private Limited	1.02	1.87
Loan Given		
Divine Surfaces Private Limited		
Opening balance	16.02	15.34
Loan Given	-	-
Interest received	1.02	1.87
Less repaid	17.05	1.19
Net balance	-	16.02
Loan Given		
Shah Projects Private Limited		
Opening balance	-	4.10
Loan Given	-	-
Interest Charged	-	0.38
Less repaid	-	4.48

Notes to Consolidated Financial Statements

as at and for the year ended 31st March, 2024

(All amounts in INR millions, unless otherwise stated)

	As at March 31, 2024	As at March 31, 2023
Net balance	-	-
AVA Stones Private Limited		
Opening	-	4.28
Loan Given	-	-
Interest Charged	-	0.39
Less: Repaid	-	4.68
Net balance	-	-
II. Balances		
Employee Benefits Payables		
Rajesh Gattani	-	0.13
Kamal Kumar Somani	0.30	-
Aseem Sehgal	-	0.06
Ashish Kumar Kachawa	-	0.21
Trade Payables		
Ashish Kumar Kachawa	0.22	0.18
Global Surfaces FZE	1.90	-
Orange Monkey Media	-	0.16
Advance to Trade payables		
Orange Monkey Media	0.09	-
Loan to Employees		
Aseem Sehgal	-	0.13
Advance from customers		
Global Casting Private Limited	0.04	0.04
Loans		
Divine Surfaces Private Limited	-	16.02
Trade receivable		
Global Mining Company	0.47	0.04

Notes:

Transactions with related parties are in ordinary course of business and are made on terms equivalent to those that prevail in arms' length transactions

Note 39 - Fair value measurements

Particulars	As at March 31, 2024	As at March 31, 2023
Financial assets - at amortised cost		
Non-current loans	0.27	0.30
Security deposits	42.51	38.37
Trade receivables	1,098.55	439.96
Cash and cash equivalents	25.86	65.02
Bank balances other than cash and cash equivalents	28.52	1,070.80
Current loans	1.15	18.88
Export Incentive Receivables	1.82	1.33
Other Receivable	0.52	3.59
Financial assets- at FVTPL		
Investment in mutual funds	1.54	57.19
Total financial assets	**1,200.74**	**1,695.46**
Financial liabilities - at amortised cost		
Borrowings (including current maturities and short term borrowings)	983.31	1,208.16
Trade payables	386.62	161.90

Notes to Consolidated Financial Statements

as at and for the year ended 31st March, 2024

(All amounts in INR millions, unless otherwise stated)

Particulars	As at March 31, 2024	As at March 31, 2023
Interest accrued on borrowings	1.44	4.61
Lease liabilities on Right-of-use assets	480.20	458.48
Employee Benefits payables	18.89	12.55
Other financial liabilities	0.00	0.71
Payable for capital expenditure	-	127.28
Total financial liabilities	**1,870.45**	**1,973.69**

(ii) Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are measured at amortised cost and for which fair values are disclosed in the consolidated financial statements.

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

The fair values of borrowings with original maturity of more than 12 months are calculated based on cash flows discounted using a current lending rate. The mutual funds are valued using the closing net assets value.

(iii) Valuation process

The finance department of the group includes a team that performs the valuations of financial assets and liabilities required for financial reporting purposes, including level 3 fair values.

(iv) Fair value of financial instruments measured at amortised cost - Level 3

Particulars	As at March 31, 2024		As at March 31, 2023	
	Carrying Value	Fair Value	Carrying Value	Fair Value
Financial assets				
Non-current loans	0.27	0.27	0.30	0.30
Security deposits	26.75	26.75	38.37	38.37
Total financial assets	**27.01**	**27.01**	**38.68**	**38.68**
Financial liabilities				
Borrowings (including current maturities)	599.04	599.04	873.85	873.85
Lease liabilities on right to use asset	463.00	463.00	453.82	453.82
Total financial liabilities	**1,062.04**	**1,062.04**	**1,327.68**	**1,327.68**

(v) Fair value of financial instruments measured through profit and loss

Particulars	As at March 31, 2024	As at March 31, 2023
	Level 3	
Financial assets		
Investment in mutual fund	1.54	57.19
Total financial assets	**1.54**	**57.19**

The carrying amounts of Trade receivables, Cash and cash equivalents, Bank balances other than cash and cash equivalents, Current loans, current and non current borrowings, Trade payables, Interest accrued on borrowings, security deposits and other financial assets are considered to be the same as their fair values, due to their short-term nature.

Note 40 - Financial risk management

The group's Risk Management framework encompasses practices relating to the identification, analysis, evaluation, treatment, mitigation and monitoring of the strategic, external and operational controls risks to achieving the group's business objectives. It seeks to minimize the adverse impact of these risks, thus enabling the group to leverage market opportunities effectively and enhance its long-term competitive advantage. The focus of risk management is to assess risks and deploy mitigation measures.

Notes to Consolidated Financial Statements

as at and for the year ended 31st March, 2024

(All amounts in INR millions, unless otherwise stated)

The group's activities expose it to variety of financial risks namely market risk, credit risk, liquidity risk and commodity risk. The group has various financial assets such as deposits, trade and other receivables and cash and bank balances directly related to the business operations. The group's principal financial liabilities comprise of borrowings, trade and other payables. The group's senior management's focus is to foresee the unpredictability and minimize potential adverse effects on the group's financial performance. The group's overall risk management procedures to minimize the potential adverse effects of financial market on the group's performance are outlined hereunder:

The Holding Company's Board of Directors have overall responsibility for the establishment and oversight of the group's risk management framework.

The note explains the sources of risk which the entity is exposed to and how the entity manages the risk.

(A) Credit risk

Credit risk is the risk of financial loss to the group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the group's receivables from customers and from its financial activities including deposits with banks and other financial instruments. The group establishes an impairment allowance based on Expected Credit Loss model that represents its estimate of incurred losses in respect of trade and other receivables and advances.

(i) Trade Receivables:

The group extends credits to customers in normal course of the business. The group considers the factors such as credit track record in the market of each customer and past dealings for extension of credit to the customers. The major customers of the group are large corporates which are operating in serval jurisdiction and they have a good credit record. For all the customer, the group regularly monitors the payment track record of each customer and outstanding customer receivables.

To address the concentration risk, the group is exploring middle east market by establishing production facility there by incorporating a wholly owned subsidiary. Having production facility in middle east will provide group an added advantage, competitiveness and preference by the potential customer in that region.

Before accepting any new customer, the group uses an internal credit system to assess the potential customer's credit quality and defines credit limit of customer. Limits attributed to customers are reviewed periodically.

The average credit period taken on sales of goods is 30 to 150 days. Generally, no interest has been charged on the receivables. The group generally does not hold any collateral over any of its trade receivables i.e all of the trade receivables are unsecured, however the group takes ECGC coverage for most of its shipment according to credit limits of various customers to mitigate the credit risk.

Expected Credit Loss (ECL):

The group has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and adjusted for forward-looking information. The expected credit loss allowance is based on the ageing of the days the receivables are due and the rates as given in the provision matrix. The provision matrix at the end of the reporting period is as follows:

Ageing	Expected Credit Loss(%)
Less than 1 year	Nil
1-2 Years	20%
2-3 Years	30%
More than 3 Years	50%

For ageing of trade receivable refer note 13.

Movement in the expected credit loss allowance:

Particulars	As at March 31, 2024	As at March 31, 2023
Balance at the beginning of the year	4.24	3.35
Movement in expected credit loss allowance on trade receivables	2.97	0.87
Impact of foreign exchange	(0.63)	0.02
Provision at the end of the year	**6.58**	**4.24**

Notes to Consolidated Financial Statements

as at and for the year ended 31st March, 2024

(All amounts in INR millions, unless otherwise stated)

(ii) Cash and cash equivalents and short-term investments:

The group considers factors such as track record, size of institution, market reputation and service standard to select the banks with which deposits are maintained. The group does not maintain significant deposit balances other than those required for its day to day operations. Credit risk on cash and cash equivalents is limited as these are generally held or invested in deposits with banks and financial institutions with good credit ratings.

Further, the group also invests its surplus fund into short term highly liquid investment/mutual funds. For investment into these investment, the group takes services of independent experts who can advise the investment which have minimal market risk.k.

(B) Liquidity Risk:

Liquidity risk is the risk that the group will face in meeting its obligations associated with its financial liabilities. The group's approach in managing liquidity is to ensure that it will have sufficient funds to meet its liabilities when due without incurring unacceptable losses. In doing this, management considers both normal and stressed conditions.

The group's objective is to maintain optimum levels of liquidity to meet its cash and collateral requirements. The group relies on a mix of borrowings, capital and excess operating cash flows to meet its needs for funds. The current committed lines of credit are sufficient to meet its short to medium term expansion needs. The group monitors rolling forecasts of its liquidity requirements to ensure that it has sufficient cash to meet operational needs while maintaining sufficient headroom on its undrawn committed borrowing facilities so that it does not breach borrowing limits.

The table below provides undiscounted cash flows towards financial liabilities into relevant maturity based on the remaining period at the Balance Sheet date to the contractual maturity date::

Particulars	Less than one years	More than one year	Total
As at March 31, 2024			
Borrowings (Including Interest accrued, current borrowings and current maturities)	460.19	524.55	984.74
Trade payables	386.62	-	386.62
Lease liabilities on Right-of-use assets	17.20	463.00	480.20
Employee benefits payable	18.89	-	18.89
Payable for capital expenditure	-	-	-
Other financial liabilities	0.00	-	0.00
Total	**882.90**	**987.55**	**1,870.45**

Particulars	Less than one years	More than one year	Total
As at March 31, 2023			
Borrowings (Including Interest accrued, current borrowings and current maturities)	1,019.42	193.36	1,212.78
Trade payables	161.90	-	161.90
Lease liabilities on Right-of-use assets	4.65	453.82	458.48
Employee benefits payable	12.55	-	12.55
Payable for capital expenditure	127.28	-	127.28
Other financial liabilities	0.71	-	0.71
Total	**1,326.50**	**647.19**	**1,973.69**

(iii) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risks : foreign currency risk, interest risk and other price risk such as commodity risk..

(a) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates and arises where transactions are done in foreign currencies. It arises mainly where receivables and payables exist due to transactions entered in foreign currencies. The group evaluates exchange rate exposure arising from foreign currency transactions and follows approved policy parameters utilizing forward foreign exchange contracts whenever felt necessary. The group does not enter into financial instrument transactions for trading or speculative purpose.

Notes to Consolidated Financial Statements

as at and for the year ended 31st March, 2024

(All amounts in INR millions, unless otherwise stated)

The group transacts business primarily in USD, Indian Rupees, AED and Euro. The group has foreign currency trade payables, borrowings, advance and loan and trade receivables and is therefore, exposed to foreign exchange risk. Certain transactions of the group act as a natural hedge as a portion of both assets and liabilities are denominated in similar foreign currencies i.e for some trade receivables the group takes buyer credit facilities which is denominated in same foreign currency.

The carrying amounts of the group's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows::

Particulars	As at March 31, 2024		As at March 31, 2023	
	Foreign Currency	INR	Foreign Currency	INR
I. Assets				
Loan (including interest receivable)				
USD	21.28	1,774.24	0.62	50.73
AED	3.39	77.05	3.16	70.68
Total Loan	**24.67**	**1,851.28**	**3.78**	**121.40**
Trade and other receivables				
USD	7.02	585.01	5.43	446.67
AED	4.16	94.56	2.83	63.43
Total Trade and other receivables	**11.18**	**679.57**	**8.26**	**510.11**
Cash and cash equivalent				
USD	0.30	25.38	0.04	3.18
Total Cash and cash equivalent	**0.30**	**25.38**	**0.04**	**3.18**
Total assets		**2,556.23**		**634.69**
Unhedged Assets		2,556.23		634.69
II. Liabilities				
Borrowings				
USD	31.69	2,642.06	12.26	1,008.25
Trade and others payable	-	-		
USD	1.19	99.47	0.71	58.72
EURO	0.03	2.98	0.14	12.16
Total Liabilities	**32.92**	**2,744.51**	**13.11**	**1,079.13**
Unhedged Liabilities (B)	**32.92**	**2,744.51**	**13.11**	**1,079.13**
Net Exposure (A-B)		**(188.28)**		**(444.44)**

10% appreciation/depreciation of the respective foreign currencies with respect to functional currency of the group would result in (decrease)/ increase in the group's profit before tax by approximately (18.83) for the year ended March 31, 2024

This is mainly attributable to the exposure outstanding on foreign currency receivables and payables in the group at the end of each reporting period.

Derivative Financial Instruments

The group, in accordance with its risk management policies and procedures, enters into foreign currency forward contracts to hedge against foreign currency exposures relating to highly probable forecast transactions. The group does not enter into any derivative instruments for trading or speculative purposes. The counter party is generally a bank. These contracts are for a period between 9-12 months..

Foreign Currency (FC)	As at March 31, 2024		
	No. of Contracts	Amount of forward contracts (FC)	Amount of forward contracts (INR)
USD	1	2.00	169.14

Foreign Currency (FC)	As at March 31, 2023		
	No. of Contracts	Amount of forward contracts (FC)	Amount of forward contracts (INR)
USD	-	-	-

Notes to Consolidated Financial Statements

as at and for the year ended 31st March, 2024

(All amounts in INR millions, unless otherwise stated)

Mark-to-market loss	As at March 31, 2024	As at March 31, 2023
Mark-to-market loss (net)	(0.24)	-
Classified as other current liability (refer note 28)	0.24	-

(b) Interest risk

The group's exposure to the risk of changes in market interest rates relates primarily to long term debts and packing credit facilities having floating rate of interest. Its objective in managing its interest rate risk is to ensure that it always maintains sufficient headroom to cover interest payment from anticipated cashflows which are regularly reviewed by the Board. However, the risk is very low.

The group manages interest rate risk by having a balanced portfolio of fixed and variable rate borrowings. The exposure of the group's borrowing to interest rate changes at the end of the reporting period are as follows:

(a) Interest rate exposure

Particulars	As at March 31, 2024	As at March 31, 2023
Fixed rate borrowings	9.34	8.78
Variable rate borrowing	973.95	1,199.38
Total	**983.30**	**1,208.16**

(b) Sensitivity

Profit or loss is sensitive to higher / lower interest expense as a result of changes in interest rates. A 50 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates. With all other variables held constant, the group's profit before tax will be impacted by a change in interest rate as follows:

Particulars	Increase/(decrease) in profit before tax	
	As at March 31, 2024	As at March 31, 2023
Increase in interest rate by 50 basis points (50 bps)	(4.87)	(6.00)
Decrease in interest rate by 50 basis points (50 bps)	4.87	6.00

(iii) Commodity Risk:

The group is exposed to the movement in the price of key raw materials in the domestic market. The group has in place policies to manage exposure to fluctuation in prices of key raw materials used in operations. In cases, The group foresee any fluctuations in the prices of key raw material, it makes an understanding with the major suppliers and place advance orders for the raw material.

Note 41 - Capital Management

For the purpose of the group's capital management, capital includes issued equity capital, security premium and all other equity reserves attributable to the equity holders. The primary objective of the group's capital management is to maximize the shareholder value and to ensure the group's ability to continue as a going concern.

The group has not distributed any dividend to its shareholders. The group monitors gearing ratio i.e. total debt in proportion to its overall financing structure, i.e. equity and debt. Total debt comprises of non-current and current borrowing. The group manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets.

Particulars	As at March 31, 2024	As at March 31, 2023
Total equity (A)	3,305.07	2,613.30
Total debt (B)	983.30	1,208.16
Gearing ratio (A/B)	0.30	0.46

Notes to Consolidated Financial Statements

as at and for the year ended 31st March, 2024

(All amounts in INR millions, unless otherwise stated)

Note 42 - Employee benefit obligations

Particulars	As at March 31, 2024	As at March 31, 2023
Non-current		
Compensated absences	3.26	4.35
Gratuity	0.41	0.71
Current		
Compensated absences	0.33	0.41
Gratuity	0.46	1.06
Total	**4.46**	**6.53**

(i) Leave obligations

The leave obligations cover the Company's liability for compensated absences

The amount of the provision of 0.33 (March 31, 2023 : 0.41) is presented as current, since the group does not have an unconditional right to defer settlement for any of these obligations. However, based on past experience, the group does not expect all employees to take the full amount of accrued leave or require payment within the next 12 months. The following amounts reflect leave that is not expected to be taken or paid within the next 12 months.

Particulars	As at March 31, 2024	As at March 31, 2023
Leave obligations not expected to be settled within next 12 months	3.26	4.35

(ii) Defined contribution plans

The group has certain defined contribution plans. Contributions are made to provident fund in India for employees at the rate of 12% of basic salary as per regulations. The contributions are made to registered provident fund administered by the government. The obligation of the group is limited to the amount contributed and it has no further contractual nor any constructive obligation. The contribution made has been recognised in the consolidated statement of profit and loss.

(iii) Post employment obligations

Gratuity

The group provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. The gratuity plan is a funded plan and the group makes contributions to recognised funds in India. .

Balance Sheet Amounts - Gratuity

The amounts recognised in the balance sheet and the movements in the net defined benefit obligation over the year are as follows:

Particulars	Present value of obligation	Fair value of plan assets	Net amount
As at March 31, 2022*	**8.97**	**(8.98)**	**(0.01)**
Current service cost	2.00	-	2.00
Interest expense/(income)	0.65	(0.44)	0.22
Total amount recognised in profit and loss	**2.65**	**(0.44)**	**2.22**
Remeasurements			
Return on plan assets, excluding amount included in interest expense/(income)	-	0.16	0.16
(Gain)/loss from change in experience adjustments	(0.59)	-	(0.59)
(Gain)/loss from change in financial assumptions	-	-	-
Total amount recognised in other comprehensive income	**(0.59)**	**0.16**	**(0.43)**
Employer contributions	-	0.00	0.00
Benefit payments	(0.38)	0.38	-
As at March 31, 2023*	**10.65**	**(8.87)**	**1.77**

* Shown under other current assets

Notes to Consolidated Financial Statements

as at and for the year ended 31st March, 2024

(All amounts in INR millions, unless otherwise stated)

Particulars	Present value of obligation	Fair value of plan assets	Net amount
As at March 31, 2023	**10.65**	**(8.87)**	**1.77**
Current service cost	2.32	-	2.32
Interest expense/(income)	0.74	(0.53)	0.21
Total amount recognised in profit and loss	**3.05**	**(0.53)**	**2.52**
Remeasurements			
Return on plan assets, excluding amount included in interest expense/(income)	-	0.05	0.05
(Gain)/loss from change in experience adjustments	(3.09)	-	(3.09)
(Gain)/loss from change in financial assumptions	0.17	-	0.17
Total amount recognised in other comprehensive income	**(2.92)**	**0.05**	**(2.87)**
Employer contributions	-	(0.75)	(0.75)
Reimbursment from the Trust/(Benefits paid by company)	0.20	-	0.20
Benefit payments	**(1.25)**	**1.25**	**-**
Asat March 31, 2024	**9.72**	**(8.85)**	**0.87**

The net liability disclosed above relating to funded and unfunded plans is as below:

Particulars	As at March 31, 2024	As at March 31, 2023
Present value of funded obligations	9.72	10.65
Fair value of plan assets	(8.85)	(8.87)
Deficit of funded plan	**0.87**	**1.77**
Unfunded plans	-	-
Deficit of gratuity plan	**0.87**	**1.77**

Significant estimates: actuarial assumptions

The significant actuarial assumptions were as follows:

Particulars	As at March 31, 2024	As at March 31, 2023
Discount rate	7.20% - 7.45%	7.40% - 7.45%
Employee turnover	6.00%	6.00%
Salary growth rate	6.00%	6.00%
Mortality rate	Indian assured lives mortality (2012-14)	

(iv) Sensitivity analysis

The value of the defined benefit obligation to changes in the weighted principal assumptions is as below:

Particulars	Impact on defined benefit obligation			
	Increase in assumptions		Decrease in assumptions	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
Discount rate (0.5% change)	9.36	10.23	10.11	11.10
Salary growth rate (0.5% change)	10.08	11.02	9.39	10.29
Employee turnover (10% change)	9.74	10.70	9.70	10.58

The above sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

Notes to Consolidated Financial Statements

as at and for the year ended 31st March, 2024

(All amounts in INR millions, unless otherwise stated)

(v) The major categories of plan assets are as follows:

The plan asset for the funded gratuity plan is administered by Life Insurance Corporation of India ('LIC') as per the investment pattern stipulated for Pension and group Schemes fund by Insurance Regulatory and Development Authority regulations i.e. 100% of plan assets are invested in insurer managed fund. Quoted price of the same is not available in active market.

(vi) Risk exposure

Through its defined benefit plans, the group is exposed to a number of risks, the most significant of which are detailed below :

Interest rate risk: A fall in the discount rate which is linked to the government securities rate will increase the present value of the liability requiring higher provision. A fall in the discount rate generally increases the mark to market value of the assets depending on the duration of asset.

Salary risk: The present value of the defined benefit plan liability is calculated by reference to the future salaries of members. As such, an increase in the salary of the members more than assumed level will increase the plan's liability.

Investment risk: The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. If the return on plan asset is below this rate, it will create a plan deficit. Currently, for the plan in India, it has a relatively balanced mix of investments in government securities, and other debt instruments.

Asset liability matching risk (ALM risk): The plan faces the ALM risk as to the matching cash flow. Since the plan is invested in lines of rule 101 of Income Tax Rules, 1962, this generally reduces ALM risk.

Mortality risk: Since the benefits under the plan is not payable for life time and payable till retirement age only, plan does not have any longevity risk.

Concentration risk: Plan is having a concentration risk as all the assets are invested with the insurance group and a default will wipe out all the assets. Although probability of this is very less as insurance companies have to follow regulatory guidelines.

(vii) Defined benefit liability and employer contributions

The weighted average duration of the defined benefit obligation is 7-11 years. The expected maturity analysis of undiscounted gratuity is as follows::

Projected benefits payable in future years from the date of reporting	As at March 31, 2024	As at March 31, 2023
1st following year	1.49	1.44
Sum of years 2 to 5	3.31	3.26
Sum of years 6 to 10	4.00	5.01

Note 43 - Segment Reporting

The board of directors (BOD) of the holding company are the group's chief operating decision maker. Management has determined the operating segments based on the information reviewed by the BOD for the purposes of allocating resources and assessing performance. The Group is engaged in manufacturing and trading of "natural stone and engineered quartz used in surface and counter tops'. The Group sells its product majorly from three geographies: United States of America, United Arab Emirates and India.. The group has major revenue from outside India.

Accordingly, the segment revenue, segment results, total carrying amount of segment assets and segment liability, total cost incurred to acquire segment assets and total amount of charge for depreciation during the year, is as reflected in the consolidated financial statements as of and for the year ended March 31, 2024.

Particulars	Year Ended	
	As at March 31, 2024	As at March 31, 2023
A. Segment revenue		
India	1,621.35	1,770.30
United States of America	806.96	316.00
United Arab Emirates	573.45	-
Add/(Less): Intersegment eliminations	(748.84)	(305.64)
Total	**2,252.91**	**1,780.66**

Notes to Consolidated Financial Statements

as at and for the year ended 31st March, 2024

(All amounts in INR millions, unless otherwise stated)

Particulars	Year Ended As at March 31, 2024	Year Ended As at March 31, 2023
B. Segment results		
India	257.84	260.37
United States of America	31.11	3.82
United Arab Emirates	55.74	(0.76)
Add/(Less): Intersegment eliminations	(92.17)	(10.52)
Sub-Total	**252.52**	**252.91**
C. Segment assets		
India	3,989.96	3,248.26
United States of America	320.27	145.13
United Arab Emirates	3,409.78	1,757.86
Add/(Less): Intersegment eliminations	(2,502.08)	(530.66)
Total	**5,217.93**	**4,620.59**
D. Segment liabilities		
India	675.30	645.04
United States of America	270.82	137.10
United Arab Emirates	3,135.71	1,543.25
Add/(Less): Intersegment eliminations	(2,188.65)	(318.10)
Total	**1,893.18**	**2,007.28**

We provide a significant volume of services to few customers. Therefore, a loss of a significant customer could materially reduce our revenues. The group has following customers for the financial year ended March 31, 2024 and year ended March 31, 2023 that accounted for 10% or more of total revenue.

Particulars	As at March 31, 2024	% of total revenue	As at March 31, 2023	% of total revenue
Customer A	550.80	24.76%	631.28	35.61%
Customer B	461.30	20.74%	221.42	12.49%
Customer C	335.28	15.07%	166.33	9.38%

Note 44 - Earnings per share

Projected benefits payable in future years from the date of reporting	As at March 31, 2024	As at March 31, 2023
(a) Basic and diluted earnings per share		
Profit for the year attributable to the equity holders of the Holding Company	187.00	242.34
Weighted average number of equity shares outstanding at the year end	4,23,81,818	3,41,41,928
Earnings per Equity shares attributable to the equity holders of the Holding Company (Basic and diluted) (In INR)	4.41	7.10
Nominal value per equity share (INR)	10	10

Note 45 - Contingent liabilities and capital committments

A. Contingent liabilities

Description	As at March 31, 2024	As at March 31, 2023
Description		
Income tax demand for which company has preferred appeal	45.55	46.12
GST related matter	0.73	0.15

Notes to Consolidated Financial Statements

as at and for the year ended 31st March, 2024

(All amounts in INR millions, unless otherwise stated)

a) A search under Section 132 of the Income Tax Act, 1961 was conducted on December 29, 2020 on the holding company, promoters and their entities. The holding company has not surrendered any undisclosed income pursuant to return filed u/s 153A of Income Tax Act, 1961. Assessments has also been completed for the block period with certain additions against which the holding company has preferred appeal. The amount of tax demand has been duly shown under contingent liabilities.

b) The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come in to effect has not been notified. The holding company will assess the impact of the Code when it comes into effect and will record any related impact in the period when the Code becomes effective..

B. Capital Commitments

Description	As at March 31, 2024	As at March 31, 2023
Estimated value of contracts in capital account remaining to be executed	-	291.93

Note 46 - Ind AS-116, leases

For movement of ROU assets (refer note 4)

The following is the movement of lease liabilities:

Particulars	As at March 31, 2024	As at March 31, 2023
Balance at the beginning	458.48	421.88
Additions	9.94	-
Finance cost accrued during the year	22.09	20.76
Foreign currency translation	7.10	31.49
Payments of Lease liabilities	(17.41)	(15.66)
Balance at the end	480.20	458.48
Non-current	463.00	453.82
Current	17.20	4.65

Amount recognised in statement of profit and loss:

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Depreciation expense on Right-of -use of Assets	4.74	1.50
Interest expense on lease liabilities	22.09	20.76
Less: capitalized to capital work-in-progress	(18.49)	(20.13)
Expense relating to short term leases and low value assets*	10.53	4.11
Total	**18.87**	**6.24**

* Included in rent, rates and taxes

Note 47 - Schedule III amendments

The following Schedule III amendments is not applicable on the group:

(i) The group is not holding any benami property under the "Benami Transactions (Prohibition) Act, 1988;

(ii) The group do not have any transactions/balances with companies struck off under section 248 of Companies Act, 2013 or Section 560 of the Companies Act, 1956;

Notes to Consolidated Financial Statements

as at and for the year ended 31st March, 2024

(All amounts in INR millions, unless otherwise stated)

(iii) The group has not advanced or loaned or invested funds to any other persons or entities, including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the group (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like to or on behalf of the ultimate Beneficiaries;

(iv) The group has not traded or invested in Crypto currency or Virtual Currency during the financial year.

(v) The group does not have any modification or satisfaction of charge which is required to be registered with the RoC beyond statutory period..

Note 48 - Utilisation of IPO proceeds

The Company has received an amount of Rs. 1015.78 million (net off IPO expenses of Rs. 177.02 million) from proceeds out of fresh issue of equity shares. The utilisation of net IPO proceeds is summarised as below:

Objects of the issue	Amount Received	Utilised upto March 31, 2024	Un-utilised upto March 31, 2024
Investment in the wholly owned subsidiary, Global Surfaces FZE for part financing its capital expenditure requirements in relation to the setting up of manufacturing facility of engineered quartz at The Jebel Ali Free Zone, Dubai, United Arab Emirates	900.00	900.00	-
General corporate purposes	115.78	115.78	-
Total	**1,015.78**	**1,015.78**	**-**

IPO proceeds which were utilised as at March 31, 2024 includes the amount of Rs. 13.76 million is lying in the current account of the subsidiary Global Surfaces FZE, UAE, as a part of retention money in accordance with the terms of the contract and will be paid on the performance of the vendor by July 2024.

Note 49 - Utilisation of proceeds from Convertible Warrant Issue on preferential basis

The Company has received an amount of Rs. 498.75 million from proceeds out of fresh issue of Convertible Warrant Issue on preferential basis. The utilisation of proceeds from Convertible Warrant Issue on preferential basis is summarised as below:

Objects of the issue	Amount Received	Utilised upto March 31, 2024	Un-utilised upto March 31, 2024
To meet the Working Capital requirement of company	70.00	70.00	-
To Infuse funds in Subsidiary Companies namely M/S Global Surfaces FZE incorporated In Dubai and M/S Global Surfaces Inc and M/S Superior Surfaces Inc incorporated In USA in order to expand their respective businesses	428.75	428.75	-
"General Corporate Purposes (For strategic initiates, meeting exigencies, brand building exercise in order to strengthen our operations)"	-	-	-
Total	**498.75**	**498.75**	**-**

Notes to Consolidated Financial Statements

as at and for the year ended 31st March, 2024

(All amounts in INR millions, unless otherwise stated)

Note 50 - Previous year figures have been regrouped/ reclassified to confirm presentation as per Ind AS as required by Schedule III of the Act.

Note 51 - Interest in other entities

(a) Subsidiaries

The group's subsidiary are set out below. Unless otherwise stated , the proportion of ownership interests held equals the voting right held by the group. The country of incorporation or registration is also their principal place of business.

Name of entity	Place of business / country of incorporation	Ownership interest held by the group		Ownership interest held by the non-controlling interests		Principal activities
		As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023	
Global Surfaces Inc.	United States of America	99.90%	99.90%	0.10%	0.10%	Trading of quartz slabs
Global Surfaces FZE	United Arab Emirates	100.00%	100.00%	0.00%	0.00%	Manufacturing of quartz slabs
Superior Surfaces Inc.#	United States of America	50.00%	0.00%	50.00%	0.00%	Trading of quartz slabs

#The Group has acquired control of subsidiary since its incorporation i.e w.e.f May 05, 2023 (F.Y 2023-24)

(i) Significant judgement: Consolidation of entities with 50% voting interest

As at March 31, 2024, the group has concluded that it controls Superior Surfaces INC, Even though it holds 50% of equity interest.

(b) Non-controlling interests (NCI)

Set out below is summarised financial information for each subsidiary that has non-controlling interests that are material to the group. The amounts disclosed for each subsidiary are before inter-company eliminations.

Summarised balance sheet	Year ended	Current assets	Current liabilities	Net current assets/ (liabilities)	Non-current assets	Non-current liabilities	Net non-current assets/ (liabilities)	Net assets/ (liabilities)	Accumulated NCI
Global Surfaces Inc.	As at March 31, 2024	146.06	148.46	(2.40)	12.51	-	12.51	10.11	0.01
	As at March 31, 2023	145.13	137.10	8.02	12.41	-	12.41	20.44	0.01
Superior Surfaces Inc.#	As at March 31, 2024	161.71	122.36	39.34	-	-	-	39.34	19.67
	As at March 31, 2023	-	-	-	-	-	-	-	-

Summarised statement of profit and loss	Year ended	Revenue	Profit for the year	Other comprehensive income	Total comprehensive income	Profit allocated to NCI	Dividends paid to NCI
Global Surfaces Inc.	As at March 31, 2024	613.25	1.96	0.13	2.08	0.00	-
	As at March 31, 2023	316.00	2.89	0.46	3.35	0.00	
Superior Surfaces Inc.#	As at March 31, 2024	193.71	21.64	0.23	21.87	10.82	-
	As at March 31, 2023	-	-	-	-	-	-

Notes to Consolidated Financial Statements

as at and for the year ended 31st March, 2024

(All amounts in INR millions, unless otherwise stated)

Summarised cash flows	Year ended	Operating activities	Investing activities	Financing activities	Net increase/ (decrease) in cash and cash equivalents
Global Surfaces Inc.	As at March 31, 2024	2.24	-	(2.53)	(0.29)
	As at March 31, 2023	3.80	-	(3.43)	0.37
Superior Surfaces Inc.#	As at March 31, 2024	(11.51)	-	17.42	5.91
	As at March 31, 2023	-	-	-	-

Note 52 - Additional information as required under Schedule III to the Companies Act, 2013, of the enterprises consolidated as subsidiary

For the year ended March 31, 2024

Name of the entity	Net assets (total assets minus total liabilities)		Share in profit		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % of consolidated total comprehensive income	Amount
Parent								
Global Surfaces Limited	99.70%	3,314.66	106.49%	210.64	33.27%	2.03	104.29%	212.68
Subsidiary								
Foreign								
Global Surfaces Inc.	0.30%	10.11	0.99%	1.96	0.00%		0.96%	1.96
Global Surfaces FZE	8.24%	274.07	28.18%	55.74	0.00%		27.33%	55.74
Superior Surfaces Inc.	1.18%	39.34	0.65%	21.64	0.00%		0.65%	21.64
Minority interests in Subsidiary								
Global Surfaces Inc.	0.59%	19.68	5.47%	10.81	1.88%	0.11	5.36%	10.93
Global Surfaces FZE		-		-		-		-
Superior Surfaces Inc.		-		-		-		-
Adjustment due to consolidation	-10.02%	(333.12)	-52.06%	(102.99)	64.85%	3.96	-48.56%	(99.02)
Total	**100.00%**	**3,324.75**	**89.71%**	**197.81**	**99.93%**	**6.11**	**90.03%**	**203.93**

These are the notes referred to in our report of even date.

As per our report of even date
For **B. KHOSLA & CO.**
Chartered Accountants
FRN: 000205C

SANDEEP MUNDRA
Partner
M. No. 075482

Dated : May 29, 2024
Place: Jaipur

For **and on behalf of the Board of Directors**

MAYANK SHAH
Managing Director
DIN:01850199
Place : Dubai

SWETA SHAH
Executive Director
DIN:06883764
Place : Dubai

KAMAL KUMAR SOMANI
Chief Financial Officer
Place : Jaipur

DHARAM SINGH RATHORE
Company Secretary
M. No.: A57411
Place : Jaipur