



Independent Auditors' Report on the Audit of Annual Standalone Financial Results of the Company Pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

TO THE BOARD OF DIRECTORS OF
Global Surfaces Limited (Formerly known as Global Stones Private Limited)

Report on the Audit of the Annual Standalone Financial Results

Opinion

We have audited the accompanying statement of annual standalone financial results of **Global Surfaces Limited** (the "Company") for the year ended March 31, 2023 ("the Statement"), attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us, the Statement:

- i) is presented in accordance with the requirements of the Listing Regulations in this regard; and
- ii) give a true and fair view in conformity with the recognition and measurement principles laid down in the Indian Accounting Standards ("Ind AS") and other accounting principles generally accepted in India, of the net profit and other comprehensive income and other financial information of the Company for the year ended March 31, 2023.

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, as amended ("the Act"). Our responsibilities under those Standards are further described in the "Auditor's Responsibilities for the Audit of the Annual Standalone Financial Results for the year ended March 31, 2023" section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants ("ICAI") of India together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act 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 obtained by us is sufficient and appropriate to provide a basis for our audit opinion.

Management's Responsibilities for the Annual Standalone Financial Results for the year ended March 31, 2023

The Statement has been prepared on the basis of the standalone annual financial statements. The Board of Directors of the Company are responsible for the preparation and presentation of the Statement that gives a true and fair view of the net profit and other comprehensive income of the Company and other financial information in accordance with the applicable Indian accounting standards (Ind AS) prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the





preparation and presentation of the Statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Statement, the Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditors' Responsibilities for the Audit of the Annual Standalone Financial Results for the year ended March 31, 2023

Our objectives are to obtain reasonable assurance about whether the Statement as a whole is 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 the Statement.

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

- Identify and assess the risks of material misstatement of the Statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements 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 the Board of Directors.
- Evaluate the appropriateness and reasonableness of disclosures made by the Board of Directors in terms of the requirements specified under Regulation 33 of the Listing Regulations.
- Conclude on the appropriateness of the Board of Directors' 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 Company's ability to 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 Annual Standalone financial results 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 the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Statement, including the disclosures, and whether the Statement represents the underlying transactions and events in a manner that achieves fair presentation.





Materiality is the magnitude of misstatements in the Standalone Annual Financial Results that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Standalone Annual Financial Results 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 Standalone Annual Financial Results.

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

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.

Other Matters

The statement includes standalone financial results for the quarter ended March 31, 2023, corresponding quarter ended March 31, 2022 and for the preceding quarter ended December 31, 2022, which has been prepared by the management from the books of account, which is neither audited nor reviewed by us.

Our opinion is not modified in respect of above matter.

For B. Khosla & Co.

Chartered Accountants

Firm Registration No. 0092050

Sandeep Mundra

Partner

Membership No: 075482

UDIN: 23075482BGWNGC4459



Place: Jaipur

Date: May 29, 2023



Global Surfaces Limited (Formerly known as Global Stones Private Limited)
CIN: U14100RJ1991PLC073860

Registered Office :- PA-10-006 Engineering And Related Indus Sez, Mahindra World City, Jaipur, Rajasthan- 302037. Website:
Statement of Standalone Financial Results For The Quarter and Year Ended March 31, 2023

(Rs. in Millions, except otherwise stated)

Particulars	Quarter ended			Year Ended	
	31.03.2023 Unaudited (Refer Note 9)	31.12.2022 Unaudited (Refer Note 9)	31.03.2022 Unaudited (Refer Note 9)	31.03.2023 Audited	31.03.2022 Audited
1 Revenue from Operations	391.12	403.56	392.45	1,770.30	1,893.71
2 Other Income	13.49	10.78	26.41	44.25	85.72
3 Total Income	404.61	414.34	418.86	1,814.55	1,979.43
4 Expenses:					
Cost of materials consumed	178.09	183.00	258.64	852.63	986.16
Changes in inventories of finished goods and work- in-progress	15.72	11.55	(81.54)	(8.27)	(119.31)
Employee benefit expenses	23.70	30.31	35.25	119.36	149.28
Depreciation and amortisation expense	23.19	26.83	28.30	93.58	107.77
Finance costs	8.14	8.16	11.60	34.98	29.45
Other expenses	99.59	96.08	115.69	461.89	467.50
Total Expenses	348.43	355.93	367.94	1,554.17	1,620.85
5 Profit Before tax	56.18	58.41	50.92	260.38	358.58
6 Tax Expense:					
a) Current Tax	6.87	7.40	9.09	46.12	64.06
b) Deferred Tax	(5.47)	(5.18)	(8.53)	(36.48)	(60.08)
Total Tax Expense	1.40	2.22	0.56	9.64	3.98
7 Profit after Tax	54.78	56.19	50.36	250.74	354.60
8 Other Comprehensive Income / (Loss)					
Items that will not be reclassified to profit or loss					
- Remeasurements of post-employment benefit obligations	0.13	(0.51)	1.03	0.43	1.03
- Income tax relating to above	(0.04)	0.14	(0.29)	(0.12)	(0.29)
Other comprehensive income / (Loss), net of tax	0.09	(0.37)	0.74	0.31	0.74
9 Total Comprehensive Income	54.87	55.82	51.10	251.05	355.34
10 Paid-up Equity Share Capital (Face Value of Rs.10 each)	-	-	-	423.82	338.62
11 Reserves excluding revaluation reserves	-	-	-	2,179.41	997.78
12 Earnings per equity share (Face value of Rs. 10/- each) (Not Annualised)					
a) Basic (Rs.)	1.60	1.66	1.49	7.34	10.47
b) Diluted (Rs.)	1.60	1.66	1.49	7.34	10.47





Global Surfaces Limited (Formerly known as Global Stones Private Limited)

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Audited Standalone Balance Sheet as at March 31, 2023

Particulars	As at March 31, 2023 (Audited)	As at March 31, 2022 (Audited)
ASSETS		
Non-current assets		
Property, plant and equipment	380.28	385.13
Capital work-in-progress	-	55.77
Right-of-use assets	92.31	93.07
Intangible assets	0.25	0.41
Financial assets		
i. Investments	202.03	15.22
ii. Loans	117.74	19.94
iii. Other financial assets	9.18	9.60
Income tax assets (net)	20.24	1.45
Deferred tax assets (net)	216.70	180.34
Other non-current assets	9.68	19.92
Total non-current assets	1,048.41	780.85
Current assets		
Inventories	439.58	469.14
Financial assets		
i. Investments	57.19	106.63
ii. Trade receivables	445.34	391.71
iii. Cash and cash equivalents	59.45	4.22
iv. Bank balances other than (iii) above	1,070.80	5.93
v. Loans	18.64	92.30
vi. Other financial assets	85.11	20.36
Other current assets	23.75	71.44
Total current assets	2,199.86	1,161.74
Total assets	3,248.27	1,942.59
EQUITY AND LIABILITIES		
Equity		
Equity share capital	423.82	338.62
Other equity		
Reserves and surplus	2,179.41	997.78
Total equity	2,603.23	1,336.40
LIABILITIES		
Non-current liabilities		
Financial liabilities		
i. Borrowings	66.36	107.92
ii. Lease liabilities	5.84	6.69
Provisions	5.06	3.83
Total non-current liabilities	77.26	118.44
Current liabilities		
Financial liabilities		
i. Borrowings	368.12	264.90
ii. Trade payables	-	-
a) Total outstanding dues of micro and small enterprises	66.25	105.77
b) Total outstanding dues of creditors other than (iii)(a) above	92.58	79.26
iii. Other financial liabilities	14.54	16.16
Current tax liabilities	-	9.18
Provisions	1.47	0.42
Other current liabilities	24.82	12.07
Total current liabilities	567.78	487.76
Total liabilities	645.04	606.20
Total equity and liabilities	3,248.27	1,942.59





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Audited Standalone Statement of cash flows for the year the ended March 31, 2023

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
A. Cash flows from operating activities		
Profit before tax	260.38	358.58
Adjustments for:		
Depreciation and amortisation	93.58	107.77
Interest and other finance costs	34.98	29.45
Provision/ (reversal) for Expected credit loss	(0.08)	1.72
Interest income	(17.59)	(5.58)
Gain on sale and revaluation of Mutual Funds	(0.62)	(3.13)
Unrealised (gain)/loss	(12.46)	2.29
Net loss/(gain) on disposal of property, plant and equipment	0.07	(20.86)
Operating profit before working capital changes	358.26	470.23
Changes in working capital:		
Increase/(decrease) in provisions	2.74	(2.47)
(Decrease)/increase in trade payables	(26.17)	24.70
Increase in other current financial and non financial liabilities	9.18	4.42
(Increase) in other financial and non-financial assets	0.58	(26.32)
Decrease/(Increase) in inventories	29.56	(122.65)
(Increase)/decrease in trade receivables	(46.40)	9.08
Cash generated from operations	327.75	357.00
Taxes paid (net of refunds)	(74.09)	(81.55)
Net cash inflow from operating activities	253.66	275.45
B. Cash flows from investing activities		
Loan recovered during the year	73.66	-
Loan given during the year	(97.80)	(89.93)
Payments for property, plant and equipment and intangible assets	(32.29)	(107.49)
Proceeds from disposal of property, plant and equipment	-	22.77
Purchase of investments in subsidiary	(186.82)	(15.22)
(Proceeds)/Purchase of investments in Mutual Funds	50.06	(103.50)
Bank deposits (placed)/matured during the year	(1,064.87)	4.78
Interest received	13.63	5.58
Net cash (outflow) from investing activities	(1,244.43)	(282.99)
C. Cash flows from financing activities		
Proceeds from issue of equity shares (net of issue expenses)	1,015.78	-
Share issue expenses for increase in authorised capital	-	(1.26)
Proceeds/(repayment) of borrowings	63.95	(3.85)
Repayment of lease liabilities	(0.38)	(0.00)
Interest and other finance costs paid	(33.35)	(29.34)
Net cash inflow/(outflow) in financing activities	1,046.00	(34.46)
Net increase/(decrease) in cash and cash equivalents (A+B+C)	55.23	(42.00)
Cash and cash equivalents at the beginning of the year	4.22	46.22
Cash and cash equivalents at the end of the year	59.45	4.22
Reconciliation of cash and cash equivalents as per the Standalone statement of cash flow		
Cash and cash equivalents comprise of the following:		
Balances with banks		
In current accounts	58.21	2.06
Cash on hand	1.24	2.16
Cash and cash equivalents at the end of the year	59.45	4.22





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Notes to the Standalone Financials Results

- 1 The above Statement of standalone financial results have been prepared in accordance with the recognition and measurement principles laid down in the applicable Indian Accounting Standards ("Ind AS") as prescribed under section 133 of the Companies Act, 2013, as amended, read with relevant rules thereunder.
- 2 The above standalone financial results ("the Statement") of the Global Surfaces Limited ("the Company"), were reviewed by the Audit Committee and approved by the Board of Directors of the Company at their meeting held on May 29, 2023.
- 3 The board of directors (BOD) are the Company'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. Presently, the Company is engaged in only one segment natural stone and engineered quartz used in surface and counter tops and as such there is no separate reportable segment as per Ind AS 108 'Operating Segments'.
- 4 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.
- 5 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, 2023	Un-utilised upto March 31, 2023
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 un-utilised as at March 31, 2023 were temporarily invested Rs 1,000 million in term deposits with scheduled bank and the balance amount of Rs. 15.78 million lying in the escrow account of the company

- 6 Subsequent to year ended March 31, 2023, the Company has granted long term unsecured loan amounting to INR 802.30 million (out of which INR 779.85 million is granted out of its IPO proceeds) on May 04, 2023 to its wholly owned subsidiary Global Surfaces FZE for part financing their capital requirement and prepayment of loan taken by the wholly owned subsidiary.
- 7 Subsequent to year ended March 31, 2023, the Company has incorporated a new joint venture entity in USA namely "Superior Surfaces Inc" as on May 05, 2023.
- 8 The figures for the quarter ended March 31, 2023 and March 31, 2022 as reported in these standalone financial results are the balancing figures between audited figures in respect of the relevant full financial year and year-to-date unaudited figures up to the end of the third quarter of the relevant financial year.
- 9 The standalone financial results for the quarter ended March 31, 2023, corresponding quarter ended March 31, 2022 and for the preceding quarter ended December 31, 2022, included in the financial results have not been subject to an audit or review by our statutory auditors. However, the management has exercised necessary due diligence to ensure that the standalone financial results for these periods provide a true and fair view of the Company's affairs.

Place: Jaipur
Dated : May 29, 2023



For and on behalf of the Board


MAYANK SHAH
Chairman and Managing Director
DIN:01850199

