

28th

ANNUAL REPORT

2012-2013

GLOBAL STONE INDIA LIMITED

Board of Directors : Mr. K. N. Garg - Chairman
Mr. R. C. Soni - Director
Mr. K. L. Daga - Director

Statutory Auditors : M/s. S M N P & Co.,
Chartered Accountants, Mumbai

**Registrar
& Transfer Agent** : **Bangalore Office:**
(For Demat and Physical both) M/s. Link Intime India Pvt. Ltd.
543/A, 7th Main, 3rd Cross Road,
Hanumantha nagar,
Bangalore - 560 019
Phone: ++91 - 080 - 26509004

Mumbai Office
M/s. Link Intime India Pvt. Ltd.
C-13, Pannalal Silk Mills Compound
Kantilal Maganlal Indl. Estate,
L.B.S. Road, Bhandup West,
Mumbai - 400 080.
Phone : ++ 91 - 022 - 2596 3838

Registered Office : No. 62 AG's Layout,
New BEL Road,
Bangalore - 560054 (Karnataka)
Phone: ++91 - 080 - 41482091 - 92

NOTICE

NOTICE is hereby given that the 28th Annual General Meeting of the Members of Global Stone India Limited will be held on Saturday, the 28th September, 2013 at 11.00 A.M. at the Registered Office of the Company Situated at No. 62, AG's Layout, New BEL Road, Bangalore - 560054 (Karnataka) to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2013 and the Profit and Loss Account for the year ended on said date together with Directors' Report and the Report of the Auditors thereon.
2. To appoint a Director in place of Mr. R. C. Soni, who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint M/s S M N P & Co., Chartered Accountants, Mumbai as Statutory Auditors of the Company to hold office from the conclusion of this meeting till the conclusion of the next Annual General Meeting of the Company and to fix their remuneration.

Place: Indore (M.P.)
Date: 21st August, 2013

By Order of the Board of Directors
For GLOBAL STONE INDIA LIMITED

Regd Off: 62 AG's Layout, New BEL Road,
Bangalore - 560054 (Karnataka)

K. N. Garg
Chairman

NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ALSO ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE AT THE MEETING INSTEAD OF HIMSELF AND PROXY NEED NOT BE A MEMBER OF THE COMPANY.**

The proxy form to be effective must be lodged duly completed and stamped at the Registered Office of the Company at least 48 hours before the time for holding the Meeting.

2. The Register of Members and Share Transfer Books of the Company will remain closed from Saturday, 21st September, 2013 to Saturday, the 28th September, 2013 (both days inclusive)
3. The Members having physical shares are requested to notify immediately any change in their addresses with the Postal Identity Number (Pin Code) and quoting their folio number(s) to the Company. The Members holding shares in Demat form are required to get updated change in their addresses through their Depositories.
4. Members are requested to send their queries, if any, relating to the Annual Accounts and Reports at least one week before the date of Meeting, so that the information shall be made available in the Meeting.
5. The Ministry of Corporate Affairs ('MCA') has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliance by companies and has issued Circular No. 17/2011 dated April 21, 2011 and another Circular 188/2011 dated April 29, 2011. This will ensure prompt receipt of communication, avoid loss in postal transit and reduce paper consumption besides entailing other benefits. Hence, Members are requested to provide their email ID to the depositories who are holding their shares in demat form and the members who are holding their shares in physical form may send the duly filed form to our Registrar and Share Transfer Agent M/s Link Intime India Private Limited at their following offices address for sending the document in electronic form.:

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Bangalore Office:

M/s. Link Intime India Pvt. Ltd.
543A, 7th Main, 3rd Cross,
Hanumanthnagar, Bangalore - 560 019
Phone: (080) 2650 9004

Mumbai Office:

M/s. Link Intime India Pvt. Ltd.
C-13, Pannalal Silk Mills Compound,
L.B.S. Marg, Bhandup (W) Mumbai-400 078
Phone: (022) 25963838

6. Any change of address of the Members for physical shares may please be notified to the Registrar and Share Transfer Agent quoting their Registered Folio. Any change of address for the demated shares may please be notified to the respective depository participants directly.
7. Members who wish to dematerialize the share or seek any information regarding transfer of shares are requested to contact the Company's Registrar and Share Transfer Agent.
8. Members attending the meeting are requested to bring with them the Attendance Slip attached to the Annual Report duly filled in and signed and handover the same at the entrance of the hall.
9. Information under clause 49 of the Listing Agreement with the Stock Exchange in respect of Director seeking re-appointment at the Annual General Meeting is appended below.

MR. R. C. SONI

Date of Birth	Date of Appointment	Directorship held in other Companies	No. of Shares held in Company
13.06.1950	31.01.2013	04 (Four)	300 (three hundred)

Mr. R. C. Soni is proposed to be re-appointed as a Director of the Company liable to retire by rotation. Mr. R. C. Soni has rich experience of business and industry, both domestic and international, and his presence on the Board would be beneficial to the Company. The Board of Directors recommends his reappointment.

Place: Indore (M.P.)
Date: 21st August, 2013

By Order of the Board of Directors
For GLOBAL STONE INDIA IMITED

Regd Off: 62 AG's Layout, New BEL Road,
Bangalore - 560054 (Karnataka)

K. N. Garg
Chairman

DIRECTORS' REPORT

**To,
The Members,**

The Directors of your Company have pleasure in presenting the 28th Annual Report of the Company with the Audited Annual Accounts for the financial year ended on 31st March 2013.

FINANCIAL HIGHLIGHTS

The Financial Results of the Company for the year ended 31st March, 2013 are as under:

Particulars	(Rs. in Lacs)	
	For the Year Ended on 31st March, 2013	For the Year Ended on 31st March, 2012
Income/Revenue from Operations	7.32	-
Manufacturing & Administrative Expenditures	40.12	4.10
(Loss) before Interest, Depreciation & Tax	(32.80)	4.10
Less: Interest, Depreciation & Tax	-	-
(Loss) After Interest, Depreciation & Tax but Before Exceptional Items	(32.80)	(4.10)
Exceptional Items	-	0.44
(Loss) before Taxation	(32.80)	(4.54)
Net Loss for the year	(32.80)	(4.54)

OPERATIONS

During the year under review, the Company could not operate its business satisfactorily due to non-availability of any business opportunity. Further, the continued scarcity of good quality raw material, steep rise in the overall cost of inputs, absence of working capital finances have made the operations of the Company economically unviable. The accumulated losses till end of the financial year have amounted to Rs. 2595.79 Lacs. However, the Management explored various feasible alternatives, but was forced to close down its manufacturing unit in previous year.

FUTURE OUTLOOK

The management of the Company expects to commence operations at any other alternate place and therefore any turning around of the Company in the near future is very likely. Now, the Company has recommenced trading activity for old stocks and various other business activities. The Company expects to enhance its business activities in the days to come.

DIVIDEND

In view of the accumulated losses, your Directors regret their inability to recommend dividend for the year.

BOARD OF DIRECTORS

Mr. R. C. Soni, Director of your Company retires by rotation at the ensuing Annual General Meeting and being eligible offers himself for re-appointment.

STATUTORY AUDITOR

M/s. S M N P & Co., Chartered Accountants, Mumbai the Statutory Auditors of the Company retire at the ensuing Annual General Meeting and being eligible, offers themselves for reappointment.

COMPANY SECRETARY

During the year Board of Director appointed Ms. Surabhi Panwar, Company Secretary of the Company dated 16th July, 2012. However, due to some personal reason she expressed unwillingness to continue as a Company Secretary in the company and tendered her resignation to the Board of Director on 30th September, 2012 which was duly accepted by the board.

The Board places on record its deep appreciation for valuable contributions rendered by Ms. Surabhi Panwar, during her tenure as Company Secretary of the Company.

AUDITORS' REPORT

There are no specific observations in the Auditors' Report requiring further comments under Section 217(3) of the Companies Act, 1956.

REPORT ON CORPORATE GOVERNANCE

The Company has fairly complied with the requirement of Corporate Governance in terms of Clause 49 of the listing agreement. A detailed report on Corporate Governance is given in the Annexure I which form part of this report.

DIRECTORS' RESPONSIBILITY STATEMENT

Your Directors confirm that:

- (i) in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- (ii) the accounting policies are consistently applied and reasonable, prudent judgment and estimates are made so as to give a true and fair view of the state of affairs of the Company at the end of the financial year;
- (iii) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) the Directors have prepared the annual accounts on a going concern basis.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

Information as required under section 217(1)(e) of the Companies Act, 1956, read with the Companies (Disclosures of particulars in report of the Board of Directors) Rules, 1988, is not applicable on the Company in consequence of closure of manufacturing operations in the company during the year.

PARTICULARS OF EMPLOYEES

The Company had no employees in the category mentioned in Section 217 (2A) of the Companies Act, 1956.

FIXED DEPOSITS

The Company has not accepted any deposits from the public during the year ended on 31st March, 2013.

APPRECIATION

The Directors are pleased to record their appreciation for the support and contributions made by all the concerned agencies.

By order of the Board of Directors
For GLOBAL STONE INDIA LIMITED

K. N. GARG
CHAIRMAN

Place: Indore (M.P.)
Date: 21st August, 2013

REPORT ON CORPORATE GOVERNANCE

INTRODUCTION

The Securities and Exchange Board of India (SEBI) has introduced a Code of Corporate Governance (Code) by way of amendment to the listing agreements with the Stock Exchanges. The Company has complied with the mandatory requirements of the Code.

1. COMPANY'S PHILOSOPHY

The fundamental objective of the Company's Corporate Governance is "enhancement of long-term value for shareholders and at the same time protecting the interest of other stakeholders and adopting a methodology which enhances effectiveness, better utilization of resources, transparent and harmonious relations between various interest groups", better working environment and workers participation in Management.

2. BOARD OF DIRECTORS

(A) Composition and Size of the Board:

The Board of Global Stone India Limited comprises of 03 (Three) Directors. None of the Directors of the Company is a Member of more than 10 committees or Chairman of more than 5 committees (as specified in the clause 49 of the Listing Agreement). The Board is primarily responsible for the overall management of the Company's business. The Composition of the Board during the financial year 2012-13 was as under:

Name of Directors	Category	No. of other Directorship	Board Committee(s) Memberships	
			Chairman	Member
Mr. K. N. Garg	Non Executive, Independent	3	-	4
Mr. R. C. Soni	Non Executive, Independent	2	1	3
Mr. K. L. Daga	Non Executive, Independent	1	-	-

Note: Private & Foreign Companies Directorship are excluded.

(B) Board Meetings and Attendance of Directors:

During the year 2012-13 Five Board Meetings were held on 05th May, 2012, 07th July, 2012, 30th October, 2012, 05th February, 2013 and 18th March, 2013.

Name of the Director	No. of meetings attended	Last AGM attended
Mr. K. N. Garg	05	Yes
Mr. R. C. Soni	04	No
Mr. K. L. Daga	04	Yes

(C) Sitting Fees

None of the Directors' were paid Sitting Fees during Financial year 2012-13.

(D) Code of Conduct - for Board Members and Senior Management:

In terms of para 1(D) of Clause 49- Corporate Governance, the Board of Directors has laid a Code of Conduct for all the Board Members and senior management of the Company. The code of conduct is also posted on the website of the Company.

3. BOARD COMMITTEES

For effective and efficient functioning of the Company the Board has formed the following Committees:

- * Audit Committee
- * Remuneration Committee
- * Shareholder's / Investors Grievances Committee

a) AUDIT COMMITTEE

The Audit Committee of the Board has such powers in terms of Clause 49 of the Listing Agreements and Section 292A of the Companies Act, 1956.

During the year 2012-13, Four Audit Committee Meetings were held on:
05th May, 2012, 07th July, 2012, 30th October, 2012, 05th February, 2013.

The Composition of the Audit Committee:

Sl. No.	Name of Directors/Members	Category
01	Mr. K. L. Daga	Chairman
02	Mr. R. C. Soni	Member
03	Mr. K. N. Garg	Member

Terms of Reference:

Terms of reference of the Audit Committee are as per the guidelines set out in the listing agreements with the Stock Exchanges and this inter alia include:

1. To ensure that the disclosure in the financial information stated in financial statements are correct, sufficient and credible.
2. To recommend regarding appointment & renewal of external Auditors, fixation of audit fees and approval for payment of other services.
3. To review with Management the annual financial statement before submission to the Board, focusing primarily on:
 - any change in accounting policies and practices;
 - major accounting entries based on exercise of judgment by management;
 - qualification in draft report;
 - Significant adjustments arising out of audit;
 - Compliances with stock exchanges and legal requirements concerning financial statement;
 - Related party transactions.
4. To review the adequacy of internal control system, internal audit functions including discussions with internal Auditors on matters like internal investigation where there is suspected fraud or irregularity or failure of internal control systems material nature.
5. Discussions with external Auditors before the audit commences nature and scope of audit as well as have post audit discussion.
6. To review the Company's financial and risk management policies; and
7. To look into the reasons for substantial defaults in the payment of depositors/ shareholders/ creditors.

b) REMUNERATION COMMITTEE

The Board of Global Stone India Limited constituted the Remuneration Committee to address the policy on Remuneration packages, their service contracts etc. The remuneration policy of the Company for managerial personnel is primarily based on the following:

- i) to prepare performance link Remuneration Package and retiral benefits;
- ii) to track record, potentials and performance of individual managers;
- iii) to prepare policy for training, development, job rotation and delegation as important tools for optimum utilization of available man power resources; and
- iv) to formalize guidelines for our sourcing skills and capabilities for new opportunities from the External competitive environment.

However, the Board of Directors will decide remuneration to Non-Executive Directors.

Composition:

The Remuneration Committee is as under comprised of 3 directors and out of which two directors are Independent and Non-Executive Directors. The Remuneration Committee is primarily responsible for implementing the remuneration policy of the Company.

Sl. No.	Name of Directors/Members	Category
01	Mr. K.L. Daga	Chairman
02	Mr. R. C. Soni	Member
03	Mr. K.N. Garg	Member

c) SHAREHOLDERS / INVESTOR'S GRIEVANCES CUM SHARE TRANSFER COMMITTEE

Terms of Reference:

The Board of Global Stone India Limited constituted Shareholders/ Investors Grievance cum Share Transfer Committee to facilitate prompt and effective redressal of shareholders' complaints and the reporting of the same to the Board periodically.

Composition:

The Board of Directors of your Company formed a sub-committee of the Board as Shareholders / Investors Grievances cum Share Transfer Committee consisting of 3 Directors. Out of whom two Directors are Independent & Non Executive Director. Any two members present shall constitute the quorum. The work related to shareholder services has been handed over to an independent agency i.e. M/s. Link Intime India Pvt. Limited. The registrar and share transfer agent is authorized to deal with physical as well as demated shares services. This committee meets at regular intervals to consider the report of share transactions recorded by registrar and share transfer agent.

Sl. No.	Name of Directors/Members	Category
01	Mr. R. C. Soni	Chairman
02	Mr. K.N. Garg	Member
03	Mr. K.L. Daga	Member

6. DISCLOSURES**a) Related Party Transactions:**

The Company has not entered into any transaction of a material nature with the promoters, the Directors or the management, or relatives, etc., that may have any potential conflict with the interests of the Company.

b) Compliances by the Company:

The Company has fairly complied with the requirements of the Stock Exchanges and SEBI. During the last three years, no penalties have been imposed on the Company by the Stock Exchanges or SEBI on any matter.

7. MEANS OF COMMUNICATION

Full annual report is sent to each shareholder every year at their registered address. Global Stone India Limited has been regularly sending quarterly / half-yearly / annual financial results to Stock Exchanges. These results are also sent to those shareholders who request for the same. The quarterly results are published regularly in one Kannada and one English Newspaper having circulation in the region where the Registered Office of the Company is situated. The quarterly financial Results and Annual Report are also sent to Financial Institutions/analysts/Institutional investors on demand.

8. SHAREHOLDERS MEETINGS:

AGM No.	Day & Date	Time	Venue
26th AGM	Friday, the 29th September, 2012	10.00 AM	Registered Office
25th AGM	Thursday, the 30th September, 2011	10.00 AM	Registered Office
24th AGM	Saturday, the 26th September, 2010	10.00 AM	Registered Office

9. GENERAL SHAREHOLDERS INFORMATION**a) 28th Annual General Meeting for the year 2012-13:**

Date & Time : Saturday, the 28th September, 2013 at 11.00 A.M.

Place : Regd. Office, No. 62, AG's Layout, New BEL Road, Bangalore -560 054.

b) Financial Calendar:**Financial Year April 1, 2013 to March 31, 2014**

Board Meeting for consideration of	: 21st August, 2013
Accounts for FY 2012-13	:
Book Closure Dates	: 21st September, 2013 to 28th September, 2013 (inclusive)
Date of 28th Annual General Meeting	: Saturday, the 28th September, 2013 at 11.00 AM

c) The Shares of the Company are listed at following Stock Exchanges:

Bombay Stock Exchange Ltd., Mumbai
Bangalore Stock Exchange Limited, Bangalore
The Stock Exchange, Ahmedabad.
Madras Stock Exchange, Chennai
Madhya Pradesh Stock Exchange Ltd., Indore

d) Market Price Data

The shares of the Company are listed at Five stock Exchanges. However the Shares were not traded on any Stock Exchange during the financial year 2012-13, hence the High and Low stock quotations are not available.

10. Registrars & Transfer Agents:**For shares held in Depository mode**

The Company has engaged the services of following Registrar & Share Transfer Agent for national connectivity to deal in shares in depository mode:

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Mumbai Office:

M/s Link Intime India Pvt Ltd

C-13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup West, Mumbai - 400 078.

The members may deposit their shares for dematerialization to their Depositories.

For shares held in Physical mode

As per SEBI directives with effect from 01/03/2003 the transfer of shares in physical mode is also handled by M/s Link Intime India Pvt Ltd correspondence with regard to share transfers and change of address, nomination mandate are to be addressed to the Share Transfer Agent i.e. M/s Link Intime India Pvt Ltd. at their Bangalore address, which given below:

Bangalore Office:

M/s Link Intime India Pvt Ltd

543/A, 7th Main, 3rd Cross Road, Hanumantha nagar, Bangalore - 560 019

The Demat request as well as request for transfer / transmission may primarily be sent to the Registrar and Share Transfer Agent as above. However the request may also be sent to company's Shares Dept. at Registered Office of the Company. Requests or complaint in other matters such as copy of Annual Report, Change of Address, Nomination and Mandate be sent to company's Shares Dept. as above.

11. Compulsory Dematerialized Trading

As the shareholders are aware the Securities and Exchange Board of India (SEBI) has included equity shares of the company for compulsory Dematerialized trading for all investors with effect from 24th July, 2000. The Company has already entered into agreement with Central Depository Services (India) Ltd (CDSL) to enable members of the company to select the depository of their choice for holding and dealing in shares in electronic form. The shareholders are requested to make use of such facility for maximizing their convenience in the dealing of the Company's shares. The ISIN (International Securities Identification Number) of the Company is **INE 057G 01019**.

12. Share Transfer System

- The Shareholders request is normally attended and reply is sent in ten days.
- As per SEBI Directives Company has appointed M/s Link Intime India Pvt Ltd Mumbai, with Bangalore Branch as common agency to handle physical transfer of shares as well as in electronic mode also.

13. Investors Relations

All complaints received from shareholders have been attended. The complaints are generally replied in 8-10 days from the date of receipt. The Investors / members may write for their queries to Share Department of the Company.

14. Distribution of Shareholders-

Distribution of shareholding as at 31st March, 2013 (Demat & Physical) .

Slab of Shareholding (No. of Shares)	No. of Shareholders	%	Amount in Rs.	%
1-500	11484	95.38	1726115	14.44
501-1000	304	2.53	253605	2.11
1001-2000	109	0.91	167200	1.39
2001-3000	34	0.28	87100	0.72
3001-4000	16	0.13	57100	0.47
4001-5000	22	0.18	104600	0.87
5001-10000	35	0.29	259300	2.16
10001 & above	36	0.30	9344980	77.84
Total	12040	100.00	120000000	100.00

According to categories of shareholders as at 31st March, 2013

Categories	No. of Demated shares	No. of shares in Physical	Total No. of Shares	%
Promoters	3510180	3038500	6548680	54.57
Mutual Funds & UTI	0	9600	9600	0.08
Banks, Fin. Instt/Insurance Co/FIIS	300	0	300	Negligible
Non-Resident Indians/OCBs	0	1500000	1500000	12.50
Other bodies corporate	11400	405100	416500	3.47
Other General Public	776600	2759310	3524920	29.37
Total	4298480	7712510	12000000	100.00

15. Compliance Certificate of the Auditors

The Company has obtained a certificate from the statutory Auditors regarding compliance of conditions of Corporate Governance as stipulated in Clause 49 (VII) of the Listing Agreement and the same is annexed.

For and on behalf of the Board of Directors
For GLOBAL STONE INDIA LIMITED

Place: Indore (M.P.)
Date: 21st August, 2013

(K. N. Garg)
Chairman

AUDITORS' CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE UNDER CLAUSE 49 OF THE LISTING AGREEMENT

To The Members of GLOBAL STONE INDIA LIMITED,

1. We have examined the compliance of conditions of corporate governance by Global Stone India Limited, for the year ended 31st March, 2013 as stipulated in Clause 49 of the Listing Agreement of the said company with stock exchanges.
2. The compliance of conditions of corporate governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the certificate of Corporate Governance. It is neither an audit nor an expression of opinion of the financial statements of the Company.
3. In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the Listing Agreement.
4. We state that in respect of investor grievances received during the year ended 31st March, 2013, no investor grievance(s) are pending for more than 15 days against the Company as per the records maintained by the Registrar and Share Transfer Agent.
5. We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For SM N P & Co
Chartered Accountants
Firm Registration No. 105929W

Anand Malpani
Partner
Membership No. 125779

Date: 21st August, 2013
Place: Mumbai

INDEPENDENT AUDITORS' REPORT

To,
The Members of
Global Stone India Limited.

(I) Report on the Financial Statements

We have audited the accompanying financial statements of **Global Stone India Ltd.** ("the Company"), which comprise the Balance Sheet as at March 31, 2013, the statement of Profit and Loss and the Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

(II) Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

(III) Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion.

(IV) Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors' Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure, a statement on the matters specified in paragraphs 4 of the said Order.
2. Further to our comments in the annexure referred to in 1 above, as required by section 227(3) of the Act, we report as follows:
 - a. we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b. in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - c. the Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;

- d. In our opinion, the Balance Sheet, Statement of Profit and Loss and the Cash Flow Statement comply with the accounting standards referred to in sub-section (3C) of section 211 of the Act;
- e. on the basis of written representations received from the directors as on March 31, 2013, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2013, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Act.

(V) Opinion

Basis of Qualified opinion

- (i) *Refer Note No 24 regarding non compliance by the Company with section 383A of the Act employing a full time Company secretary.*
- (ii) In our opinion and to the best of our information and according to the explanations given to us, the financial statements, *subject to para 5 (i) above* and its consequential impact on the financial statements which is presently unascertainable, give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India;
 - (a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2013;
 - (b) in the case of the Statement of Profit and Loss, of the loss of the Company for the year ended on that date; and
 - (c) in the case of the Cash Flow Statement, of the cash flows of the Company for the year ended on that date.

For SM N P & Co
Chartered Accountants
Firm Registration No. 105929 W

Anand Malpani
Partner
Membership No. 125779

Date: 21st August, 2013
Place: Mumbai

Annexure to the Auditors' Report
(Referred to in paragraph (IV).1 of our report of even date)

In terms of the information and explanations given to us and the books and records examined by us and on the basis of such checks as we considered appropriate, we further report as under:

- (i) **Fixed Assets**
There were no fixed assets with the Company at any time during the year.
- (ii) **Inventories**
a) In our opinion physical verification of inventory has been conducted at reasonable intervals by the management;
b) The procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
c) The company is maintaining proper records of inventory and no material discrepancies were noticed on physical verification and if any, the same have been properly dealt with in the books of account;
- (iii) **Loans taken from and given to parties covered under Section 301 of the Act**
a) During the year the Company has granted interest free unsecured loans to one party listed in the register ought to be maintained under Section 301 of the Companies Act, 1956. The maximum balance outstanding during the year Rs.5.79 lacs and the closing balance is Rs 5.79 lacs. In our opinion other terms and conditions of the said loan are not prima facie prejudicial to the interest of the Company.
b) We have been explained that the above loans are recoverable on demand. Since there is no formal documentation in respect of the above loan, we cannot comment upon (i) regularity in services (ii) Overdue Principal and (iii) Reasonableness in steps taken by the Company to recover the above loan.
- (iv) **Internal Controls**
In our opinion, there are adequate internal control procedures commensurate with the size of the Company and nature of its business, in respect of sale and purchase of inventory by the Company during the year under review. We have not come across any major weakness in the internal control system prevailing in the company.
- (v) **Transactions with Party Covered under Section 301 of the Companies Act, 1956**
The particulars of the contracts and arrangements referred to in Section 301 of the Act, have not been so entered in the register required to be maintained under the said Section. During the year there are no transactions with the said parties, each aggregating to Rs. 5 lacs or more.
- (vi) **Public Deposits**
The Company has not accepted any deposits from the public during the year, within the purview of the directives issued by the Reserve Bank of India and the provisions of Sections 58 A and 58 AA of the Companies Act, 1956 and the rules framed there under.
- (vii) **Internal Audit**
The Company has no formal internal audit system at any time during the year under review.
- (viii) **Cost Records**
As explained to us the Central Government has not prescribed for maintenance of cost accounts and records under Section 209(1) (d) of the Companies Act, 1956.
- (ix) **Statutory Dues**
As per the records verified by us and as explained to us, the Company has been regular in depositing undisputed statutory dues involving Income-tax with the appropriate authorities. There were no arrears under the above heads which were due for more than six months from the date they became payable as at the close of the year. Keeping in view the present operations of the Company, statutes relating to Employees' State Insurance, Sales-tax, Wealth Tax, Custom Duty, Investor Education and Protection Fund, Excise Duty and Cess are not applicable to the Company during the year under review.
As per the records, no statutory dues have been disputed and lying pending with the Company as at the close of the year under review.
- (x) **Accumulated Losses**
The Company has accumulated losses at the close of the current year, which has eroded more than 90% of its net worth. Also the Company incurred cash losses in the current financial year to the extent of Rs.32.80 Lacs and Rs.4.10 lacs in the immediately preceding financial year.
- (xi) **Dues to Banks**
Based on the records maintained, the Company has not borrowed from Banks/financial Institutions during the year. Also the Company has not issued any debentures.
- (xii) **Loans against pledge of Securities**
During the year, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) **Applicability of Special Statute**
The provisions of special statutes as applicable to Chit fund, Nidhi or Mutual Benefit Company are not applicable to the Company during the year.

(xiv) Dealing in Shares

The Company has not dealt in shares in current financial year as well as in immediately preceding financial year.

(xv) Guarantees given

According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions.

(xvi) Term Loans

As per the records verified by us, the Company has not taken any term loans during the year under review.

(xvii) Debentures

No debentures have been issued by the Company during the year.

(xviii) Public Issue

The Company has not raised any money by public issue during the year under review.

(xix) Frauds

Based on the audit procedures performed and the information and explanations given by the management, we report that no fraud on or by the Company has been noticed or reported during the year under review.

For SM N P & Co
Chartered Accountants
Firm Registration No. 105929 W

Anand Malpani
Partner
Membership No. 125779

Date: 21st August, 2013

Place: Mumbai

**AUDITORS' CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE
UNDER CLAUSE 49 OF THE LISTING AGREEMENT**

To,

The Members of
GLOBAL STONE INDIA LIMITED,

1. We have examined the compliance of conditions of corporate governance by Global Stone India Limited, for the year ended 31st March, 2013 as stipulated in Clause 49 of the Listing Agreement of the said company with stock exchanges.
2. The compliance of conditions of corporate governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the certificate of Corporate Governance. It is neither an audit nor an expression of opinion of the financial statements of the Company.
3. In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the Listing Agreement.
4. We state that in respect of investor grievances received during the year ended 31st March, 2013, no investor grievance(s) are pending for more than 15 days against the Company as per the records maintained by the Registrar and Share Transfer Agent.
5. We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For SM N P & Co
Chartered Accountants
Firm Registration No. 105929 W

Anand Malpani
Partner
Membership No. 125779

Date: 21st August, 2013

Place: Mumbai

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BALANCE SHEET AS AT 31ST MARCH, 2013

Particulars	Note No.	As at 31.03.2013 (in Rupees)	As at 31.03.2012 (in Rupees)
EQUITY AND LIBILITIES:			
Share Holders' Funds			
Share Capital	2	269,718,865	269,718,865
Reserves and Surplus	3	(259,579,163)	(256,299,024)
Current Liabilities			
Short Term Borrowings	4	139,754,646	550,000
Trade Payables	5	1,477,253	2,156,994
Other Current Liabilities	6	1,014,641	1,015,298
Total		<u>152,386,242</u>	<u>17,142,133</u>
ASSETS:			
Non Current Assets			
Long-term Loans and Advances	7	39,780,000	5,938,195
Current Assets			
Inventory	8	2,399,048	-
Trade Recievables	9	-	-
Cash and Cash Equivalents	10	1,517,464	1,114,968
Short Term Loans and Advances	11	108,689,730	10,088,970
Total		<u>152,386,242</u>	<u>17,142,133</u>
Significant Accounting Policies and Notes on Accounts	1		

Notes form an integral part of the Financial Statements
As per our report of even date attached

For S M N P & Co.
Chartered Accountants

For Global Stone India Limited

Anand Malpani
Partner
Membership No. 125779

K. N. Garg
Director

R. C. Soni
Director

Place : Mumbai
Date : 21st August, 2013

Place : Indore
Date : 21st August, 2013

GLOBAL STONE INDIA LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31.03.2013			
Particulars	Note No.	Year ended 31.03.2013 (in Rupees)	Year ended 31.03.2012 (in Rupees)
REVENUE			
Revenue from operations		-	-
Other Income	12	731,781	-
Total		<u>731,781</u>	<u>-</u>
EXPENSES			
Cost of Material Consumed	13	-	-
Other expenses	14	4,011,920	410,380
Total		<u>4,011,920</u>	<u>410,380</u>
Profit/(Loss) before Extraordinary & Exceptional items		<u>(3,280,139)</u>	<u>(410,380)</u>
Exceptional Items	15	-	44,120
Tax expense:			
Current tax		-	-
Deferred tax		-	-
Profit/ (Loss) for the period		<u>(3,280,139)</u>	<u>(454,500)</u>
Earning per equity share: Basic & Diluted		(0.27)	(0.04)
Significant Accounting Policies and Notes on Accounts	1		
Notes form an integral part of the Financial Statements As per our report of even date attached			
For S M N P & Co. Chartered Accountants		For Global Stone India Limited	
Anand Malpani Partner Membership No. 125779 Place : Mumbai Date : 21st August, 2013		K. N. Garg Director Place : Indore Date : 21st August, 2013	R. C. Soni Director Date : 21st August, 2013

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CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2013		
Particulars	31.03.2013 (in Rupees)	31.03.2012 (in Rupees)
A. CASH FLOW FROM OPERATING ACTIVITIES :		
Net Profit / (Loss) before Tax	(3,280,138.99)	(454,500.00)
Adjustment for:	-	-
Depreciation	-	-
Preliminary Expenses Written off	-	-
Foreign Exchange	-	-
Investment Income	542,794.00	-
Interest Charged	-	-
Profit/(Loss) on sale of Assets	-	-
Operating Profit before working capital changes	(2,737,344.99)	(454,500.00)
Adjustment for:	-	-
Trade and Other Receivables	-	-
Inventories	(2,399,048.10)	-
Trade Payables	138,524,248.00	1,654,607.00
Cash Generated from Operations	133,387,854.91	1,200,107.00
Interest Paid (Net of receipts/credits)	-	-
Direct Taxes Paid	-	-
Cash flow before extraordinary items	133,387,854.91	1,200,107.00
Extraordinary items	-	-
NET CASH FLOW FROM OPERATING ACTIVITIES (A)	133,387,854.91	1,200,107.00
B. CASH FLOW INVESTING ACTIVITIES :		
Purchase of Fixed Assets and Other Capital Expenditures (including interest capitalised/credits)	-	-
Sale of Fixed Assets	-	-
Change in Loans and Advances	(132,442,564.90)	(1,150,856.00)
Purchase of Investment	-	-
Sale of Investment	-	-
Interest Received	(542,794.00)	-
NET CASH USED IN INVESTING ACTIVITIES (B)	(132,985,358.90)	(1,150,856.00)
C. CASH FLOW FROM FINANCE ACTIVITIES :		
Proceeds from Issue of Share Capital	-	-
Return of Share Application Money	-	-
Increase in Reserves and Surplus	-	-
Proceeds from long Term Borrowings	-	-
Deferred Payment Liabilities	-	-
Dividend Paid	-	-
NET CASH USED IN FINANCING ACTIVITIES (C)	-	-
D. NET CHANGE IN CASH AND CASH EQUIVALENTS (A+B+C)	402,496.01	49,251.00
Cash and Cash Equivalents As At the beginning of the year	1,114,968.24	1,065,717.00
Cash and Cash Equivalents As At end of the year	1,517,464.25	1,114,968.24
As per our report of even date		
For S M N P & Co.		For Global Stone India Limited
Chartered Accountants		
Anand Malpani	K. N. Garg	R. C. Soni
Partner	Director	Director
Membership No. 125779		
Place : Mumbai	Place : Indore	
Date : 21st August, 2013	Date : 21st August, 2013	

NOTES FORMING PART OF THE FINANCIAL STATEMENTS AS AT 31ST MARCH 2013

Note 1: Significant Accounting Policies**1.1 Basis of Accounting:**

The Financial statements have been prepared on accrual basis, except wherever otherwise stated, under the historical cost convention, in accordance with the accounting principles generally accepted in India and compiled with the accounting standards referred to in the Company's Accounting Standards Rules 2006, issued by the Central Government in exercise of the powers conferred under subsection (i)(a) of Section 642 and the relevant provisions of the Companies Act, 1956.

1.2 Use of Estimates

The preparation of financial statements in conformity with the generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosures of contingent liabilities on the date of financial statements. Actual results could differ from those estimates. Any revision to accounting estimates is recognized prospectively in the current and future periods.

1.3 Inventory

Inventories are valued at lower of the cost or net realizable value. For this purpose cost includes direct material duties and taxes.

1.4 Revenue Recognition

All expenses and revenue are accounted for on accrual basis except wherever stated otherwise.

1.5 Fixed Assets and Depreciation:

Fixed Assets are stated at cost of acquisition / construction less accumulated depreciation and impairment loss. Cost includes related expenditure and Pre-operative and Project expenses for the period up to completion of construction / assets are put to use.

Depreciation on Fixed Assets is provided on Written Down Value Method at the rates and in the manner prescribed in Schedule XIV to the Companies Act, 1956.

1.6 Borrowing Costs

Borrowing costs attributable to the acquisition / construction of a qualifying asset are capitalized as part of the cost of such assets, up to the date the assets are ready for their intended use. Other borrowing costs are recognised as an expense in the period in which they are incurred.

1.7 Investments

All long term investments are stated at cost, less any diminution in the value, if any, other than temporary.

1.8 Taxation

i) Current tax is determined as the amount of tax payable in respect of taxable incomes for the year based on applicable tax rates and provisions.

ii) Deferred tax is recognised on timing differences, being the difference between taxable incomes and accounting income that originate in one period and are capable of reversal on one or more subsequent periods and is measured using tax rates that have been enacted or substantively enacted as on the Balance Sheet date. Where there is unabsorbed depreciation or carry forward losses, deferred tax assets are recognised only if there is virtual certainty of realisation of such assets. Other deferred tax assets are recognised only to the extent there is reasonable certainty of realization in future. Deferred tax assets/liabilities are reviewed on yearly basis to reassess their realization or otherwise.

1.9 Impairment of Assets

The Company identifies Impairable assets based on cash generated unit concept at the year end in terms of paragraphs - 5 to 13 of Accounting Standard - 28 for the purpose of arriving at impairment

loss thereon, if any, being the difference between the book value and recoverable value of relevant assets. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. Impairment loss when crystallizes is charged against revenue of the year.

1.10 Contingent Liabilities

Disputed liabilities and claims against the Company including claims raised by various revenue authorities (e.g. Sales Tax, Income Tax, etc.), pending in appeal/court for which no reliable estimate can be made of the amount of the obligation or which are remotely poised for crystallization are not provided for in accounts but disclosed in Notes on Accounts.

However, present obligation as a result of past event with possibility of outflow of resources, when reliably estimable, is recognized in accounts.

Notes on Accounts (Continued)

16. (a) Contingent Liabilities as may arise due to delayed/non-compliance of certain fiscal statutes - Amount unascertainable (Previous Year - Amount Unascertainable).
 (b) Arrears of preference dividend on 1,500,000, 15% Cumulative Convertible Redeemable Preference Shares of Rs.100 each Rs.225 lacs (Previous Year Cumulative Rs. 2700 lacs)
17. The company has in the earlier year filed an Appeal before the Commissioner of Customs, Ahmedabad against the order of the Commissioner (EOU) demanding additional Custom Duty of Rs. 4.68 lacs. The Company has deposited the said amount under protest and made no provision in respect of the same in its accounts. Keeping in view the fact that there was no outcome in the matter for more than 5 years, the Company has thought it fit to write of the said deposit during the year under review.
18. The Company has issued 1,500,000, 15% Cumulative Convertible Redeemable Preference Shares of Rs.100 each on 27th January 2000. The said shares are Convertible in to equity shares as decided by the management on or before 26th January 2015 along with the arrears of dividend, if any.
19. In the opinion of the management, the Current Assets and Loans and Advances are realizable at the values stated in the financial statements in the ordinary course of business and adequate provision for all known liabilities has been made in the accounts.
20. No Remuneration was paid /provided in respect of the directors during the current as well as the previous year.
21. Since there were no employees with the Company during the year, no retirement benefits were provided in the books within the purview of Accounting Standard -15(AS-15), 'Employee Benefits'.
22. Computation of Earnings Per Share (Basic and diluted):

<u>Description</u>	<u>Current Year</u>	<u>Previous Year</u>
Amount used as numerator (Profit/Loss) (Rs.)	(3,280,139)	(4,54,500)
Denominator (No. of Equity Shares) (Nos.)	12,000,000	12,000,000
Nominal value per Equity share (Rs.)	10	10
Earnings Per Share (Rs.)	(0.27)	(0.04)
23. The provision for the current tax has not been made keeping in view of losses during the year. Further no provision towards deferred tax has been made since there are no timing differences at any time during the year.
24. During the year Board of Director appointed Ms. Surabhi Panwar, Company Secretary of the Company dated 16th July, 2012. However, due to some personal reason she expressed her unwillingness to continue as a Company Secretary in the company and tendered her resignation to the Board of Director on 30th September, 2012. The management of the Company is searching for a new Company Secretary in the Company and the appointment shall be made at the close of the year.
25. Details of amounts due to Micro, Small and Medium Enterprises under the head Current liabilities, to be given under the Micro, Small and Medium Enterprises Development Act, 2006, based on the

- information available with the Company and relied upon by the auditors- Nil (Previous Year - Nil).
26. **Related Party Disclosures:**
 Related party disclosure as required by Accounting Standard-18 (AS-18) 'Related Party Disclosures' is as given below:

Names of the related Parties and description of the relationship:

- | | | |
|--|---|-------------------------|
| (i) Subsidiary/Fellow Subsidiary | : | None |
| (ii) Key Management Personnel | : | Mr. K.N. Garg |
| (iii) Relatives of Key Management Personnel | : | None |
| (iv) Enterprises owned or significantly Influenced
by Key management personnel
or their relatives (Associates) | : | STI Products India Ltd. |

Nature of Transactions	Key management Personnel		(Amt Rs. in Lacs) Associates	
	31.03.2013	31.03.2012	31.03.2013	31.03.2012
Loans & Advances Given	-	-	5.79	-
Balances as on 31.03.2103	-	-	-	-
Loans & Advances	-	-	5.79	-

Note: Related party relationships are identified by the Company and relied upon by the auditors.

27. Auditor's remuneration excluding service tax is as follows:

Particulars	For the year ended 31 March 2013	For the year ended 31 March 2012
Audit Fees	40,000	40,000
Total	40,000	40,000

28. Other Information

- Earnings in Foreign currency on account of export of goods calculated on FOB basis Nil (Previous Year - Nil).
- CIF Value of goods imported NIL (Previous Year NIL).
- Expenditure in Foreign currency: NIL (Previous Year - Nil).

29. Previous year's figures have been regrouped wherever necessary to conform to that of current year's presentation.

For and on behalf of the Board of Directors

For Global Stone India Limited

As per our report attached
For S M N P & Co.

Chartered Accountants

Anand Malpani

Partner

Membership No. 125779

K. N. Garg

Director

R. C. Soni

Director

Place : Mumbai

Date : 21st August, 2013

Place : Indore

Date : 21st August, 2013

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Notes Forming Part of the Financial Statements as at 31st March, 2013				
PARTICULARS	As At 31.03.2013 (in Rupees)		As At 31.03.2012 (in Rupees)	
Note:2				
Share Capital				
Authorised				
12000000 Equity Shares of Rs.10/- each	120,000,000		120,000,000	
1500000 15% Cumulative 15 Years Convertible Redeemable Preference Shares Of Rs 100/- Each	<u>150,000,000</u>		<u>150,000,000</u>	
	<u>270,000,000</u>		<u>270,000,000</u>	
Issued ,Subscribed And Paid-up				
12000000 Equity Shares Of Rs 10/- Each	120,000,000		120,000,000	
1500000 15% Cumulative 15 Years Convertible Redeemable Preference Shares Of Rs 100/- Each	<u>150,000,000</u>		<u>150,000,000</u>	
	<u>270,000,000</u>		<u>270,000,000</u>	
Paid up:				
12000000 Equity Shares Of Rs.10/- Each, fully paid	120,000,000		120,000,000	
Less: Calls Unpaid				
By Other	<u>281,135</u>		<u>281,135</u>	
(A)	<u>119,718,865</u>		<u>119,718,865</u>	
Redeemable Preference	(B)	150,000,000		150,000,000
Total (A+B)		<u>269,718,865</u>		<u>269,718,865</u>
a. Reconciliation of the shares outstanding at the beginning and at the end of the reporting period				
Equity Shares				
Particulars	As at 31st March 2013		As at 31st March 2012	
	Number	Amount (Rs.)	Number	Amount (Rs.)
Shares outstanding at the beginning of the year	12,000,000	120,000,000	12,000,000	120,000,000
Shares Issued during the year	-	-	-	-
Shares outstanding at the end of the year	12,000,000	120,000,000	12,000,000	120,000,000
b. Terms/rights attached to equity shares and preference Shares				
The company has only one class of equity shares having a par value of Rs.10 per share. Each holder of equityshares is entitled to one vote per share. Cumulative Convertible redeemable Preference Shares (CCPS) carry cumulative dividend @ 15% p.a. Each holder of CCPS is entitled to one vote per share only on resolutions placed before the company which directly affect the rights attached to CCPS.				
c. Details of shareholders holding more than 5% shares in the company				
Equity shares of Rs.10/- each fully paid	As at 31st March 2013		As at 31st March 2012	
Particulars	Number	% of holding in the class	Number	% of holding in the class
Danfia Holdings	2,660,000	22.17%	2,660,000	22.167%
ABN Amro Bank N V (A/c European Eco .Com)	1,500,000	12.50%	1,500,000	12.5%
Trust Ci.Investments Ltd	900,000	7.50%	900,000	7.5%

GLOBAL STONE INDIA LIMITED

Notes Forming Part of the Financial Statements as at 31st March, 2013		
PARTICULARS	As At 31.03.2013 (in Rupees)	As At 31.03.2012 (in Rupees)
Note : 3 Reserve & Surplus		
Surplus/(Deficit) Statement of Profit and Loss		
Opening Balance	(256,299,024)	(255,844,524)
Add: Transferred from Annexed Account	(3,280,139)	(454,500)
Total	<u>(259,579,163)</u>	<u>(256,299,024)</u>
Total reserves and Surplus	(259,579,163)	(256,299,024)
Note : 4 Short Term Borrowings		
Short Term Borrowings (Unsecured)		
Others	-	550,000
Other Loans & Advances		
Advance from Customers -Others		
Total	<u>139,754,646</u>	<u>-</u>
	139,754,646	550,000
Note : 5 Trade Payables		
For goods	1,228,619	1,236,317
For Expenses	248,634	920,677
Total	<u>1,477,253</u>	<u>2,156,994</u>
Note : 6 Other Current Liabilities		
Other Payables		
Debenture Redemption and interest payable		
Total	<u>1,014,641</u>	<u>1,015,298</u>
	1,014,641	1,015,298
Note :7 Long Term Loans and Advances		
(Unsecured, Considered Good)		
Security Deposits	39,780,000	5,938,195
Total	<u>39,780,000</u>	<u>5,938,195</u>
Note : 8 Inventory		
Closing Stock		
(as taken, valued and certified by the management)		
Stores & Consumables	2,399,048	-
Total	2,399,048	-
Note : 9 Trade Receivables		
Unsecured, considered good		
(unless stated otherwise)		
Outstanding for a period exceeding six months from the date they are due for payment		
a) Unsecured, Considered Good :	-	-
b) Doubtful :	13,062,699	13,062,699
Less: Provision for Doubtful Debts	13,062,699	13,062,699
Total	<u>-</u>	<u>-</u>
	-	-
Note : 10 Cash & Cash Equivalent		
Cash-in-Hand		
Cash Balances	17	56,967
Balance With Banks		
In current Account	485,249	25,253
Other Bank Balances		
	1,032,198	1,032,748
Total	<u>1,517,464</u>	<u>1,114,968</u>

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Notes Forming Part of the Financial Statements as at 31st March, 2013		
PARTICULARS	As At 31.03.2013 (in Rupees)	As At 31.03.2012 (in Rupees)
Note : 11 Short Terms Loans and Advances		
(Unsecured, Considered Good)- Intrest free		
Loans & Advances - Related parties	579,762	-
- Others	108,109,968	10,088,970
Total	<u>108,689,730</u>	<u>10,088,970</u>
Note : 12 Other Income		
Interest on FD	377,466	-
Interest on Sales Tax Deposit	165,328	-
Sundry balances written back (net)	188,987	-
Total	<u>731,781</u>	<u>-</u>
Note :13 Cost of Material consumed		
Aluminium Panel Sheet & Other Material		
Opening stock	-	-
Add:Purchase	2,399,048	-
Less:Closing Balance	2,399,048	-
Total	<u>-</u>	<u>-</u>
Note :14 Other Expenses		
CDSL Annual Fee	17,912	56,895
Bank Charges	1,719	-
Listing Fee	-	44,120
Share Processing Charges	82,578	55,478
Salary	90,000	127,500
Printing and Stationery	317	150
Audit Fee	44,944	44,944
Travelling&Conveyance Expenses	-	644
Rent	3,694,000	-
Rates & Taxes	3,500	315
Postage & Courier Charges	-	162
Miscellaneous Expenses	56,950	1,172
Professional Fee	20,000	79,000
Total	<u>4,011,920</u>	<u>410,380</u>
Note : 15 Exceptional Items		
Listing Fee	-	44,120
Total	<u>-</u>	<u>44,120</u>

GLOBAL STONE INDIA LIMITED

Regd. Office: No. 62 AG's Layout, New BEL Road,
Bangalore - 560054 (Karnataka)

PROXY FORM
28th Annual General Meeting

I/We.....of.....being a Member/Members of Global Stone India Limited, hereby appoint Mr.....of.....or failing him Mr.....of.....as my/our proxy to attend and vote for me/us on my/our behalf at the 28th Annual General Meeting of the Company to be held on Saturday, the 28th September, 2013 at 11.00 AM at its Registered Office at No.62, AG's Layout, New BEL Road, Bangalore - 560 054 (Karnataka) and/or at any adjournment thereof.

(As witness my/our hand(s) of this day.....of.....2013

Folio No.....

Members Signature.....

Affix
Rs. 1
Revenue
Stamp

Note: The Proxy, to be valid, must be deposited at the Registered Office of the Company, not less than 48 hours before the time for holding the meeting.

ATTENDANCE SLIP

GLOBAL STONE INDIA LIMITED
28th Annual General Meeting

Share holder's Name.....Folio No.....

Proxy Name.....

I am a registered Shareholder / proxy of the registered shareholder. I record my presence at the 28th Annual General Meeting of the Company to be held on Saturday, the 28th September, 2013 at 11.00 AM at its Registered Office at No.62, AG's Layout, New BEL Road, Bangalore - 560 054 (Karnataka) and/or at any adjournment thereof.

Signature of the Shareholder / Proxy.....

CHANGE OF ADDRESS SLIP

To,
THE SHARES DEPARTMENT,
Global Stone India Limited
New BEL Road,
Bangalore - 560054

Folio No. :.....

Date :.....

Please take on record my new address as follows for all future Communications (Please fill in the details in CAPITAL LETTERS):-

Full Name.....Place.....

Distt.....State.....PIN.....

Note: The Shareholders, who are also the Debenture holders of the Company, are requested to send intimation of change in address separately for Shares and Debentures, clearly mentioning their respective folio numbers.

(Signature of Shareholder)

BOOK POST / AIR MAIL

If undelivered, please return to:
Global Stone India Limited
No. 62, AG'S Layout, New BEL Road,
BANGALORE - 560 054 (INDIA)

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