



**INDEPENDENT AUDITOR'S REPORT**

**To The Members of  
GLOBAL STONES PRIVATE LIMITED**

**Report on the Audit of the Consolidated Financial Statements**

**Opinion**

We have audited the consolidated financial statements of GLOBAL STONES PRIVATE LIMITED ('the Holding Company') and its subsidiary (together referred to as Group) which comprise the Consolidated Balance Sheet as at March 31, 2021, Consolidated Statement of Profit and Loss Statement, the Consolidated Cash Flows Statement for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information.

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 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2021, its consolidated Profit and its consolidated cash flow 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 Group in 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 obtained is sufficient and appropriate to provide a basis for our opinion.

**Emphasis of Matters**

We draw attention to the following matters in the Consolidated Notes to the financial statements:

- a) Note 34 to the consolidated financial statements which describes the management assessment of the impact of COVID-19 on the business operations and their assessment that no adjustments are required in the financial statements as it does not impact the current financial year. However, in view of highly uncertain economic environment, a definitive assessment of the impact on the subsequent periods is highly dependent upon circumstances as they evolve.
- b) Note 35 to the consolidated financial statements which describes certain errors observed by the holding company's management due to incorrect data and integration errors in the ERP system implemented during the year by the holding company and taking corrective action by way of reconciling certain accounts balances with alternative methods including physical stock taking, re-valuation etc and passing corrective entries in the financial records.

Our opinion is not modified in respect of these matters.

**Other Information**

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the holding Company's Board Report, but does not include the financial statements and our auditor's report thereon. The management has represented that other information shall be made available to us after the date of this auditor's report.

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

When we read the Board Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

**Responsibilities of Management for the Standalone Financial Statements**

The Holding Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these consolidated financial statements to give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; 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 consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.



In preparing the consolidated financial statements, the respective management and Board of Directors is responsible for assessing the each 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 respective Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic Those respective Board of Directors are also responsible for overseeing the financial reporting process of each company.

#### **Auditor's Responsibility for the Audit of Standalone Financial Statements**

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with 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 consolidated financial statements.

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 Standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. 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 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 in preparation of consolidated financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. 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 the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

#### **Report on Other Legal and Regulatory Requirements**

1 As required by section 143(3) of the Act, we report that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
- (b) In our opinion proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as appears from our examination of those books ;
- (c) The Consolidated Balance Sheet, Consolidated Statement of Profit and Loss and Consolidated Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts ) Rule 2014.
- (e) On the basis of written representations received from the directors of Holding Company as on March 31, 2021, and taken on record by the Board of Directors of Holding Company, none of the directors of the Holding Company is disqualified as on March 31, 2021 from being appointed as a director in terms of sub-section (2) of section 164 of the Companies Act, 2013.
- (f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B" of the auditors report on the standalone financial statements; and
- (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 we report that Holding Company being a private limited company, the provision of aforesaid section is not applicable.



(h) With respect to 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 financial position in its consolidated financial statements – Refer Note "Contingent Liabilities & Commitments" to the consolidated financial statements;

(ii) The Group did 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.

JAIPUR  
4 October 2021



For B. KHOSLA & CO.

Chartered Accountants

ICAI FRN No: 000205C

SANDEEP MUNDRA

Partner

M.No. 075482

UDIN: 21075482AAAAJN1544

## Consolidated Balance Sheet as at March 31, 2021

Particulars	Note No.	As at March 31, 2021
<b>I. EQUITY AND LIABILITIES</b>		
<b>(1) Shareholders' funds</b>		
(a) Share Capital	1	64,498,700
(b) Reserves and Surplus	2	920,385,084
(c) Money received against share warrants		-
Minority Interest		2,874
<b>(2) Non-current liabilities</b>		
(a) Long-term borrowings	3	64,578,636
(b) Deferred tax liabilities (Net)	4	-
(c) Other Long term liabilities		-
(d) Long-term provisions	5	5,519,481
<b>(3) Current liabilities</b>		
(a) Short-term borrowings	6	297,832,705
(b) Trade payables	7	-
(i) Total outstanding dues of Micro & Small enterprises		7,381,957
(ii) Total outstanding dues of creditors other than Micro & Small enterprises		149,514,809
(c) Other current liabilities	8	43,992,745
(d) Short-term provisions	9	30,125,795
<b>TOTAL</b>		<b>1,583,832,785</b>
<b>II. ASSETS</b>		
<b>(1) Non-current assets</b>		
(a) Property, Plant & Equipment		
(i) Tangible assets	10	528,105,399
(ii) Intangible assets		1,073,320
(iii) Capital work-in-progress		12,928,592
(iv) Intangible assets under development		-
(b) Non-current investments		-
(c) Deferred tax assets (net)	4	27,620,366
(d) Long-term loans and advances	11	115,346,142
(e) Other non-current assets		-
<b>(2) Current assets</b>		
(a) Current investments		-
(b) Inventories	12	346,492,029
(c) Trade receivables	13	398,017,226
(d) Cash and Bank Balances	14	65,150,495
(e) Short-term loans and advances	15	48,361,318
(f) Other current assets	16	40,737,898
<b>TOTAL</b>		<b>1,583,832,785</b>
Significant Accounting Policies	Annexure "A"	-
Notes to the Financial Statements	1 to 39	-

By Order of the Board

For Global Stones Pvt. Ltd.

SWETA SHAH

Director

DIN:06883764

MAYANK SHAH

Managing Director

DIN:01850199

As per Our Report of even date

For B. KHOSLA &amp; CO.

Chartered Accountants

PRN: 000205C

SANDEEP MUNDRA

Partner

M. No. 075482

Jaipur

UDIN:

04-Oct-21

**Consolidated Statement of Profit and Loss for the year ended March 31, 2021**

Particulars	Note No.	As at March 31, 2021
I. Revenue from operations	17	1,745,370,979
II. Other income	18	43,481,501
III. Total Revenue (I + II)		<u>1,788,852,480</u>
<b>IV. Expenses:</b>		
Cost of materials consumed	19	960,370,432
Purchases of Stock-in-Trade		-
Increase/(Decrease) in Stock	20	(74,454,778)
Employee benefits expense	21	127,447,772
Finance costs	22	33,637,191
Depreciation and amortization expense	10	129,655,736
Other expenses	23	272,163,127
Total expenses		<u>1,448,819,480</u>
<b>V. Profit (Loss) before exceptional and extraordinary items and tax (III-IV)</b>		<b>340,033,001</b>
VI. Exceptional items		-
<b>VII. Profit before extraordinary items and tax (V - VI)</b>		<b>340,033,001</b>
VIII. Extraordinary Items		-
<b>IX. Profit before tax (VII- VIII)</b>		<b><u>340,033,001</u></b>
<b>X Tax expense:</b>		
(1) Current tax		60,950,950
(2) Deferred tax		(5,244,971)
(3) Earlier year tax		118,600
(4) Mat Credit Entitlement		(51,077,000)
<b>XI Profit (Loss) for the period from continuing operations (IX-X)</b>		<b><u>335,285,422</u></b>
XII Minority Interest		(2,134)
<b>XIII Profit (Loss) for the year attributable to the owners</b>		<b><u><u>335,283,288</u></u></b>
<b>XIV Earnings per equity share:</b>		
Basic & Diluted	24	51.98

Significant Accounting Policies  
Notes to the financial statements

Annexure "A"  
1 to 39

By Order of the Board

**For Global Stones Pvt. Ltd.**

**SWETA SHAH**  
Director  
DIN:06883764

*Sweta Shah*  
**Director**

**For Global Stones Pvt. Ltd.**

**MAYANK SHAH**  
Managing Director  
DIN:01850199

*M. Shah*  
**Director**

As per Books of Accounts  
**For B. KHOSLA & CO.**  
Chartered Accountants  
FRN: 000205C



*Sandeep Mundra*  
**SANDEEP MUNDRA**  
Partner  
M. No. 075482

Jaipur  
04-Oct-21 UDIN:

## Consolidated Cash Flow Statement for the year ended March 31, 2021

Particulars	2020-21 Amount (Rs.)
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>	
Net Profit for the year before tax & extra-ordinary item	340,033,176
<b>Adjustments on account of:</b>	
Depreciation	129,655,736
Gratuity & Leave Encashment Provision	7,131,613
Interest on Income tax	4,780,000
Interest Paid	20,036,397
Interest Income	(1,983,571)
Unrealised Exchange Differences	(13,224,382)
Loss/(profit) on sale of Fixed assets	(285,391)
Loss/(profit) on sale of Mutual fund	(906,324)
Impairment of fixed assets	-
FCTR	(25,687)
Loss due to fire	-
Bad debts & provision for Bad debts	8,273,407
<b>Operating Profit before working capital change</b>	<b>493,484,974</b>
<b>Adjustment for working capital change</b>	
Trade Receivables	(112,590,992)
Inventories	(110,317,929)
Current Assets & Loans and Advances	(15,220,644)
Trade Payables	82,211,994
Other Current Liabilities & Provisions	(10,118,514)
<b>Cash Generated from Operation</b>	<b>327,448,889</b>
Direct Taxes Paid	44,597,186
<b>NET CASH INFLOW FROM OPERATING ACTIVITIES</b>	<b>282,851,703</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>	
Fixed Assets/ CWIP Purchased	(60,568,875)
CWIP capitalised	(12,928,592)
Sale of fixed assets	466,200
Profit on sale of Mutual fund	906,324
Long term Advances	(9,315,129)
Interest Income	1,983,571
<b>NET CASH INFLOW FROM INVESTING ACTIVITIES</b>	<b>(79,456,501)</b>
<b>C. CASH FROM FINANCING ACTIVITIES</b>	
Interest Paid	(20,036,397)
Proceeds from Short term Borrowings	(75,740,874)
Proceeds from Long term Borrowings	(55,818,137)
Equity & Premium Received	-
Movement in Deposits	(3,129,014)
<b>NET CASH INFLOW FROM FINANCING ACTIVITIES</b>	<b>(154,724,422)</b>
<b>Net increase in cash and cash equivalents</b>	<b>48,670,779</b>
<b>Cash and cash equivalents at beginning of period</b>	<b>5,766,538</b>
<b>Cash and cash equivalents at end of period</b>	<b>54,437,318</b>
	<b>0.00</b>

Note: The Cash Flow Statement has been prepared under the "Indirect Method" as set out in "Accounting Standard-3 Cash Flow Statement"

By Order of the Board

**For Global Stones Pvt. Ltd.**

**MAYANK SHAH**  
Managing Director  
DIN:06883764

*[Signature]*  
**Director**

Jaipur  
4-Oct-21

**For Global Stones Pvt. Ltd.**

**SWETA SHAH**  
Director  
DIN:01850199

*[Signature]*  
**Director**

As per Our Report of even date  
**For B. KHOSLA & CO.**

Chartered Accountants  
FRN: 000205C



*[Signature]*  
**SANDEEP MUNDRA**  
Partner  
M. No. 75482

## SIGNIFICANT ACCOUNTING POLICIES

Annexure A

### 1 Basis of Accounting

- (a) The financial statements have been prepared in compliance with the applicable Accounting Standards specified under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 and other pronouncement of Institute of Chartered Accountant of India, with relevant provisions of Companies Act, 2013 and generally accepted accounting principles applicable in India (GAAP). Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires changes in the accounting policy hitherto in use.
- (b) The financial statements have been prepared under historical cost convention on an accrual basis except in case of significant uncertainties
- (c) All the assets and liabilities have been classified as current or non-current as per Group's normal operating cycle and other criteria set out in Schedule III to the Companies Act, 2013. Based on the nature of product and time between the acquisition of assets for processing and their realization in cash and cash equivalent, the Group has ascertained its operating cycle to be 12 months for the purpose of current – non-current classification of assets & liabilities.

### 2 Uses of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles (GAAP) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. Management believes the assumption used in the estimates is prudent and reasonable. Difference between the actual results and estimates are recognized in the period in which the results are known /materialized.

### Principles of Consolidation

The financial statement of the subsidiary company used in the consolidation are drawn up to the same reporting date as of the Holding Company.

The consolidated financial statements have been prepared on the following basis:

- i) The financial statements of the Holding Company and its subsidiary company have been combined on a line-by-line basis by adding together like items of assets, liabilities, income and expenses. Inter-company balances and transactions and unrealised profits or losses have been fully eliminated.
- ii) The excess of the cost to the parent of its investment in a subsidiary over the parent's portion of equity at the date on which investment in the subsidiary is made, is recognised as 'Goodwill (on consolidation)'. When the cost to the parent of its investment in a subsidiary is less than the parent's portion of equity of the subsidiary at the date on which investment in the subsidiary is made, the difference is treated as 'Capital Reserve (on consolidation)' in the consolidated financial statements.
- iii) Minority interest in the net assets of consolidated subsidiary consist of the amount of equity attributable to the minority shareholders at the dates on which investments in the subsidiary company is made and further movements in their share in the equity, subsequent to the dates of investments.

### 3 Property, Plant and Equipment

Property, Plant and Equipment are stated at cost less accumulated depreciation and impairment losses. Cost includes capital cost, freight, duties, taxes and other incidental expense incurred during the construction / installation stage attributable to bringing the asset to working condition for its intended use.

### 4 Depreciation

- (a) Depreciation on Property, Plant and Equipment, other than assets acquired on lease, is being provided over the useful life of an asset on written down value method and in the manner specified in Schedule II of the Companies Act, 2013. Depreciation on Plant & Machinery is provided considering the useful life of the Plant and Machinery as per the technical advice.
- (b) Leased Assets are amortized equally over the period of lease.
- (c) Software is amortised over the period of its useful life.

### 5 Impairment of Assets

The carrying amounts of assets are reviewed at each Balance Sheet date if there is any indication of impairment based on internal/ external factors. An asset is treated as impaired when the carrying cost of assets exceeds its recoverable value. An impairment loss is charged to the Profit & Loss Account in the year in which an asset is identified as impaired. The impairment loss recognized in prior accounting periods is reversed if there has been a change in the estimate of recoverable amount.

### 6 Inventories

- a) 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.
- b) 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.

For Global Stones Pvt. Ltd.

  
Director

For Global Stones Pvt. Ltd.

  
Sweta Shah  
Director



## 7 Foreign Currency Transactions

### a) **Initial Recognition**

Transaction denominated in foreign currency are normally recorded at the exchange rate prevailing at the time of the transaction.

### b) **Conversion**

Monetary items denominated in foreign currency at the year-end are translated at closing rates.

### c) **Exchange Differences**

Exchange differences arising on settlement of monetary items or on re-statement of monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognised as income or as expenses in the year in which they arise.

## 8 Borrowing Costs

Borrowing Costs attributable to the acquisition or construction of qualifying assets are capitalized as a part of the cost of such assets. All other borrowing costs are charged to revenue.

## 9 Revenue Recognition

### a) **Sale of Goods**

Revenue from sales of goods are recognised when the risk and rewards of ownership of the product is passed on to the customer, which is generally on dispatch of goods and/or on the date of clearance by Customs and is stated net of returns, trade discounts, claims etc.

### b) **Other income:**

Other income is mainly accounted on accrual basis, except in case of significant uncertainties.

## 10 Investment

Non-Current Investments are stated at cost. Provision for diminution in the value of long-term investments is made if such decline is other than temporary in nature.

## 11 Cash and cash equivalents

The Group considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents.

## 12 Employees benefits

### i) **Post employment employee benefit plans**

Contributions to defined contribution retirement benefit schemes are recognised as expense when employees have rendered services entitling them to such benefits.

For defined benefit schemes, the cost of providing benefits is determined using the Projected Unit Credit Method, with actuarial valuations being carried out at each balance sheet date. Actuarial gains and losses are recognised in full in the statement of profit and loss for the period in which they occur. Past service cost is recognised immediately to the extent that the benefits are already vested or amortised on a straight-line basis over the average period until the benefits become vested.

The retirement benefit obligation recognised in the balance sheet represents the present value of the defined benefit obligation as adjusted for unrecognised past service cost, and as reduced by the fair value of scheme assets. Any asset resulting from this calculation is limited to the present value of available refunds and reductions in future contributions to the scheme.

### ii) **Other employment benefits**

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees is recognised during the period when the employee renders the service. These benefits include compensated absences such as paid annual leave.

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised as an actuarially determined liability at the present value of the defined benefit obligation at the balance sheet date.


## 13 Earning per Share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

For Global Stones Pvt. Ltd.

  
Director

For Global Stones Pvt. Ltd.

  
Director





#### 14 Taxes on Income

Current tax is accounted for after taking into account deductions that are expected to be available to the group. Deferred tax is accounted for by computing the tax effect of timing differences, which arise in a year and reverse in subsequent periods. Deferred tax assets are not recognized unless there is 'virtual certainty' that sufficient future taxable income will be available against which such deferred tax assets will be realized.

Minimum Alternative Tax (MAT) paid in accordance with the tax laws in India, which gives rise to future economic benefits in the form of adjustment of future income tax liability, is considered as an asset if there is convincing evidence that the Company and its Indian subsidiaries (if any) will pay normal income tax after the tax holiday period. Accordingly, MAT is recognised as an asset in the balance sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with it will fructify.

#### 15 Provisions, Contingent Liabilities and Contingent Assets


The group recognizes a provision when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation that the likelihood of outflow of resources is remote, no provision or disclosure is made. Contingent Assets are neither recognized nor disclosed in the financial statements.

For Global Sources Pvt. Ltd.

  
Director



For Global Sources Pvt. Ltd.

  
Director

**Notes Accompanying to the financial Statement for the year ended March 31, 2021**

(in accordance with revised Schedule III to the Companies Act, 2013- to the extent applicable)

**1 SHARE CAPITAL**

a The details of Authorised, Issued, Subscribed and fully paid up and subscribed but not fully paid up are as under :-

Share Capital	As at March 31, 2021	
<b>Authorised</b>		
Equity Shares of Rs. 10/- each	6,750,000	67,500,000
<b>Issued, Subscribed and Paid up</b>		
Equity Shares of Rs. 10/- each fully paid	6,449,870	64,498,700
		<b>64,498,700.00</b>

b The Reconciliation of the number of Shares outstanding at the beginning and at the end of the reporting year is as under:-

Particulars	As at March 31, 2021	
	Number	Amount
Outstanding at the beginning of the year	6,449,870	64,498,700
Shares Issued		-
Shares Buyback		-
<b>Shares outstanding at the year end</b>	<b>6,449,870</b>	<b>64,498,700</b>

c The Holding 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 Holding Company, the holders of equity shares will be entitled to receive the remaining assets of the Holding company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

d The Equity Shares issued by the company have equal right as to voting and dividend.

e The details of shareholders holding more than 5% equity shares as at reporting date are as under :-

Name of Equity Shareholder	No. of Shares held	% of Holding
Mayank Shah	4,752,470	73.68%
Sweta Shah	676,000	10.48%
Mayank Shah (HUF)	550,950	8.54%

**2 RESERVES AND SURPLUS**(a) **Security Premium**

Opening balance	172,300,500.00	
Additions	-	
Less: Appropriations	-	172,300,500
<b>Total Security Premium</b>		<b>172,300,500.00</b>

(b) **Profit & Loss Account**

Opening balance	412,826,808.28	
Add: Net profit transferred from Statement of Profit & Loss	335,283,287.61	
Amount Available for Appropriations	748,110,095.88	
Less: Appropriations	-	748,110,096
<b>Total Profit &amp; loss</b>		<b>748,110,095.88</b>

(c) **Foreign Currency Translation Reserve**

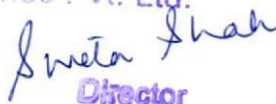
Opening balance	-	
Add: Amount transferred	(25,512.00)	(25,512.00)
<b>Total Foreign Currency Translation Reserve</b>		<b>(25,512.00)</b>

**Total Reserve & Surplus****920,385,083.88**

For Global Stones Pvt. Ltd.


  
Director

For Global Stones Pvt. Ltd.


  
Sweta Shah
  
Director


Notes Accompanying to the financial Statement for the year ended March 31, 2021  
(in accordance with revised Schedule III to the Companies Act, 2013- to the extent applicable)

**NON-CURRENT LIABILITIES**

**3 LONG-TERM BORROWINGS**

**A) Secured Borrowing**

	Current Portion	Non- Current Portion
(i) Term Loan from Bank (Refer Note a and c below)	-	63,813,254
(ii) Vehicle Loans From Banks & Financial Institutions (Refer Note b and c below)	2,564,223.00	765,382
<b>Total (A)</b>	<b>2,564,223.00</b>	<b>64,578,635.89</b>

- a. Term Loan from bank is exclusively secured by Equitable mortgage of factory Land and Building at Bagru Industrial Area and at Mahindra SEZ and hypothecation of existing and future movable fixed assets of the Group.

**-Further secured by**

Equitable mortgage of office Building at 1 Sardar shankar Road, Kolkata belonging to the Group.  
Lien against term deposits with banks amounting to Rs. 107.13 lacs  
Equitable mortgage of land & Building at Palan, Mahestala belonging to Relative of Promoters of the Group.  
Personal Guarantees of directors and guarantee of relatives to the extent of collateral security offered.

**Repayment:**

Repayment in 20 quarterly installment of Rs. 0.65 crores beginning from December 2018 (For term Loan I) and 15 quarterly installment of Rs. 1.75 crores beginning from April 2020 (For Term Loan II)

**Interest Rate:**

MCLR +3.60 p.a. i.e. 12.05% with monthly rest

- b. Vehicle Loans is secured by hypothecation of respective Motor vehicle. Repayable in 40 Installments of Rs. 230625/- & Interest payable @9.35%
- c. Current maturities are shown under "Other Current Liabilities"

**B) Unsecured Borrowings**

From Bodies Corporate

	Current Portion	Non- Current Portion
<b>Total (B)</b>	-	-
<b>Total (A+B)</b>	<b>2,564,223.00</b>	<b>64,578,635.89</b>

**4 DEFERRED TAX/(ASSETS) LIABILITIES (NET)**

In compliance of Accounting Standard 22 issued by ICAI the Group has recognised the Deferred Tax Asset of Rs. 27620366/-. The breakup of same is as follows :-

**Deferred Tax Assets**

On timing difference of depreciation	25,740,105
On Gratuity & Leave Encashment Provision	1,880,261

**Deferred Tax Liability**

On timing difference of depreciation	-
<b>Total</b>	<b>(27,620,366.00)</b>

Differential effect in deferred tax of Rs. 5244971/- has been credited to Statement of Profit & Loss.

**5 LONG TERM PROVISIONS**

Provision for Gratuity (Refer Note 26(b))	3,780,064
Provision for Leave Encashment (Refer Note 26(b))	1,739,417
<b>Total</b>	<b>5,519,481.12</b>

**CURRENT LIABILITIES**

**6 SHORT TERM BORROWINGS**

**Secured Borrowings**

**From Banks**

a) Cash Credit	14,149,218
b) Post shipment Loan	111,158,522
c) Pre-shipment Loan	172,524,964
<b>Total</b>	<b>297,832,704.55</b>

- a. Working capital loans from bank is secured by Stock-in-Trade, Receivables and other current assets of the Group.

For Global Stones Pvt. Ltd.

*[Signature]*  
Director

For Global Stones Pvt. Ltd.

*[Signature]*  
Director



**Notes Accompanying to the financial Statement for the year ended March 31, 2021**  
(in accordance with revised Schedule III to the Companies Act, 2013- to the extent applicable)

**-Further secured by**

Equitable mortgage of Factory land and Building Situated at Bagru Industrial Area and Mahindra SEZ.  
Equitable mortgage of office Building at 1 Sardar shankar Road, Kolkata belonging to the Group.  
Lien against term deposits with banks amounting to Rs. 107.13 lacs  
Equitable mortgage of land & Building at Palan, Mahestala belonging to Relative of Promoters of the Group.  
Personal Guarantees of directors and guarantee of relatives to the extent of collateral security offered.

**Repayment:**

On Demand

**Interest Rate:**

Cash Credit- MCLR + 1.45% p.a. i.e. 8.25% with monthly rest and on Exports limits -MCLR+0.45% p.a. i.e. 7.25% with monthly rest. Interest rate on Pre-shipment and Post shipment availed in Foreign currency are linked with LIBOR plus spread as stipulated by bank.

**7 TRADE PAYABLES**

a) Outstanding dues of Micro and Small enterprises	7,381,957
b) Outstanding dues of other than Micro and Small enterprises	149,514,809
	<u>156,896,766.36</u>

MSME are identified wherever information has been received from the suppliers of their being registered under Micro Small and Medium Enterprises Development Act, 2006. Interest and principal amount due to MSME exceeding 45 days is Rs. 122897 and Rs. 7381957 respectively.

**8 OTHER CURRENT LIABILITIES**

Advance From Parties/ Customers	189,258
Current Maturity of Long Term Borrowing	12,189,223
Interest Accrued and Due	358,270
Outstanding Expenses	8,082,197
Employee Benefits Payable (Refer Note No. 27)	15,451,005
Statutory Liabilities	7,722,791
	<u>43,992,744.52</u>

**9 SHORT TERM PROVISION**

Provision for Gratuity (Refer Note 26(b))	2,050,057
Provision for Leave Encashment (Refer Note 26(b))	178,638
Income tax Provision (Net of Advance Tax)	27,897,100
	<u>30,125,794.97</u>

**NON CURRENT ASSETS****10 PROPERTY, PLANT AND EQUIPMENT**

Tangible assets	528,105,399
Intangible assets	1,073,320
Capital Work in Progress (As per annexure attached)	12,928,592
	<u>542,107,310.35</u>

**11 LONG TERM LOANS AND ADVANCES**

Security Deposits	13,149,922
Advance for Capital Goods	8,524,239
Advance to Staff & Labours	779,902
Mat Credit Entitlement (Refer Note: 32)	92,892,079
	<u>115,346,142.37</u>

**CURRENT ASSETS****12 INVENTORIES**

(As per Inventory taken, valued and certified by the management) (at lower of cost and net realisable value)

Raw Material	80,158,001
Work-in-Progress	8,322,736
Finished Goods/ Semi - Finished Goods	205,903,005
Goods In Transit	18,808,580
Consumables	33,299,708
	<u>346,492,029.11</u>

For Global Stones Pvt. Ltd.

  
Director

For Global Stones Pvt. Ltd.

  
Director



**Notes Accompanying to the financial Statement for the year ended March 31, 2021**  
(in accordance with revised Schedule III to the Companies Act, 2013- to the extent applicable)

<b>13 TRADE RECEIVABLES</b>		
<i>unsecured considered good</i>		
- Outstanding for a period exceeding six months from due date	19,725,856.42	
- Outstanding for a period less than six months from due date (Refer Note No. 27)	378,291,369.99	398,017,226
<i>unsecured considered doubtful</i>		
- Outstanding for a period exceeding six months from due date	1,636,956.00	
Less: Provided for	(1,636,956.00)	
		<b>398,017,226.41</b>
<b>14 CASH AND BANK BALANCES</b>		
Balances with Banks		
(a) In Current Account		46,258,290
(b) In Fixed Deposit (Pledged)		10,713,178
Cash on Hand		267,488
Funds In transit		7,911,540
		<b>65,150,495.27</b>
<i>Cash and Cash equivalent in accordance to AS- 3</i>		54,437,318
<b>15 SHORT TERM LOANS AND ADVANCES</b>		
(Unsecured considered good)		
Loans To Body Corporates (Refer Note No. 27)		20,286,882
Advances To Parties (Refer Note No. 27)		26,637,791
Advance to Staff & Labours		1,436,645
		<b>48,361,318.02</b>
Note: Disclosure U/s 186- The loans have been given for general business purpose and has been utilized by the borrowers for the same.		
<b>16 OTHER CURRENT ASSETS</b>		
Balances with Revenue Department		32,475,319
Claims Recoverable		740
Duty Drawback Receivable		414,992
Prepaid Expenses		6,684,679
Rent Receivable (Refer Note No. 27)		1,162,167
		<b>40,737,897.35</b>
<b>17 REVENUE FROM OPERATIONS</b>		
Direct Exports (Refer Note No. 27)		1,736,040,460
Domestic Sale (Refer Note No. 27)		7,412,052
Third Party Exports		1,918,468
		<b>1,745,370,979.50</b>
<b>18 OTHER INCOME</b>		
Duty Drawback		4,790,393
Exchange Fluctuation		26,079,163
Interest income (Refer Note No. 27)		1,983,571
Job Work Income		700,807
Profit on sale of Assets		285,391
Miscellaneous Income		7,400,351
Rent Received (Refer Note No. 27)		1,335,500
Profit on sale of Mutual Fund		906,324
		<b>43,481,500.86</b>
<b>19 COST OF MATERIAL CONSUMED</b>		
Cost of material consumed		
<b>Raw Material</b>		
Opening Stock	56,605,533.99	
Add: Purchases (net of return)	791,174,085.49	
Add: Freight	25,912,564.00	

For Global Stones Pvt. Ltd.

Director

For Global Stones Pvt. Ltd.

Sweta Shah  
Director

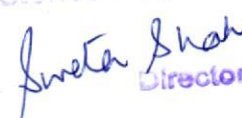
Notes Accompanying to the financial Statement for the year ended March 31, 2021  
(in accordance with revised Schedule III to the Companies Act, 2013- to the extent applicable)

	873,692,183.48	
Less: Closing stock	<u>80,158,000.50</u>	793,534,183
Consumables & Stores Consumed		<u>166,836,249</u>
		<u><b>960,370,431.70</b></u>
<b>Details of Material Consumed* (under broad heads)</b>		
Granite/ Marble slabs		196,850,763
Consumables		166,836,249
Quartz, Grits, Resin etc		<u>596,683,420</u>
		<u><b>960,370,431.70</b></u>
<b>20 DECREASE/(INCREASE) IN STOCK</b>		
<b>Finished/ Semi-Finished Goods and WIP</b>		
Opening Stock		
Finished Goods/ Semi - Finished Goods	158,579,542.51	
Work-in-Process	<u>-</u>	158,579,543
Less: Closing Stock		
Finished Goods/ Semi - Finished Goods	224,711,585.28	
Work-in-Process	<u>8,322,735.66</u>	233,034,321
		<u><b>(74,454,778.44)</b></u>
<b>21 EMPLOYEE BENEFIT EXPENSE</b>		
Salaries, Wages, Bonus etc. (Refer Note No. 27)		85,990,113
Contribution to Provident & Other Funds		5,346,298
Director's Remuneration (Including Bonus, Commission)(Refer Note no. 27)		28,536,973
Keyman insurance premium		279,206
Gratuity (Refer Note no. 26(b))		5,213,558
Staff Welfare Exp.		<u>2,081,624</u>
		<u><b>127,447,771.80</b></u>
<b>22 FINANCIAL COSTS</b>		
Interest on Term Loan		5,532,895
Interest on Unsecured Borrowings		1,401,666
Interest on Short term Borrowings		12,520,503
Interest on Car Loan		422,369
Bank Charges & Processing Fees		8,820,794
Interest on Income Tax		4,780,000
Other Interest Charges		<u>158,965</u>
		<u><b>33,637,191.15</b></u>
<b>23 OTHER EXPENSES</b>		
<b>Manufacturing Expenses</b>		
Commission On Purchases		500,000
Electricity Exp		48,897,049
Factory Overheads		810,661
Other Direct Expenses		28,215,583
Repair & Maintenance-Machinery		<u>3,494,904</u>
		<u><b>81,918,196.78</b></u>
<b>Administration Expenses</b>		
<b>Auditors Remuneration:</b>		
Statutory Audit	560,000.00	
Tax Audit	20,000.00	
Other Matters	<u>57,101.00</u>	637,101
Bad Debts		8,280,860
Donation & CSR Expenses (Refer Note No. 33)		2,633,508
Electricity charges		348,838
Insurance		<u>2,943,118</u>

For Global Stones Pvt. Ltd.

  
Director

For Global Stones Pvt. Ltd.

  
Director


**Notes Accompanying to the financial Statement for the year ended March 31, 2021**  
(in accordance with revised Schedule III to the Companies Act, 2013- to the extent applicable)

Legal & Professional Fee	8,477,786
Membership Charges	372,747
Miscellaneous Expenses	7,737,528
Postage, Stamps & Courier	691,482
Printing and Stationery	1,215,738
Rent, Rates and Taxes	2,799,490
Repair & Maintenance	10,349,461
Security Charges	2,768,201
Telephone Expenses	740,853
Travelling and Conveyance	1,856,931
	<b>51,853,642.56</b>

**Selling & Distribution Expenses**

Business Promotion Expenses ( Includes Foreign Travelling Expenses)	11,550,741
Transportation Charges	68,620,727
Participation expenses of trade fairs	5,924,506
Other Selling & Distribution Expenses	52,295,314
	<b>138,391,287.83</b>
	<b>272,163,127.17</b>

**24 EARNING PER SHARE**

Earning per share as per Accounting Standard 20 is calculated as under :

	2020-21
Profit/ (Loss) for the year (after Tax)	335,285,421.61
Weighted Average Number of Shares	6,449,870.00
Nominal Value of Shares	10.00
Basic and Diluted EPS	51.98

**25 CONTINGENT LIABILITIES & COMMITMENTS****(a) Contingent Liabilities**

- (i) Income tax demand for which Group has preferred appeal 3,088,137.00
- (ii) A Search under Section 132 of the Income Tax Act, 1961 was conducted on December 29, 2020 on the Holding Company, promoters and their group entities which resulted in seizure and impounding of certain documents and cash amounting to Rs. 14.5 lakhs belonging to Company. Statements u/s 132(4) was recorded from the Managing Director wherein he stated about certain accommodation entries and other incriminating transactions found in certain seized documents. However, notices under section 153A of Income Tax Act, 1961 are still awaited and further proceedings in this regard are still pending.

**(b) Claims against Company not acknowledge as Debt**

Litigation pending in Court 452,293.00

**(c) Commitments**

Capital Commitments

**26 ACCOUNTING STANDARD DISCLOSURES****Employee Benefits**

Disclosure in Pursuance to Accounting Standard (AS-15) "Employee Benefits" are as under: -

The Holding Company has classified the various benefits provided to employees as under: -

**(a) Defined Contribution Plan**

Under this plan the Holding company contributes to the Provident Fund and Employee State Insurance Fund.

The Holding company has recognized the following amounts in Profit and loss account.

Particulars	31-Mar-21
Employer's Contribution to PF	3,903,294
Employer's Contribution to ESI	1,443,004

For Global Stones Pvt. Ltd.

*[Signature]*  
Director

For Global Stones Pvt. Ltd.

*[Signature]*  
Director



## Notes Accompanying to the financial Statement for the year ended March 31, 2021

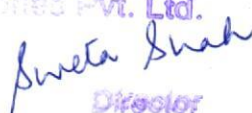
(in accordance with revised Schedule III to the Companies Act, 2013- to the extent applicable)

<b>(b) Defined Benefit Plan</b>		
<b>Gratuity (funded) and Leave Encashment (unfunded)</b>		
I	The Holding Company has defined benefit plan comprising of Gratuity fund. During the year the Holding Company has also adopted defined benefit plan for leave encashment encompassing all accumulated leaves as at reporting date can be encashed by the employee's. The Holding Company contributes to the gratuity fund managed by the Life Insurance Corporation of India. Leave encashment is unfunded.	
II	The Holding Company up to last year was calculating Gratuity liability for the eligible employee's who have completed 5 years of service as per Payment of Gratuity Act, 1972. No provision was made for leave encashment as there was no policy up to last year for encashment of leaves. The differential between obligation calculated on the actual basis by the Holding Company up to last year and opening obligation as per actuarial valuation has been charged to profit and loss account during the current year.	
III	<b>Assumptions</b>	
	<b>Leave Encashment</b>	<b>Gratuity</b>
	Discount rate	6.35%
	Salary Growth Rate	6.00%
	Withdrawal Rate	6.00% p.a. at all ages
IV	<b>Changes in obligation</b>	
	<b>Leave Encashment</b>	<b>Gratuity</b>
	Actuarial (Actual) value of gratuity at the beginning of the year	6,774,063
	Current Service Cost	1,665,200
	Benefit Paid	(708,125)
	Interest Cost	448,122
	Actuarial (gain)/loss on obligations	(372,317)
	Actuarial (Actual) Value of gratuity at the end of the year	7,806,943
V	<b>Reconciliation of Plan Assets</b>	
	<b>Leave Encashment</b>	<b>Gratuity</b>
	Opening Value of Planned Assets	2,560,790.00
	Contribution paid	
	Interest Income	218,236.00
	Return on Plan Assets excluding interest	(94,080.00)
	Benefits paid	(708,125.00)
	Closing Value of plan assets	1,976,821.00
VI	<b>Reconciliation of Present Value of Defined Benefit Obligation and the Fair Value of Assets</b>	
	Present value of unfunded obligation as at end of the year	7,806,943
	Fair value of plan assets as at end of the year	1,976,821
	Unfunded obligation recognised in the Balance Sheet Shown as	5,830,122
	Non-Current Provision (refer note no.5)	3,780,065
	Current Provision (refer note no.9)	2,050,057
VII	<b>Expenses recognized in Statement of Profit and Loss</b>	
	Current Service Cost	1,665,200.00
	Interest Cost	448,122.00
	Less: return on planned Assets	(124,156.00)
	Actuarial (gain)/loss on obligations	(372,317.00)
	Expenses to be recognized	1,616,849.00
	Add: Earlier shortfall in provision (Refer Note II above)	3,596,708.57
	Expenses debited to Employee Cost (Net)	5,213,557.57

For Global Stones Pvt. Ltd.


  
Director

For Global Stones Pvt. Ltd.


  
Director




27 RELATED PARTY DISCLOSURE

List of Related Parties

A) Key Managerial Personnel (KMP)

Name	Relationship
Mayank Shah	KMP
Sweta Shah	CEO & relative of Director
Asheem Sehgal	Non Executive Director
Ashish Kumar Kachawa	Non Executive Director

B) Relatives of KMP and Entities where key management personnel or relatives of key management personnel have significant influence (Associates)

Name	Relationship	Name	Relationship
Jagdamba Mines & Minerals	Associate	Granite Mart Limited	Associate
Shah Projects Pvt. Ltd.	Associate	Vridhi Commercial Company Limited	Associate
Vaishanavi Natural Minerals LLP	Associate	Divine Surfaces Private Limited	Associate
Gyarsi Lal Shah ( Huf )	Associate	United Sales Agencies (CAL) Private Limited	Associate
Mayank Shah ( Huf )	Associate	Auto Sales Agencies Private Limited	Associate
Rajiv Shah & Sons ( Huf )	Associate	AVA Stones Private Limited	Associate
Vatsankit Shah Trust	Associate	Glittek Infrastructure Private Limited	Associate
Global Mining Company	Associate	Rubiks Agencies and Resports Private Limited	Associate
Global Casting Pvt. Ltd.	Associate	Divine Stones LLP	Associate
Republic Engineering Company	Associate	NSA Casting LLP	Associate
Super Towers Private Limited	Associate	N S Associates	Associate
Panchmurti Suppliers Limited	Associate	Mayank Commercial Private Limited	Associate
Sukriti Nirman LLP	Associate	Gladwin Engineers Private Limited	Associate
Shah Infrastructures	Associate	Glittek Granites Limited	Associate
Laminated Products (India)	Associate	Smooth Commodeal LLP	Associate
Image Retail LLP	Associate	R.S. Associates	Associate
Rajiv Shah	Relative of KMP	Global Surface Inc	Subsidiary
Nisha Shah	Relative of KMP	Mridvika Shah	Relative of KMP
Gyarsi Lal Shah	Relative of KMP	Vatsankit Shah	Relative of KMP
Vimal Kumar Agarwal	Relative of KMP	Karuna Devi agarwal	Relative of KMP
Mudit Agarwal	Relative of KMP		

B) Details of Transaction Entered during the year

As at 31st March, 2021

	KMP	Associates/ Subsidiary/Relative
<b>Directors' Remuneration (including bonus,commission)</b>		
Mayank Shah	18,844,336	
<b>Professional Fees</b>		
Aseem Sehgal	290,000	
Ashish Kumar Kachawa	1,280,000	
<b>KMP Salaries and Sitting Fees</b>		
Sweta Shah -Salary,Bonus and Commission	10,702,637	
<b>Rent Received</b>		
Global Casting Pvt. Ltd.		1,080,000
Global Mining Company		150,000
Laminated Product india		12,000
Shah Projects Private Limited		12,000
Super Tower Private Limited		12,000
Shah Infrastructures		12,000
Republic Engineering Company		12,000
Gyarsi Lal Shah		3,500
Gyarsi Lal Shah- HUF		6,000
R S Associates		6,000
NSA Castings LLP		12,000
NS Associates		6,000
Gladwin Engineers Private Limited		12,000
<b>Interest Income</b>		
Shah Projects Private Limited		406,079
AVA Stones Private Limited		396,986
Divine Surface Private Limited		410,301
<b>Salaries, Wages, Bonus etc- Staff Training &amp; Education Expense</b>		
Mridvika Shah		4,990,300
<b>Domestic Sale</b>		
Sweta Shah		1,934,186
<b>Balances as at the year end</b>		
<b>Advance to Parties</b>		
Global Mining Company		132,232
Laminated Products (India)		363,171
<b>Employee Benefits payable - Outstanding Salary</b>		
Rajeev Shah		922,511

For Global Stones Pvt. Ltd.

*[Signature]*  
Director

For Global Stones Pvt. Ltd.

*[Signature]*  
Sweta Shah  
Director



Loans Given	Divinde Surfaces Private Limited	AVA Stones Private Limited
Opening Balance	36,00,000	
Payment during the year	1,20,00,000	35,00,000
Interest Received	4,10,301	3,96,986
Repaid during the year	36,30,773	29,774
<b>Closing Balance</b>	<b>1,23,79,528</b>	<b>38,67,212</b>
<b>Rent Receivables</b>		8,32,655
<b>Trade receivables</b>	22,82,339	
Sweta shah		

- 28 In the opinion of the management, the internal and external sources does not give any indication of impairment of assets of the Group as at the Balance Sheet date and the estimated recoverable amount of cash generating units is more than their carrying value. Being a matter of technical nature, auditors have relied upon the judgment of the management.
- 29 In the opinion of Board of Directors, Current Assets, Loans and Advances have been on realization at least equal to the amount at which they are stated in Balance Sheet. Adequate provisions have been made for all known liabilities.
- 30 There is no other reportable segment except "Block Manufacturing" segment hence no disclosure is required to be made in accordance with AS-17 "Segment Reporting" issued by Institute of Chartered Accountants of India.
- 31 The Holding Company has taken due care to comply with the GST Act, 2017 provisions but the Holding company is in the process of reconciliation of GST input claimed in the returns vis a vis the books of account vis a vis GSTR 2B. Any error/ mistakes or omissions found during the reconciliation shall be accounted for as and when reconciliation is completed. However, the management as a matter of prudence has made a provision to the extent of input appearing excess in the books of account vis a vis the electronic credit ledger appearing on the GST portal.
- 32 The Holding Company at the beginning of the year had MAT Credit entitlement of Rs. 4,18,15,079/-. During the year the company was eligible for, MAT credit entitlement of Rs. 5,10,77,000/-. The management is of the view that after the sunset period of SEZ deduction under section 10AA, the Holding company will be required to pay tax at normal rate and therefore there is reasonable certainty that the MAT Credit entitlement shall be recovered in future. Therefore, the management decided to account for the balance MAT Credit entitlement of Rs. 9,28,92,079/- in the books of accounts and has shown the same under Long term Assets.
- 33 **CORPORATE SOCIAL RESPONSIBILITY EXPENDITURE**
- a. Gross amount required to be spent by the Holding Company during the year is Rs. 25,88,387/- (calculated as per 2% of the average net profits of the Holding company made during the three immediately preceding financial years)
- b. Total amount spent during the Year 2020-21 is Rs. 26,33,508/- which is in excess of amount required
- c. Amount spent during the year on:
- | Particulars   | In Cash      | Yet to be paid in cash | Total        |
|---|--------------|------------------------|--------------|
| Donations through Trusts/direct social expenditure            | 26,33,508.00 | -                      | 26,33,508.00 |
| On purposes other than Construction/acquisition of any asset* | 26,33,508.00 | -                      | 26,33,508.00 |
- 34 The Group is primarily in the business of manufacturing and export of natural stones that includes Granite, Marble & quartzites and Engineered Quartz and other stone slabs and counter tops. The management based on their internal assessment of its business do not anticipate any material impact on financials due to COVID 19 pandemic and therefore no adjustment is required in the financial statements. However, the pandemic situation is evolving and the management shall take further assessment of its business as and when required.
- 35 The Group during the year had implemented ERP system for first time and due to certain incorrect data, intergration errors in system implementation the management during the year reconciled these accounts with alternative methods including physical stock taking, re-valuation etc. Accordingly, corrective entries were passed in the ERP system to ensure that correct position is reflected in the financial records. The Management as at the yearend has represented that all reconciliation entries have been passed to ensure that all the integration and system implementation errors are eliminated/rectified and books of accounts as at year end shows correct financial values.
- 36 The Company has system of obtaining periodic confirmations of balances from banks and other parties. With regard to receivables, the Company trade receivables are generally on COD or on average 90 days credit period. Based on the receipts of subsequent payments from Trade receivables, the balances outstanding as at the year end can be said to be confirmed. Similarly, the trade payables can be said to be confirmed on the basis of subsequent payments made to the suppliers and to other payables. However, adjustments if any will be accounted for on confirmation/ reconciliation of the same, which in the opinion of the management will not have a material impact.
- 37 The consolidated financial statement is prepared for the first time (for FY 2020-21) and as per para 30 of Accounting Standard 21- Consolidated financial statement issued by ICAI, the company has not presented comparative financial figures of previous year.



## 38 Interest in other entity

Name	Principal place of business	Relation	Ownership Interest as at March 31, 2021
Global Surfaces INC	USA	Subsidiary	99.90%

The above subsidiary was incorporated on April 20, 2020 and the holding company has control on subsidiary since incorporation.

## 39 Additional information as required under Schedule III to the Companies Act, 2013, of the enterprises consolidated as subsidiary

Name of the entity	Net assets (total assets minus total liabilities)		Share in profit or (loss)	
	Amount	As % of consolidated net assets	Amount	As % of consolidated profit or loss
<b>Parent</b>				
Global Stones Private Limited	982,857,597	99.79%	333,231,589	99.39%
<b>Subsidiary (Foreign)</b>				
Global Surfaces Inc	2,848,533	0.29%	2,134,305	0.64%
<b>Minority Interest</b>				
	(2,874)	0.35%	(2,134)	0.00%
<b>Consolidation Adjustment</b>				
	(819,472)	-0.08%	(80,472)	-0.02%
<b>Total</b>	<b>984,883,784</b>	<b>100%</b>	<b>335,283,288</b>	<b>100%</b>

By Order of the Board

**For Global Stones Pvt. Ltd.**

SWETA SHAH  
Director  
DIN:06883764

*Sweta Shah*  
Director

**For Global Stones Pvt. Ltd.**

MAYANK SHAH  
Managing Director  
DIN:01850199

Jaipur  
04-Oct-21

*M. Shah*  
Director

As per our report of even date

For B. KHOSLA  
Chartered Accountants  
FRN: 000205C



*Sandeep*  
SANDEEP  
Partner  
M. No. 075482

GLOBAL STONES PRIVATE LIMITED

Note 10: Annexure

CONSOLIDATED STATEMENT OF PROPERTY, PLANT AND EQUIPMENT

Name of Assets	Gross Block				Depreciation			Net Block		
	Total as on 31-3-2020	Additions during the year	Deduction during the year	Total as on 31-3-2021	Upto 31-3-2020	Provided during the year	Adj. For deduction	Total upto 31-3-2021	As on 31-3-2021	As on 31-3-2020
<b>TANGIBLE ASSETS</b>										
Leasehold Land	92,249,021	-	-	92,249,021	2,697,607	887,174	-	3,584,781	88,664,241	89,551,415
Building	208,573,122	2,500,218	-	211,073,340	34,343,489	9,613,210	-	43,956,699	167,116,641	174,229,632
Plant & Machinery	595,385,620	57,017,584	(740,044)	651,663,160	292,546,048	106,970,211	(554,416)	398,961,844	252,701,315	302,839,529
Furniture & Fixtures	9,346,188	-	-	9,346,188	4,589,755	1,228,346	-	5,818,101	3,528,087	4,756,433
Electrical Installation	30,296,003	125,001	-	30,421,004	18,406,162	5,801,721	-	24,207,883	6,213,121	11,889,841
Computer	1,827,399	206,417	(105,504)	1,928,312	1,425,808	243,974	(108,432)	1,561,350	366,962	401,592
Vehicles	32,227,478	-	-	32,227,478	19,899,837	3,813,905	-	23,713,742	8,513,736	12,327,641
Office equipment	4,118,367	624,655	-	4,743,022	2,745,725	999,198	(3,196)	3,741,726	1,001,296	1,372,643
	<b>974,023,198</b>	<b>60,473,875</b>	<b>(845,548)</b>	<b>1,033,651,525</b>	<b>376,654,430</b>	<b>129,557,738</b>	<b>(666,043)</b>	<b>505,546,126</b>	<b>528,105,399</b>	<b>597,368,726</b>
<b>INTANGIBLE ASSETS</b>										
Software	1,408,738	95,000	(135,000)	1,368,738	332,420	97,999	(135,000)	295,418	1,073,320	1,076,318
	<b>975,431,936</b>	<b>60,568,875</b>	<b>(980,548)</b>	<b>1,035,020,263</b>	<b>376,986,850</b>	<b>129,655,736</b>	<b>(801,043)</b>	<b>505,841,544</b>	<b>529,178,719</b>	<b>598,445,044</b>
<b>Capital WIP</b>	-	12,928,592	-	12,928,592	-	-	-	-	12,928,592	-
<b>TOTAL</b>	<b>975,431,936</b>	<b>73,497,467</b>	<b>(980,548)</b>	<b>1,047,948,855</b>	<b>376,986,850</b>	<b>129,655,736</b>	<b>(801,043)</b>	<b>505,841,544</b>	<b>542,107,310</b>	<b>598,445,044</b>
Figures for the prev. year	294,746,411	397,577,314	11,830,167	680,493,558	106,584,070	34,027,329	4,281,458	136,329,941	544,163,616	176,078,209

Note: The Holding Company in FY 2019-20 had re-assessed the useful life of certain Plant and Machinery and based on the technical advice had considered useful life of Plant and Machinery which is different from the rate specified in Schedule II of the Companies Act, 2013. Had the Holding Company has adopted the useful life as specified in the Schedule II of the Companies Act, 2013, the depreciation on the Plant and Machinery would have been lower by Rs. 4,06,14,864/-

Note: Refer Note 3 and 6 for information on Property, Plant & Equipment offered as security against borrowings taken by the group and Refer Note 28 for its carrying amount.

For Global Stones Pvt. Ltd.  
Director

For Global Stones Pvt. Ltd.

Sweta Shah  
Director

