

32nd Annual Report 2016-17

GLOBAL STONE INDIA LIMITED

Board of Directors : MR. K. N. GARG – CHAIRMAN
MR. R. C. SONI – DIRECTOR
MR. K. L. DAGA – DIRECTOR
Ms. HIBA SHAIKH – DIRECTOR

Statutory Auditors : M/s. A K P S & Co.,
Chartered Accountants, Indore

**Registrar
& Share Transfer Agent** :

BANGALORE OFFICE

Link Intime India Pvt. Ltd.
543A, 7th Main, 3rd Cross,
Hanumanthnagar,
Bangalore – 560 019
Phone : ++91 - 080 – 2650 9004

MUMBAI OFFICE

Link Intime India Pvt. Ltd.
C-13, Pannalal Silk Mills Compound
L.B.S. Road, Bhandup West,
Mumbai – 400 080.
Phone : ++ 91 - 022 – 2596 3838

Registered office : G 405 TO G 412,
Sigma Soft Tech Park,
Ramagondanahalli Village,
Varthur Hobli,
Bangalore KA 560066 IN

NOTICE

NOTICE is hereby given that the 32nd Annual General Meeting of the Members of Global Stone India Limited will be held on Saturday, the 30th of September, 2017 at 11.00 a.m. at the Registered Office of the Company situated at G 405 TO G 412, Sigma Soft Tech Park, Ramagondanahalli Village, Varthur Hobli, Bangalore 560066 IN (Karnataka) to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited Profit and Loss Account for the financial year ended on 32nd March, 2017 and Balance Sheet as on that date together with the Reports of Independent Auditor and Directors thereon.
2. To appoint a Director in place of Mr. K. N. Garg (DIN: 00008402) who retires by rotation and being eligible, offers himself for re-appointment.
3. To ratify appoint M/s A K P S & Co. (Earlier known as Pahwa Jhamb & Company), Chartered Accountants, Indore having Firm Registration No. 009710C as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting of the Company and to authorise the Board of Directors to fix their remuneration.

Place: Indore (M.P.)
Date: 14th August, 2017

By Order of the Board of Directors of
Global Stone India Limited

Sd/-
K. N. Garg
Chairman

Regd Off: G 405 TO G 412, Sigma Soft Tech Park,
Ramagondanahalli Village, Varthur Hobli, Bangalore
560066 IN (Karnataka)

NOTES:

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

The instrument appointing proxy should, however, be deposited at the Registered Office of the Company not less than 48 hours before the commencement of the Meeting.

Pursuant to the provisions of the Companies Act, 2013 and the underlying rules viz. Companies (Management and Administration) Rules, 2014, a person can act as proxy on behalf of member(s) not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or Member.

The Register of Members and Share Transfer Books of the Company shall remain closed from **Saturday, the 23rd September, 2017 to Saturday, the 30th September, 2017** (both days inclusive).

2. 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 annexed hereto.
3. Corporate Members intending to send their authorized representative(s) to attend the Meeting are requested to send to the Company a Certified True Copy of the Board Resolution authorizing their representative(s) to attend and vote on their behalf at the Meeting.
4. 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.
5. 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.
6. 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 filled form to our Registrar and Share Transfer Agent at their following addresses:

Bangalore Office:

Link Intime India Pvt. Ltd.
543/A, 7th Main, Hanumanthnagar,
Bangalore – 560 019 (Karnataka) India
Ph. No. (080) 26509004
Email : bangalore@linkintime.co.in

Mumbai Office:

Link Intime India Pvt. Ltd.
C-13, Pannalal Silk Mills Compound,
L.B.S. Marg, Bhandup (W),
Mumbai – 400 078 (M.H.) India
Ph. No. (022) 25963838, 25946970
Email : rnt.helpdesk@linkintime.co.in

7. Electronic copy of the Annual Report will be sent to the members in future whose email IDs are registered with the Company / Registrar and Share Transfer Agent for communication purposes unless any member requests for a physical copy of the same. Therefore, Members who have not registered their e-mail addresses so far are requested to register their e-mail address for receiving all communication including Annual Report, Notices, etc. from the Company electronically. A positive consent letter is attached with the report is being sent to the Members for giving consent to receive documents in electronic mode.
8. 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.
9. The Securities and Exchange Board of India (SEBI) has mandated the submission of the Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their

Depository Participant(s). Members holding shares in physical form shall submit their PAN details to the Company or the Registrar and Share Transfer Agent.

10. Members are requested to provide their details / information in the prescribed format as annexed with the annual report, to the Company or Registrar and Share Transfer Agent for updation of their information in the record of the Company and Registrar and Share Transfer Agent.

Statements pursuant SEBI (Listing Obligations and Disclosure Requirements), 2015.

ITEM NO. 2

Brief Profile of Mr. K. N. Garg, retiring director.

Date of Birth	Date of Appointment	Directorship held in other Companies	No. of shares held in Company
01.02.1945	22.03.1994	06 (Six)	1000

Mr. K. N. Garg is a Non-Executive Director of the Company. He joined the Board of Directors of the Company in the year 1994. Mr. K. N. Garg is Chairman of Nomination and Remuneration Committee and Stakeholders Relationship Committee and also a Member of Audit Committee of the Board of Directors of the Company.

Mr. K. N. Garg is an Industrialist, having Masters' Degree in Commerce and Bachelors' Degree in Law, is a new age entrepreneur. Mr. K. N. Garg has very vided experience of Treasury Management for more than three decades.

The Board recommends the resolution in relation to re-appointment of Mr. K.N. Garg as Director, for the approval by the shareholders of the Company.

None of the Director, Key Managerial Personnel of the Company and their relatives, except K. N. Garg being the appointee, are concerned or interested, financially or otherwise, in this resolution. The Board recommends the Ordinary Resolution as set out at item no. 2 for approval of the Members.

Place: Indore (M.P.)
Date: 14th August, 2017

By Order of the Board of Directors of
Global Stone India Limited

K. N. Garg
Chairman

Regd Off: **G 405 TO G 412, Sigma Soft Tech Park, Ramagondanahalli Village, Varthur Hobli, Bangalore Bangalore KA 560066 IN**

31ST DIRECTORS' REPORT

To,
The Members,

The Directors of your Company have immense pleasure in presenting the 32nd Annual Report of the Company with the Audited Annual Accounts for the financial year ended on 31st March, 2017.

FINANCIAL HIGHLIGHTS

The Financial Results of the Company for the year ended 31st March, 2017 are as under:

(In Lacs)

Particulars	For the Year Ended on 31 st March, 2016	For the Year Ended on 31 st March, 2016
Other Income/Revenue from Operations	-	-
Administrative & other Expenditures	2.41	2.41
(Loss) before Interest, Depreciation & Tax	(2.41)	(2.41)
Less: Interest, Depreciation & Tax	-	-
(Loss) After Interest, Depreciation & Tax but Before Exceptional Items	(2.41)	(2.41)
Earning per share	(0.02)	(0.02)

OPERATIONS & FUTURE OUTLOOK

During the year under review, the operations of the Company were not satisfactory due to absence of manufacturing and any other commercial business activities. The accumulated losses of the Company till the end of the financial year have amounted to Rs. 2678.55 Lacs. However, 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. 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.

SHARE CAPITAL

The paid up Equity Share Capital of the Company as on 31st March, 2017 was Rs 2697.19 Lacs. During the year under review, the Company has neither issued shares with differential voting rights nor granted any stock options / sweat equity.

MATERIAL CHANGES FROM END OF FINANCIAL YEAR TILL DATE OF REPORT

There are no material changes and commitments, affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the report other than those disclosed in the financial statements.

BOARD OF DIRECTORS

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

In compliance of the requirements of the Companies Act, 2013 and revised clause 49 of the Listing Agreement, the Board appointed all existing Independent Directors viz. Mr. K. L. Daga and Mr. R. C. Soni as Independent Directors of the Company for a term up to 31st March, 2019. The members of the Company at 29th Annual General Meeting held on 27th September, 2014, have approved the appointment of Independent Directors.

Statutory Auditor

M/s. A K P S & Co. (Formerly known as Pahwa Jhamb & Co.) (Firm Registration No. 009710C) Chartered Accountants, Statutory Auditors the retiring auditors, during the Annual General Meeting held on 30.09.2016, were appointed for a period of 5 years until the conclusion of sixth Annual General Meeting to be held after that meeting, subject to ratification at every Annual General Meeting in terms of Section 139 of the Companies Act 2013. They have confirmed their eligibility and willingness for the next term from the conclusion of ensuing annual general meeting to the conclusion of next annual general meeting. The Board of Directors, therefore, recommends ratification of appointment for F.Y. 2017-18 of M/s. A K P S & Co. (Firm Registration No. 009710C), Chartered Accountants, as statutory auditors of the company for the approval of Shareholders.

Explanations to qualifications raised by auditors are given in notes to accounts.

The statutory auditors have not reported any incident of fraud to the Audit Committee of the Company during the year under review.

Auditors' Report

Comments on the qualified opinions of the Auditors are already quantified and adequately dealt with in the notes to the account. Except these, there are no specific observations in the Auditors' Report requiring further comments under Section 217(3) of the Companies Act, 1956.

Secretarial Auditor

As per requirements of Section 204(1) of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rule, 2014, the Board of Directors of the Company has appointed Mr. Rohit Merani, Practicing Company Secretary, Indore (C.P. No. 16844) to conduct Secretarial Audit of the compliance of applicable statutory provisions and adherence to good corporate governance practice by the Company.

Secretarial Auditors' Report: The report of the Secretarial Auditor is annexed to this report as **Annexure - I**.

For the qualifications raised by the secretarial auditor in his report, we have channelized our efforts towards eliminating the same.

FIXED DEPOSITS

The Company has not accepted or renewed any deposit from public during the year under review.

REPORT ON CORPORATE GOVERNANCE

Your Directors are committed to good corporate governance as a policy. A detailed report on Corporate Governance is given in the annexure which form part of this report as **Annexure II**. The requisite certificate from the Auditors of the Company confirming compliance with the conditions of corporate governance as stipulated under Clause 49 of the Listing Agreement is annexed with the Report on corporate governance.

DIRECTOR'S RESPONSIBILITY STATEMENT

In terms of Section 134(5) of the Companies Act, 2013, the Directors would like to state:

- (a) that in the preparation of the annual financial statements for the year ended 31st March, 2017, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- (b) that such accounting policies as mentioned in the Notes to the Financial Statements have been selected and applied consistently and judgment and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2017 and of the profit of the Company for the year ended on that date;
- (c) that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) that the annual financial statements have been prepared on a going concern basis;
- (e) that proper internal financial controls were in place and that the financial controls were adequate and were operating effectively.
- (f) that systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

EXTRACT OF ANNUAL RETURN

The extracts of Annual Return (MGT – 9) pursuant to the provisions of Section 92 read with Rule 12 of the Companies (Management and Administration) Rules, 2014 is furnished in **Annexure - III** to this Report.

RELATED PARTY TRANSACTIONS

There are no materially significant related party transactions made by the company with Promoters, Key Managerial Personnel or other designated persons which may have potential conflict with interest of the company at large.

BOARD EVALUATION

Pursuant to the provisions of the Companies Act, 2013 and regulations of SEBI (LODR), 2015, the Board has carried out an annual performance evaluation of its own performance, the directors individually as well as the evaluation of the working of its Committees.

A separate exercise was carried out to evaluate the performance of individual Directors including Chairman of the Board, who were evaluated on parameters such as level of engagement and contribution, independence of judgment, safeguarding the interest of the Company and its minority shareholders etc. The Performance evaluation of the independent Directors was carried out by the entire Board. The performance evaluation of the Chairman and non-executive independent Directors was also carried out by the independent Directors at their separate meeting. The Directors expressed their satisfaction with the evaluation.

The detail of programme for familiarization of Independent Directors with the Company, their roles, rights, responsibility in the Company, nature of industry in which the Company operates, business model of the Company and related matters are put up on the website of the Company.

NUMBER OF BOARD MEETINGS CONDUCTED DURING THE YEAR UNDER REVIEW

During the year 2016-17 4 (Four) Board Meetings were held on 30th May, 2016, 14th August, 2016, 12th November, 2016 and 13th February, 2017. The details in respect of attendance of Directors, sitting fees etc. are given in the Corporate Governance Report.

The intervening gap between the above said Meetings was within the timelines as stipulated under the Companies Act, 2013 and SEBI (LODR), 2015.

COMPOSITION OF AUDIT COMMITTEE

The Audit Committee consists of the following members:

01. Mr. K. L. Daga	: Chairman
02. Mr. R. C. Soni	: Member
03. Mr. K. N. Garg	: Member

There are no qualifications and observations raised by Audit Committee which required any comments from the Board or Management of the Company.

The detail of other committees of the Board has given in the Corporate Governance Report forms part of this report.

DECLARATION OF INDEPENDENT DIRECTORS

The Independent Directors Mr. R. C. Soni and Mr. K. L. Daga submitted their declaration to the Board that they fulfill the criteria as stipulated in Section 149(6) of the Companies Act, 2013 and relevant regulations of SEBI (LODR), 2015, so as to qualify themselves to be appointed/continued as Independent Directors under the provisions of the Companies Act, 2013 and SEBI (LODR), 2015.

PREVENTION OF INSIDER TRADING

The Company has adopted a Code of Conduct for Prevention of Insider Trading with a view to regulate trading in securities by the Directors and other designated concern of the Company. The Code requires pre-clearance for dealing in the Company's shares and prohibits the purchase or sale of Company's shares by the Directors and the designated concern while in possession of unpublished price sensitive informations in relation to the Company and during the period when the Trading Window is closed. The Board is responsible for implementation of the Code.

All Directors and other designated concern have confirmed compliance with the Code.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

During the year under review, the company has not given any loan, provides any guarantee and security and made investment which are covered under the provisions of sections 185 and 186 of the Companies Act, 2013.

SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

The Company does not have any Subsidiary, Joint venture or Associate Company during the year under review.

CORPORATE SOCIAL RESPONSIBILITY INITIATIVES

The Company has suffered a net loss for the current financial year and having no average net profit during the immediately preceding last 03 (three) financial years, therefore, the provisions of section 135 of the Companies Act, 2013 are not applicable.

STATEMENT CONCERNING DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT POLICY OF THE COMPANY.

The Company does not have any Risk Management Policy as the elements of risk threatening the Company's existence are very minimal.

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

The provisions of Section 134(m) of the Companies Act, 2013 do not apply as there is no employee in the Company. Further, there was no foreign exchange inflow or Outflow during the year under review.

INTERNAL FINANCIAL CONTROLS:

Company had adequate internal financial controls with the size of the operations of the Company.

CASH FLOW ANALYSIS

In conformity with the provisions of Clause 32 of the Listing Agreement, the Cash Flow Statement forms part of annual report.

PARTICULARS OF EMPLOYEES

The details as required under Section 197 read with Rule 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company, is not applicable on the Company as there is no employee in the Company.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS OF THE COMPANY:

There are no significant material orders passed by the Regulators / Courts which would impact the going concern status of the Company and its future operations.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The Management Discussion and Analysis Report for the year under review as stipulated under provisions of SEBI (Listing Obligations and Disclosure Requirements), 2015 forms part of this report as **Annexure - IV**.

APPRECIATION

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

For and on behalf of the Board of Directors
For Global Stone India Limited


K. N. Garg
Chairman

Place: Indore (M.P.)
Date: 14/08/2017

Annexure - II to the Directors Report: Report on Corporate Governance**1. COMPANY'S PHILOSOPHY**

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.

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**Procedure of Board Meeting**

The Board Meetings are generally scheduled well in advance and are governed by a structured agenda. The notice of each board meeting is given in writing to each Director within the prescribed time period. The Board members, in consultation with the Chairman, may bring up any matter for the consideration of the Board. The Board papers, comprising the agenda are circulated well in advance before the meeting of the Board.

The gap between the two meetings is not in excess of 120 days. Additional Meetings are held, whenever considered necessary. The draft minutes containing the proceedings of the Meeting of the Board, after incorporating the comments, if any, of the Directors are confirmed by the Board Members at their next Meeting and signed by the Chairman of the meeting thereafter. Senior Management Personnel are called to provide additional inputs for the items being discussed by the Board of Directors whenever necessary.

All statutory, significant and other material information as specified in the Clause 49 of the Listing Agreement executed with the Stock Exchanges is regularly made available to the Board. The Board also reviews periodically the compliances of all laws applicable to the Company.

Board's role, functions, responsibilities and accountability are clearly defined. In addition to matters statutorily requiring Board's approval, all major decisions involving formulation, strategy and business plans, annual operating and capital expenditure budgets, new investments, compliance with statutory regulatory requirements, major accounting provisions etc. are considered by the Board.

Composition and Size of the Board:

The Board has strength of 4 Non-executive Directors as on 31st March, 2017, out of whom three Directors are Independent. 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 Clause 49 of the Listing Agreement). The Chairman of the Board is Non Executive Director. All the Directors have made necessary disclosures regarding positions occupied by them in other companies. The Board is primarily responsible for the overall management of the Company's business. The composition of the Board as on 31st March, 2017 is as under:

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

*Note: Private, Section 8 & Foreign Companies Directorship are excluded.

None of the Directors are related to each other.

Board Meetings and Attendance of Directors:

During the year 2016-17 4 (Four) Board Meetings were held on 30th May, 2016, 13th August, 2016, 12th November, 2016 and 13th February, 2017.

Attendance:

The number of Board Meeting attended by the Directors is as under:

Name of the Director	No. of meetings attended	Last AGM attended
Mr. K. N. Garg	04	Yes
Mr. R. C. Soni	04	Yes
Mr. K. L. Daga	03	Yes
Ms. Hiba Shaikh	01	Yes

Sitting Fees:

None of the Directors' were paid Sitting Fees during Financial year 2016-17.

Code of Conduct for Board Members and Senior Management:

In terms of SEBI (LODR), 2015, the Board of Directors has laid a Code of Conduct for all the Board Members and Senior Management of the Company.

3. BOARD COMMITTEES:

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

- (i) Audit Committee,
- (ii) Nomination and Remuneration Committee, and
- (iii) Shareholders / Investors Grievances Committee.

The terms of Reference and other details of Board Committees are given as under:

AUDIT COMMITTEE:**Constitution of Committee:**

The Audit Committee of the Company was constituted in accordance with the provisions of Section 292A of the Companies Act, 1956, and in terms with Clause 49 of the Listing Agreement with Stock Exchanges. The Committee's composition also meets with requirements of Section 177 of the new Companies Act, 2013 and SEBI (LODR), 2015.

The Audit Committee comprises two Independent and one Non-executive Director. All the members of the Committee possess financial / accounting expertise / exposure.

Composition of Committee and Number of Meetings attended by Members:

During the year 2016-17 4 (Four) Meetings were held on 30th May, 2016, 13th August, 2016, 12th November, 2016 and 13th February, 2017.

The composition of Audit Committee is as under:

Sr. No.	Name of Member	Category
01	Mr. K.L. Daga	Chairman
02	Mr. R. C. Soni	Member
03	Mr. K.N. Garg	Member

Attendees

Name of Member	Category	No. of Meetings held	No. of meetings attended
Mr. K.L. Daga	Chairman	4	4
Mr. R. C. Soni	Member	4	4
Mr. K.N. Garg	Member	4	3

The Audit Committee invites Senior Executives, Statutory Auditors & Internal Auditors, whenever it considers appropriate, to be present at its meetings.

Sitting Fees:

No Sitting Fees was paid to the Members for attending the Committee Meeting.

Role of the Audit Committee inter alia, includes the following:

- Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible;
- Recommending to the Board, the appointment, reappointment and, if required, the replacement or removal of statutory auditors, including cost auditors, and fixation of audit fees and other terms of appointment ;
- Approving payment to statutory auditors, including cost auditors for any other services rendered by them;

- Reviewing with the management, annual financial statements and auditors report thereon before submission to the Board for approval, with particular reference to:
 - Matters required to be included in the Directors' Responsibility Statement to be included in the Directors' Report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
 - Changes, if any, in accounting policies and practices and reasons for the same;
 - Major accounting entries involving estimates based on the exercise of judgment by the Management;
 - Significant adjustments made in financial statements arising out of audit findings;
 - Compliance with listing and other legal requirements relating to financial statements;
 - Disclosure of related party transactions;
 - Qualifications in draft audit report;
- Formulating the Scope, Functioning, Periodicity, and Methodology for conducting the Internal Audit
- Reviewing with the management, the quarterly financial statements before submission to the Board for approval;
- Reviewing with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice, and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
- Reviewing and monitoring the auditors independence and performance and effectiveness of audit process;
- Approval or any subsequent modification of transactions of the Company with related parties;
- Scrutiny of inter-corporate loans and investments;
- Valuation of undertakings or assets of the Company, wherever necessary;
- Evaluation of internal financial controls and risk management systems;
- Reviewing with the management, the performance of statutory auditors, including cost auditors and internal auditors, adequacy of internal control systems;
- Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure, coverage and frequency of internal audit;
- Discussion with internal auditors, any significant finding and follow-up thereon;
- Reviewing the finding of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature, and reporting the matter to the Board;
- Discussion with statutory auditors, before the audit commences, about the nature and scope of audit as well as post audit discussion to ascertain any area of concern;

- To look into the reasons for substantial defaults, if any, in the payment to depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- To review the functioning of the Whistle Blower mechanism;
- Approval of appointment of the CFO (i.e. the whole-time Finance Director or any other person heading the finance function or discharging that function after assessing qualifications, experience and background of the candidate;
- Carrying out such other functions as may be specifically referred to the Committee by the Company's Board of Directors and/or other Committees of Directors;
- Reviewing the following information:
 - The Management Discussion and Analysis of financial condition and results of operations;
 - Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;
 - Management letters/letters of internal control weaknesses issued by the statutory auditors;
 - Internal audit reports relating to internal control weaknesses; and
 - The appointment, removal and terms of remuneration of internal auditors / chief internal Auditor.
- To call for comments of the auditors about internal control systems, the scope of audit, including the observations of the auditors and review of financial statement before their submission to the Board and to discuss any related issue with the internal and statutory auditors and the management of the Company.

Powers of the Audit Committee

The Audit Committee is entrusted with the following powers:

- To investigate any activity within its terms of reference;
- To seek information from any employee;
- To obtain outside legal or other professional advice;
- To secure attendance of outsiders with relevant expertise, if necessary.

NOMINATION AND REMUNERATION COMMITTEE (NRC)

Constitution of Committee:

The NRC (earlier known as Remuneration Committee) of the Company was constituted in terms of Clause 49 of the Listing Agreement with Stock Exchanges. The nomenclature of the Committee has changed from Remuneration Committee to Nomination and Remuneration Committee as per requirements of the Companies Act, 2013 and SEBI (LODR) 2015. The Committee's composition also meets with requirements of Section 178 of the new Companies Act, 2013 and SEBI (LODR) 2015.

Composition of Committee:

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.

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

Meeting Details

During the financial year no Remuneration Committee Meeting was held.

Sitting Fees:

No Sitting Fees was paid to the Members for attending the Committee Meeting.

Terms of Reference of the Committee, inter alia, includes the following:

- To identify persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down and to recommend to the Board their appointment and/or removal;
- To carry out evaluation of every Director's performance;
- To formulate the criteria for determining qualifications, positive attributes and independence of a Director, and recommend to the Board a policy, relating to the remuneration for the Directors, key managerial personnel and other employees;
- To formulate the criteria for evaluation of Independent Directors and the Board;
- To devise a policy on Board diversity;
- To recommend/review remuneration of the Managing Director(s) and Whole-time Director(s) based on their performance and defined assessment criteria

STAKEHOLDERS RELATIONSHIP COMMITTEE (SRC)**Constitution of Committee:**

The SRC (earlier known as Shareholders / Investors Grievances Committee) of the Company was constituted in terms of Clause 49 of the Listing Agreement with Stock Exchanges. The nomenclature of the Committee has changed from Shareholders / Investors Grievances Committee to Stakeholders Relationship Committee as per requirements of the Companies Act, 2013 and SEBI (LODR) 2015. The Committee's composition also meets with requirements of Section 178 of the new Companies Act, 2013 and SEBI (LODR) 2015. The composition of committee is as under:

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

Sitting Fees:

No Sitting Fees was paid to the Members for attending the Committee Meeting.

Terms of Reference:

The SRC looks into member's services like transfer/transmission of shares, Dematerialization / Rematerialization requests and various investors' complaints like - non-receipt of refund, declared dividends, etc. and takes necessary steps for redressal thereof.

The transactions in the shares and the complaints from the investors, are handled by the Registrar & Share Transfer Agent as well as the Share Department of the Company, and are being quarterly reviewed by the SRC.

The Company has appointed M/s Link Intime India Pvt. Ltd., a SEBI Registered independent agency, as Registrar & Share Transfer Agent for handling Demat as well as Physical Share Transfer and registry work of the Company.

Details of Investors Grievances and Redressal:

During the year, there were few requests from shareholders for routine corporate actions viz., Change of Address/supply of copy of Annual Report/ Splitting/ Consolidation/ Dematerialization and Dematerialization of Shares etc. All requests were attended and settled promptly and timely and no complaint was pending as at the end of the year.

According to new guidelines of SEBI, the Transfer of Demated Shares is not subjected to approval of any committee or Board of Directors and physical shares are also handled on time by the Registrar and Share Transfer Agent. However, SRC, on quarterly basis takes note of all the transactions held in shares and Stakeholders Complaints and their Grievances.

INDEPENDENT DIRECTORS MEETING:

During the year under review, a separate meeting of Independent Directors was held on 12th November, 2016 and the details of attendance at the meeting are as follows:

Name of the Members	Designation	No. of Meeting Attended
Mr. K. L. Daga	Chairman	01
Mr. R. C. Soni	Member	01

4. Directors' Appointment and Remuneration**Director retires by rotation:**

Mr. K. N. Garg, Director, retires by rotation at the ensuing Annual General Meeting and is eligible for re-appointment. A brief profile of Mr. K. N. Garg is given under explanatory statements annexed with the Notice of Annual General Meeting which form of part of the Annual Report.

5. General Meetings:**Details of last three Annual General Meetings:**

Date	Venue	Time
31 st AGM 30.09.2016	Regd. Office: G 405 TO G 412, Sigma Soft Tech Park, Ramagondanahalli Village, Varthur Hobli, Bangalore	11.00 A. M.
30 th AGM 29.09.2015	Regd. Office: 62, AG's Layout, New Bel Road, Bangalore - 560054	11.00 A. M.
29 th AGM 27.09.2014	Regd. Office: 62, AG's Layout, New Bel Road, Bangalore - 560054	11.00 A. M.

Details of Special Resolution(s) passed in the previous three Annual General Meetings:

Date of AGM	Particulars of Special Resolution passed thereat
29 th AGM 27.09.2014	Approval u/s 180(1)(c) of the Companies Act, 2013 for exceeding the limit of the borrowing.

6. Disclosures:**Related Party (ies) 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.

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.

Public Deposit:

The Company has not accepted any Public Deposit under the Companies Act, 1956 as well as under Companies Act, 2013.

Compliance Certificate of the Auditor:

The Company has obtained a certificate from the Statutory Auditors regarding compliance of conditions of Corporate Governance as stipulated in SEBI (LODR) 2015.

Compliance Report:

The Board periodically reviews the compliance of all applicable laws and gives appropriate directions, wherever necessary.

7. Means of Communication:

- Full Annual Report is sent to each Shareholder every year at his or her registered Address regularly;
- The Company has been regularly sending quarterly/half-yearly/ Annual Financial Results to the Stock Exchanges immediately after approved by the Board.
- The quarterly results are published regularly in one Vernacular 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;
- The Management Discussion and Analysis Report form part of the Annual Report.

8. General Shareholders Information:**a) 32nd Annual General Meeting for the year 2016-17:**

Date & Time : Saturday, the 30th September, 2017 at 11.00 A.M.

Place : Regd. Office, G 405 TO G 412, Sigma Soft Tech Park,
Ramagondanahalli Village, Varthur Hobli, Bangalore

b) Financial Calendar:

Financial Year April 1, 2016 to March 31, 2017

Board Meeting for :
consideration of Accounts for 29th May, 2017
FY 2016-17

Book Closure Dates : Saturday, the 23rd September, 2017 to
Saturday, the 30th September, 2017 (both days
inclusive)

Date of 32nd Annual General
Meeting : Saturday, the 30th September, 2017 at 11.00
A.M.

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, Ahemdabad.

Madras Stock Exchange, Chennai

Madhya Pradesh Stock Exchange Ltd., Indore

9. 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 205-16, hence the High and Low stock quotations are not available.

10. Registrar and Share Transfer Agent:

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:

Mumbai Office:

Link Intime India Private Limited
Registrar and Share Agent
Unit : STI India Limited
C-13, Pannalal Silk Mills Compound, L.B.S. Marg,
Bhandup (W), Mumbai- 400 078
Tel: 022-25946970, 25963838,
E-mail: rnt.helpdesk@linkintime.co.in.

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
8, K. G. Road, I Floor, Mahaveer Shopping Complex,
Bangalore – 560 009

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.

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.

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**.

Names of Depositories in India for Dematerialization of Equity shares

National Securities Depository Limited. (NSDL)
Central Depository Services (India) Limited. (CDSL)

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.

11. Distribution of Shareholders:

Distribution of Shareholding as on 31st March, 2017:

Slab of Shareholding (No. of Shares)	No. of Shareholders	%	Amount in Rs.	%
1-500	11498	95.39	17310100	14.42
501-1000	304	2.53	2591000	2.15
1001-2000	110	0.91	1684000	1.40
2001-3000	34	0.28	871000	0.72
3001-4000	15	0.13	531000	0.44
4001-5000	22	0.18	1046000	0.87
5001-10000	33	0.27	2477000	2.06
10001 & above	37	0.31	93489900	77.94
Total	12053	100.00	120000000	100.00

Categories of Shareholders as on 31st March, 2017

Categories	No. of Demated shares	No. of shares in Physical	Total No. of Shares	%
Promoters	3510180	3038500	6548680	54.57
Mutual Funds & UTI	500000	9600	509600	4.28
Banks, Fin. Instt/Insurance Co/FIIS	300	0	300	Negligible
Foreign Institutional Investors	0	1500000	1500000	12.50
Other bodies corporate	5218	406404	411622	3.42
Other General Public	288033	2741765	3029798	25.23
Total	4303731	7696520	12000000	100.00

For and on behalf of the Board of Directors
For Global Stone India Limited

Place: Indore
Date: 14/08/2017

Sd/-
K. N. Garg

Chairman

Declaration on the Compliance of the Company's Code of Conduct

To,
The Members
Global Stone India Limited

The Company has framed a specific code of conduct for the members of the Board of Directors and the Senior Management Personnel of the Company pursuant to SEBI (LODR) 2015 to further strengthen corporate governance practices in the Company.

All the Members of the Board of the Company have affirmed due observance of the said code of conduct in so far as it is applicable to them and there is no non compliance there of during the year ended March 31, 2017.

Place: Indore
Date: 14/08/2017

Sd/-
K. N. Garg
Chairman

**AUDITORS' CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF
CORPORATE GOVERNANCE UNDER SEBI (LODR), 2015**

To,
The Members of
GLOBAL STONE INDIA LIMITED,

We have examined the compliance of conditions of Corporate Governance by STI Products India Limited ('the Company'), as per the regulations 17 to 27, regulation 46 and paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015, ('Listing Regulations') for the period 1st April, 2016 to 31st March, 2017.

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 Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

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 above-mentioned clause 49 of the Listing Agreement and regulations 17 to 27, clause (b) to (i) of sub-regulation (2) of regulation 46 and paragraphs C, D and E of Schedule V of Listing Regulations, as applicable.

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 **A K P S & Co**
Chartered Accountants

Ashok Kumar Pahwa
Partner

Date: 29/05/2017

Place: Indore

Declaration on the Compliance of the Company's Code of Conduct

To,
The Members
Global Stone India Limited

The Company has framed a specific code of conduct for the members of the Board of Directors and the Senior Management Personnel of the Company pursuant to SEBI (LODR) 2015 to further strengthen corporate governance practices in the Company.

All the Members of the Board of the Company have affirmed due observance of the said code of conduct in so far as it is applicable to them and there is no non compliance there of during the year ended March 31, 2017.

Place: Indore
Date: 14/08/2017


K. N. Garg
Chairman

**AUDITORS' CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF
CORPORATE GOVERNANCE UNDER SEBI (LODR), 2015**

To,
The Members of
GLOBAL STONE INDIA LIMITED,

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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 A K P S & Co
Chartered Accountants

Ashok Kumar Pahwa
Partner

Date: 29/05/2017
Place: Indore

Annexure – III TO THE DIRECTORS’ REPORT**Form No.MGT-9****EXTRACT OF ANNUAL RETURN**As on financial year ended on 31st March, 2017

[Pursuant to section 92(3) of the Companies Act, 2013 and Rule 12 (1) of the Companies (Management and Administration) Rules, 2014, of the Companies Act, 2013]

I. REGISTRATION AND OTHER DETAILS:

CIN	L51909KA1985PLC006812
Registration Date	02 nd April, 1985
Name of the Company	Global Stone India Limited
Category/Sub-Category of the Company	Company Limited by Shares / Indian Non-Government Company
Address of the Registered office and contact details	G 405 TO G 412, Sigma Soft Tech Park, Ramagondanahalli Village, Varthur Hobli, Bangalore Bangalore KA 560066 IN
Whether listed company	Yes
Name, Address and Contact details of Registrar and Share Transfer Agent, if any	<p>Mumbai Office: Link Intime India Pvt. Ltd. Registrar and Share Transfer Agent Unit : STI India Limited C-13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup (W), Mumbai – 400078, Tel. (022) 25963838 Ph. No. : (022) 25946970, 25963838 Email: rnt.helpdesk@linkintime.co.in</p>
	<p>Bangalore Office: Link Intime India Pvt Ltd 543/A, 7th Main, IIIrd Cross, Hanumantnagar, Bangalore – 560 009 Ph. No. : (080) 26509004 Email: linkblr@gmail.com</p>

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company shall be stated:-

Name and Description of main products / Services	NIC Code of the Product / Service	% of total turnover of the Company
NIL	NIL	NIL

f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FII's	-	15,00,000	15,00,000	12.50	-	15,00,000	15,00,000	12.50	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total(B)(1)	5,00,300	15,09,600	20,09,900	16.75	5,00,300	15,09,600	20,09,900	16.75	-
2. Non Institutions									
a) Bodies Corp.									
(i) Indian	5,000	4,05,100	4,10,100	3.42	5218	4,06,404	4,11,622	3.43	0.01
(ii) Overseas									
b) Individuals									
(i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	1,85,125	21,44,020	23,29,145	19.41	1,45,658	23,42,465	24,88,123	20.74	1.32
(ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	97,200	3,44,500	4,41,700	3.68	1,36,700	1,44,500	2,81,200	2.34	1.34
c) Others(Specify)									
i. NRIs	5,675	2,54,800	2,60,475	2.17	5,675	2,54,800	2,60,475	2.17	5,675
Sub-total(B)(2)	2,93,000	31,48,420	34,41,420	28.68	2,93,251	31,48,169	34,41,420	28.68	-
Total Public Shareholding (B)=(B)(1)+ (B)(2)	7,93,300	46,58,020	54,51,320	45.43	7,93,551	46,57,769	54,51,320	45.43	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	43,03,480	76,96,520	1,20,00,000	100	43,03,731	76,96,269	1,20,00,000	100	-

(ii) Shareholding of Promoters

Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year		
	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares
Darpan Baheti	10,000	0.08	-	10,000	0.08	-
Namrata Baheti	46,300	0.39	-	46,300	0.39	-
Pushpa Garg	57,400	0.48	-	57,400	0.48	-
Shashi Baheti	8,800	0.07	-	8,800	0.07	-
Priyakant H Amin	4,500	0.04	-	4,500	0.04	-
Ghanshyam Baheti	8,500	0.07	-	8,500	0.07	-
Ghanshyam Baheti – HUF	400	Negligible	-	400	0.00	-
Suresh Baheti – HUF	400	Negligible	-	400	0.00	-
RBG Investment and Finance Limited	33,600	0.28	-	33,600	0.28	-
East West Finance Pvt. Ltd.	368,780	3.07	-	368,780	3.07	-
Goodeal Investment and Finance Pvt. Ltd.	591,300	4.93	-	591,300	4.93	-
STI Fabriccraft Private Limited	310,000	2.59	-	310,000	2.59	-
Hyson Investment and Finance Private Limited	493,000	4.11	-	493,000	4.11	-
STI Finance Limited	589,600	4.91	-	589,600	4.91	-
Pithampur Tools Private Limited	79,200	0.66	-	79,200	0.66	-
STI Amenities & Hospitality Ltd. (Formerly known as G.B. Steel Private Limited)	386,900	3.22	-	386,900	3.22	-

Danfia Holdings Ltd	2,660,000	22.17	-	2,660,000	22.17	-
Trustco Investments Ltd	900,000	7.50	-	900,000	7.50	-
Total	65,48,680	54.57	-	65,48,680	54.57	-

(iii) Change in Promoters' Shareholding (please specify if there is no change)

Sr. no	Shareholder's Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	65,48,680	54.57%	65,48,680	54.57%
	Date wise increase / decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	NIL	NA	NIL	NA
	At the End of the year	65,48,680	54.57%	65,48,680	54.57%

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sr. No.	Name	Shareholding at the beginning of the year		Cumulative Shareholding at the end of the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Administrator of the Specified Undertaking				
	At the beginning of the year	5,00,000	4.17	5,00,000	4.17
	Date wise Increase/ Decrease in Share holding during the year specifying the reasons for increase/ decrease (e.g. allotment/transfer/bonus/ sweat equity etc)	-	-	-	-
	At the End of the year	5,00,000	4.17	5,00,000	4.17
2.	ABN Amro Bank N V (A/C European Eco. Comm)				

	At the beginning of the year	15,00,000	12.50	15,00,000	12.50
	Date wise Increase/ Decrease in Share holding during the year specifying the reasons for increase/ decrease (e.g. allotment/transfer/bonus/ sweat equity etc)	-	-	-	-
	At the End of the year	15,00,000	12.50	15,00,000	12.50
3.	Dr. A L Varia				
	At the beginning of the year	2,00,000	1.67	2,00,000	1.67
	Date wise Increase/ Decrease in Share holding during the year specifying the reasons for increase/ decrease (e.g. allotment/transfer/bonus/ sweat equity etc)	-	-	-	-
	At the End of the year	2,00,000	1.67	2,00,000	1.67
4.	J M Fin & Invest Consultancy Ser Limited				
	At the beginning of the year	2,00,000	1.67	2,00,000	1.67
	Date wise Increase/ Decrease in Share holding during the year specifying the reasons for increase/ decrease (e.g. allotment/transfer/bonus/ sweat equity etc)	-	-	-	-
	At the End of the year	2,00,000	1.67	2,00,000	1.67
5.	Mrs. Aruna Nimesh Kampani				
	At the beginning of the year	96,200	0.80	96,200	0.80
	Date wise Increase/ Decrease in Share holding during the year specifying the reasons for increase/ decrease (e.g. allotment/transfer/bonus/ sweat equity etc)	-	-	-	-
	At the End of the year	96,200	0.80	96,200	0.80
6.	HB Portfolio Leasing Limited				
	At the beginning of the year	61,900	0.52	61,900	0.52

	Date wise Increase/ Decrease in Share holding during the year specifying the reasons for increase/ decrease (e.g. allotment/transfer/bonus/ sweat equity etc)	-	-	-	-
	At the End of the year	61,900	0.52	61,900	0.52
7.	Mrs. Shweta Paras Ghiya (Paras Kishorebhai Ghiya)				
	At the beginning of the year	61,000	0.51	61,000	0.51
	Date wise Increase/ Decrease in Share holding during the year specifying the reasons for increase/ decrease (e.g. allotment/transfer/bonus/ sweat equity etc)	-	-	-	-
	At the End of the year	61,000	0.51	61,000	0.51
8.	Beautiful Diamonds Limited				
	At the beginning of the year	42,500	0.35	42,500	0.35
	Date wise Increase/ Decrease in Share holding during the year specifying the reasons for increase/ decrease (e.g. allotment/transfer/bonus/ sweat equity etc)	-	-	-	-
	At the End of the year	42,500	0.35	42,500	0.35
9.	Mr. Kishore P Ghiya HUF				
	At the beginning of the year	27,900	0.23	27,900	0.23
	Date wise Increase/ Decrease in Share holding during the year specifying the reasons for increase/ decrease (e.g. allotment/transfer/bonus/ sweat equity etc)				
	At the End of the year	27,900	0.23	27,900	0.23
10.	Mr. Indra Kumar Bagri				
	At the beginning of the year	25,000	0.21	25,000	0.21

Date wise Increase/ Decrease in Share holding during the year specifying the reasons for increase/ decrease (e.g. allotment/transfer/bonus/sweat equity etc)	-	-	-	-
At the End of the year	25,000	0.21	25,000	0.21

V. Shareholding of Directors and Key Managerial Personnel (KMPs).

S. No.	For each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
01.	Mr. R. C. Soni				
	At the beginning of the year	100	Negligible	100	Negligible
	At the end of the year	100	Negligible	100	Negligible
02.	Mr. K. N. Garg				
	At the beginning of the year	NIL	NA	NIL	NA
	At the end of the year	NIL	NA	NIL	NA
03.	Mr. K. L. Daga				
	At the beginning of the year	NIL	NA	NIL	NA
	At the end of the year	NIL	NA	NIL	NA

Note: There was no increase / decrease in Shareholding of Directors and Key Managerial Personnel during the year.

VI. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment.

(Rs. In Lacs)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principle Amount	-	1397.55	-	1397.55
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i + ii + iii)	-	1397.55	-	1397.55
Change in Indebtedness during the financial year				
- Addition	-	-	-	-
- Reduction	-	-	-	-
Net Change	-	-	-	-
Indebtedness at the end of the financial year				
i) Principle Amount	-	1397.55	-	1397.55
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i + ii + iii)	-	1397.55	-	1397.55

VII REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**A. Remuneration to Managing Director, Whole-time Directors and/or Manager**

S. No.	Particulars of Remuneration	Name of Director			Total
01.	Gross salary	NIL	NIL	NIL	NIL
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-	-	-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income tax Act, 1961	-	-	-	-
02.	Stock Option	-	-	-	-
03.	Sweat Equity	-	-	-	-
04.	Commission	-	-	-	-
	– as % of profit	-	-	-	-
	– others, specify	-	-	-	-
05.	Others, please specify	-	-	-	-
	Total	NIL	NIL	NIL	NIL

B. Remuneration to other directors:

(In Rupees)

S. No.	Particulars of Remuneration	Name of Directors				Total Amount
01.	Non-executive Directors					
	Fees for attending board / committee meetings	NA	NA	NA	NA	NA
	Commission	-	-	-	-	-
	Others (Remuneration)	-	-	-	-	-
	Total (I)	-	-	-	-	-
02.	Independent Directors					
	Fees for attending board / committee meetings	-	-	-	-	-
	Commission	-	-	-	-	-
	Others, please specify	-	-	-	-	-
	Total (II)	-	-	-	-	-
	Total (I) + (II)	-	-	-	-	-
	Total Managerial Remuneration	-	-	-	-	-
	Overall Ceiling as per the Act	NA	NA	NA	NA	NA

C. Remuneration to Key Managerial Personnel other than MD / Manager / WTD:

S. No.	Particulars of Remuneration	Key Managerial Personnel			Total
01.	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	NA	NA	NA	NA
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income tax Act, 1961	-	-	-	-
02.	Stock Option	-	-	-	-
03.	Sweat Equity	-	-	-	-
04.	Commission	-	-	-	-
	– as % of profit	-	-	-	-
	– others, specify	-	-	-	-
05.	Others, please specify				
	Total	NA	NA	NA	NA

VIII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

There were no such cases of Penalties/ Punishment/ Compounding of Offences faced by the Company its Directors and other officials.

For and on behalf of the Board of Directors
For Global Stone India Limited


K. N. Garg
Chairman

Annexure: IV to the Directors Report**Management Discussion and Analysis for 2016-17****Company Structure and Developments**

The company was engaged in processing of granite stones. The Company has seen many ups and downs in last four decades. At present, the Company does not have any business activities.

Financial Status and Performance

Recession in the user industry in the past and uneconomic scale of operation adversely affected the financial performance of the Company.

Though there were no operational activities in the company, therefore, after absorbing the expenditures, the Company recorded a net loss for the year Rs. 2.31 Lacs.

Future Outlook Opportunities & Threats

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.

Industrial Relation and Human Resources Management

As on date no employee working in the Company. All the dues of erstwhile employees of the Company have been amicably settled.

The Company has always followed the policy of continuous upgradation of its employees. Development of available Human Resources by imparting regular on the job training has been given an important thrust in the HRD policy of the Company.

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Independent Auditors' Report

To the Members
Global Stone India Limited

I. Report on the Financial Statements

We have audited the attached financial statements of **Global Stone India Limited** (hereinafter referred to as the Company), comprising of the Balance Sheet as at 31st March 2017, the Statement of Profit and Loss and the Cash Flow Statement for the year ended along with the Significant Accounting Policies and other explanatory information forming an integral part thereof.

II. Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in Section 133 of the Companies Act, 2013 (hereinafter referred to as the Act), read with Rule 7 of the Companies (Accounts) Rules, 2014 and in accordance with the accounting principles generally accepted in India. This responsibility also includes the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the 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 internal financial control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, 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 have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. 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 auditor's judgment, including the assessment of the risks of material misstatement of the financial

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statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give true and fair view 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 Company's Directors, 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 reasonable basis for our audit opinion.

IV. Opinion

a. Basis of Qualified opinion

- (i) Refer Note No 17, regarding non redemption of 15 lacs preference Shares, due for redemption during the year in non compliance with section 55 (3) of Companies Act, 2013, the consequential monetary impact of which is presently unascertainable.
 - (ii) Refer Note No 24, regarding non provision of obsolescence in value of inventory of spares and consumables lying unmoved since long amount of which is unascertainable and consequently over statement of inventory and understatement of loss for the year to is also unascertainable.
- b.** In our opinion and to the best of our information and according to the explanations given to us, subject to the notes described in the para (IV) (a) Basis for Qualified opinion, the financial statements 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 31st March 2017;
 - (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.

V. Report on Other Legal and Regulatory Requirements

- 1. As required by the Companies (Auditor's Report) Order, 2015 issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, to the extent applicable to the Company during the year under review.
- 2. Further to our comments in the Annexure referred to in 1. above as per the requirements of Section 143(3) of the Act, we report as follows:
 - (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;

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- (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 dealt with by this report comply with the Accounting Standards referred to in Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
- (e) On the basis of written representations received from the respective directors as on 31st March 2017 and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2017 from being appointed as a director in terms of sub-section (2) of Section 164 of the Act;
- (f) Refer Note No 23 (a) Regarding non compliance by the Company with the requirement Section 203 of the Act in the matter of employing a full time Company secretary.
- (g) In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2017.
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us;
 - i) the Company does not have any pending litigations which have impact on its financial position in its financial statements.
 - ii) the Company does not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
 - iii) there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For **AKPS & Company**
Chartered Accountants
Firm Registration No. 009710C

Place: Mumbai
Date: 29/05/2017

Sd/-
CA (Dr.) Ashok Pahwa
Partner
Membership No. 077665

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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) There were no fixed assets with the Company at any time during the year.
- (ii) a) During the year, the management has conducted physical verification of inventories at regular intervals, which in our opinion is reasonable.
b) The Company is maintaining proper records of inventory during the year. The discrepancies noticed between the physical and book balances have been properly dealt with in the books of accounts.
- (iii) a) The Company during the year has given unsecured loan to one body corporate covered in the register ought to be maintained under Section 189 of the Act. The maximum and closing balances in respect of the said loans were Rs. 8.54 Lacs.

According to the information and explanations given to us and based on the audit procedures conducted by us, we are prejudicial to the Company's interest due to the fact that the loans have been granted without charging any interest

- b) The above loans given are recoverable on demand. The parties are regular in repayment of the said loans wherever such demand for recovery was made by the Company. As per the records, there was no overdue amount in respect of the said loans.
- c) In our opinion, the Company is taking the reasonable steps to recover the principal.
- (iv) As per the records of the Company during the year, the Company has not given any loans/ guarantees to or made any investment or provided any security within the purview of the section 185.
However, the Company has not strictly complied with the provision of Section 186 with respect to loans & advances granted to bodies corporate, before enactment of the Act, which pending regularization as at the close of the year, the monetary impact of the same on deposits, Loans and advances and on loss of the company is presently unascertainable
- (v) According to the information and explanations given to us, the Company has not accepted deposits as per the directives issued by Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the companies (Acceptance of Deposit) Rules, 2015 with regard to the deposit accepted from the public are not applicable.
- (vi) The Central Government has not prescribed for maintenance of cost records under section (1) of Section 148 of the Act for any of the services rendered by the Company.

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- (vii) a) 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.
- b) As per the books of accounts of the Company, no disputed amounts payable in respect of Income-tax and other material statutory dues.
- (viii) Based on the records maintained, the Company has not borrowed from Banks/financial Institutions during the year. Further, no amount was borrowed by the company through Debenture during the current year as well as in the previous years.
- (ix) Based upon the audit procedure performed and the information and explanation given by the management, the Company has not raised any money during the year through initial/ future public offer (including debt instruments). Also, the Company has not availed any term loan during the current year, hence the matter of application of the same does not raise.
- (x) During the course of our examination of the books and records of the company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud on or by the Company, noticed or reported during the year, nor have we been informed of such case by the management
- (xi) As per the Company's records, no managerial remuneration has been paid/provided for during the year under review.
- (xii) The Company is not a Nidhi Company during the year under review and hence, the under Nidhi Rules 2014 is not applicable the company.
- (xiii) As per the information and explanations given during the course of our verification, in our opinion, all transaction with the related parties made by the Company were compliance with Section 188 pf the Act, to the extent applicable to the Company were during the year. However, the Company has not complied with the section 177 of the Act, with regards to constitution of the audit committee(refer Note no. 23(a) of the Financial statements.

AKPS & Co.

Chartered Accountants

3-H BCM CITY
4th Floor
Navlakha Square
A.B.Road-Indore

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- (xiv) During the year, the Company has not made any preferential allotment or private placement of share or convertible debenture and hence the requirement of Section 42 of the Act are not applicable.
- (xv) As per the information and explanation provide to us, during the year, the Company has not entered into any non- cash transaction with directors or persons connected with the directors within the purview of section 192 of the Act are not applicable.
- (xvi) As per the information and explanations provided to us and based on the overall operations of the Company, during the year, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For AKPS & Company
Chartered Accountants
Firm Registration No. 009710 C

Place: Mumbai
Date: 29/05/2017

Sd/-
CA (Dr.)Ashok Pahwa
Partner
Membership No.077665

Global Stone India Limited			
Balance Sheet as at 31st March, 2017			
(CURRENCY: INDIAN RUPEES)			
Particulars	Notes	As at 31st March 2017	As at 31st March 2016
EQUITY AND LIABILITIES			
Shareholder's Funds			
Share Capital	2	26,97,18,865	26,97,18,865
Reserves and Surplus	3	(26,78,55,095)	(26,76,23,929)
Money received against Share warrants		-	-
Share Application Money Pending For Allotment			
Non Current Liabilities			
Long Term Borrowings		-	-
Deffered Tax Liabilities (Net)		-	-
Other Non-current Liabilities		-	-
Current Liabilities			
Short Term Borrowings	4	13,97,54,646	13,97,54,646
Trade Payables	5	13,02,375	14,12,726
Other Current Liabilities	6	10,09,579	10,09,579
Total		14,39,30,370	14,42,71,887
ASSETS			
Non-current Assets			
Fixed Assets		-	-
Non-current Investments		-	-
Deffered Tax Assets (Net)		-	-
Long-term Loans and Advances	7	3,92,80,000	3,92,80,000
Other Non-current Assets		-	-
Current Assets			
Current Investments		-	-
Inventory	8	23,99,048	23,99,048
Trade Recievables	9	-	-
Cash and Cash Equivalents	10	10,48,851	11,65,753
Short Term Loans and Advances	11	10,11,64,725	10,13,89,340
Other Current Assets	12	37,746	37,746
Total		14,39,30,370	14,42,71,887
Significant Accounting Policies and Notes on Accounts	1		
Notes form an integral part of the Financial Statements As per our report attached			
For A K P S & Co.		For Global Stone India Limited	
Chartered Accountants Firm Regn. No. 009710C			
Sd/-		Sd/-	Sd/-
CA (Dr.) Ashok Pahwa		K. N. Garg	R.C. Soni
Partner		Director	Director
Membership No.077665		DIN:00008402	DIN:00023092
Place : Indore			
Date : 29/05/2017			

Global Stone India Limited			
Statement of Profit and Loss for the year ended 31st March, 2017			
(CURRENCY: INDIAN RUPEES)			
Particulars	Notes	Year ended 31st March 2017	Year ended 31st March 2016
INCOME			
Revenue from operations		-	-
Other Income		-	-
Total		-	-
Expenses:			
Purchase of stock-in-trade		-	-
Manufacturing expenses		-	-
Changes in inventory of goods , work-in-progress and stock-in-trade		-	-
Employee benefits expenses		-	-
Employee costs		-	-
Depreciation and amortization expenses		-	-
Other expenses	13	2,31,166	2,41,193
Total		2,31,166	2,41,193
Profit/(Loss) before Extraordinary & Exceptional items		(2,31,166)	(2,41,193)
Tax expense:			
Current tax		-	-
Deferred tax		-	-
Profit/ (Loss) for the period		(2,31,166)	(2,41,193)
Earning per equity share:			
Basic & Diluted		(0.02)	(0.02)
Significant Accounting Policies and Notes on Accounts	1		
Notes form an integral part of the Financial Statements As per our report attached			
For A K P S & Co. Chartered Accountants Firm Regn. No. 009710C		For Global Stone India Limited	
Sd/- CA (Dr.) Ashok Pahwa Partner Membership No.077665 Place : Indore Date : 29/05/2017		Sd/- K. N. Garg Director DIN:00008402	Sd/- R.C. Soni Director DIN:00023092

GLOBAL STONE INDIA LIMITED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2017 (CURRENCY:INDIAN RUPEES)		
	Year ended 31st March 2017	Year ended 31st March 2016
A. CASH FLOW FROM OPERATING ACTIVITIES :		
Net Profit / (Loss) before Tax	(2,31,166)	(2,41,193)
Adjustment for:		
Depreciation		
Provision written off		
Interest Charged		
Operating Profit before working capital changes	(2,31,166)	(2,41,193)
Adjustment for:		
Trade and Other Receivables	-	-
Inventories	-	-
Other Current liabilities	-	-
Trade Payables	(1,10,351)	(1,000)
Cash Generated from Operations	(3,41,517)	(2,42,193)
Interest Paid (Net of receipts/credits)		
Direct Taxes Paid		
Cash flow before extraordinary items	(3,41,517)	(2,42,193)
Extraordinary items		
NET CASH FLOW FROM OPERATING ACTIVITIES (A)	(3,41,517)	(2,42,193)
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	2,24,615	-
Purchase of Investment		
Sale of Investment		
Interest Received		-
NET CASH USED IN INVESTING ACTIVITIES (B)	2,24,615	-
C. CASH FLOW FROM FINANCE ACTIVITIES :		
Proceeds from Issue of Share Capital		
Return of Share Application Money		
Increase in Reserves and Surplus		
Payments of Borrowings	-	-
Deferred Payment Liabilities		
Dividend Paid		
NET CASH USED IN FINANCING ACTIVITIES (C)	-	-
D. NET CHANGE IN CASH AND CASH EQUIVALENTS (A+B+C)	(1,16,902)	(2,42,193)
Cash and Cash Equivalents As At the beginning of the year	11,65,753	11,65,753
Cash and Cash Equivalents As At end of the year	10,48,851	9,23,560
As per our report attached For AKPS & Co. Chartered Accountants Firm Regn. No. 009710C Sd/- CA (Dr.) Ashok Pahwa Partner Membership No.077665 Place : Indore Date : 29/05/2017	For Global Stone India Limited Sd/- K. N. Garg Director DIN:00008402 Sd/- R.C. Soni Director DIN:00023092	

GLOBAL STONE INDIA LIMITED

Notes forming part of the financial statements as at 31st March 2017

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 comply with Section 133 of the Companies Act, 2013 ('Act') read with Rule 7 of the Companies (Accounts) Rules, 2014, the provisions of the Act (to the extent notified). The financial statements have been prepared and presented in Indian rupees.

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:

No fixed assets are owned by the company hence not shown in account during the period of audit.

As no fixed asset is owned by the company, hence no depreciation is charged by company during the period of audit.

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 **Employee Benefits:**

Since no remuneration is payable to directors hence no liability for retirement benefits arises and consequently no provision is needed.

1.9 **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.

1.10 **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.

1.11 **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.

Auditors Certificate

To,
The Board of Directors,
Karishma Harbal Private Limited

We have examined the attached Cash Flow Statement of **Global Stone India Limited** for the year ended as on 31st March 2017. The statement has been prepared by the Company in accordance with the requirement of Accounting Standard and in agreement with the corresponding profit and loss account and balance sheet of the company covered by our report of 29th May 2017 to the member of the company.

For A K P S & Co.

Chartered Accountants
Firm Regn. No. 009710C

CA (Dr.) Ashok Pahwa

Partner
Membership No.077665
Place : Indore
Date : 29/05/2017

Global Stone India Ltd

Notes Forming Part of the Financial Statements as at 31st March, 2017

Note : 2 Share Capital

(CURRENCY: INDIAN RUPEES)

Particulars	AS at	AS at
	31.03.2017	31.03.2016
Authorised		
12,000,000 (Previous Year 12,000,000) Equity Shares of Rs.10 each	12,00,00,000	12,00,00,000
1,500,000 (Previous Year 1,500,000) 15% Cumulative 15 years convertible Redeemable Preference Shares of Rs.100 each	15,00,00,000	15,00,00,000
	27,00,00,000	27,00,00,000
Issued & Subscribed		
12,000,000 (Previous Year 12,000,000) Equity Shares of Rs.10 each	12,00,00,000	12,00,00,000
1,500,000 (Previous Year 1,500,000) 15% Cumulative 15 years convertible Redeemable Preference Shares of Rs.100 each	15,00,00,000	15,00,00,000
	27,00,00,000	27,00,00,000
Paid-up		
12,000,000 (Previous Year 12,000,000) Equity Shares of Rs.10 each, fully paid	12,00,00,000	12,00,00,000
Less: Calls Unpaid By Others	2,81,135	2,81,135
	(A) 11,97,18,865	11,97,18,865
1,500,000 (Previous Year 1,500,000) 15% Cumulative 15 Years Convertible Redeemable Preference Shares	15,00,00,000	15,00,00,000
	15,00,00,000	15,00,00,000
(B)		
Total (A+B)	26,97,18,865	26,97,18,865

a. Reconciliation of the shares outstanding at the beginning and at the end of the reporting period				
Equity Shares	As at 31st March 2017		As at 31st March 2016	
	Number	Amount (Rs.)	Number	Amount (Rs.)
Shares outstanding at the beginning of the year	1,20,00,000	12,00,00,000	1,20,00,000	12,00,00,000
Shares Issued during the year	-	-	-	-
Shares outstanding at the end of the year	1,20,00,000	12,00,00,000	1,20,00,000	12,00,00,000

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 equity shares 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 2017		As at 31st March 2016	
	Number	% of holding in the class	Number	% of holding in the class
Danfia Holdings	26,60,000	22.17%	26,60,000	22.167%
ABN Amro Bank N V (A/c European Eco .Com)	15,00,000	12.50%	15,00,000	12.5%
Trust Ci.Investments Ltd	9,00,000	7.50%	9,00,000	7.5%

Note : 3 Reserve & Surplus

Particulars	As at 31.03.2017	As at 31.03.2016
Surplus/(Deficit) Statement of Profit and Loss		
Opening Balance	(26,76,23,929)	(26,73,82,736)
Add: Transferred from Annexed Account	(2,31,166)	(2,41,193)
Total	(26,78,55,095)	(26,76,23,929)
Total reserves and Surplus	(26,78,55,095)	(26,76,23,929)

Note : 4 Short Term Borrowings

Particulars	As at 31.03.2017	As at 31.03.2016
Short Term Borrowings (Unsecured)		
East West Finance Pvt Ltd	-	-
Other Loans & Advances		
Advance from Customers -Others	13,97,54,646	13,97,54,646
Total	13,97,54,646	13,97,54,646

Note : 5 Trade Payables

Particulars	As at 31.03.2017	As at 31.03.2016
For goods	12,06,375	12,28,619
For Expenses	96,000	1,84,107
Total	13,02,375	14,12,726

Note : 6 Other Current Liabilities

Particulars	As at 31.03.2017	As at 31.03.2016
Other Payables		
Debenture Redemption and interest payable	10,09,579	10,09,579
Total	10,09,579	10,09,579

GLOBAL STONE INDIA LIMITED

Notes Forming Part of the Financial Statements as at 31st March, 2017

Note :7 Long Term Loans and Advances

(CURRENCY:INDIAN RUPEES)

Particulars	AS at 31.03.2017	AS at 31.03.2016
(Unsecured, Considered Good)		
Security Deposits - Earnest Money	3,92,80,000	3,92,80,000
Total	3,92,80,000	3,92,80,000

Note : 8 Inventory

Particulars	AS at 31.03.2017	AS at 31.03.2016
Closing Stock		
(as taken, valued and certified by the management)		
Stores & Consumables	23,99,048	23,99,048
Total	23,99,048	23,99,048

Note : 9 Trade Receivables

Particulars	AS at 31.03.2017	AS at 31.03.2016
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 :	1,30,62,699	1,30,62,699
Less: Provision for Doubtful Debts	1,30,62,699	1,30,62,699
	-	-
Total	-	-

Note : 10 Cash & Cash Equivalents

Particulars	AS at 31.03.2017	AS at 31.03.2016
Cash-in-Hand		
Cash Balances	16,768	70,657
Balance With Banks		
In current Account	435	63,448
Other Bank Balances	10,31,648	10,31,648
Total	10,48,851	11,65,753

Other Bank Balances represent the bank balance earmarked for the payment of the dues of debenture holders.

Note : 11 Short Terms Loans and Advances

Particulars	As at 31.03.2017	As at 31.03.2016
(Unsecured , Recoverable in cash or in kind and considered good) (Interest free) Loans & Advances - Entities with in the same group	10,11,64,725	10,13,89,340
Doubtful Advances	-	69,98,379
Less: Provision for doubtful	-	69,98,379
Total	10,11,64,725	10,13,89,340

Note : 12 Other Current Assets

Particulars	As at 31.03.2017	As at 31.03.2016
TDS Receivable	37,746	37,746
Total	37,746	37,746

Note :13 Other Expenses

Particulars	As at 31.03.2017	As at 31.03.2016
Conveyance Expenses	-	4,026
Bank Charges	36,513	41,783
Books & Periodicals	-	7,425
Audit Fee	30,000	46,000
Rent	24,000	54,000
Legal Expenses	66,764	28,300
Meeting Expenses	31,615	12,117
Professional Fees	20,000	41,750
Travelling Expenses	22,274	5,792
Total	2,31,166	2,41,193

Note : 14

CASH DETAILS BETWEEN 08.11.2016 TO 31.12.2016	SBNs	OTHER DENOMINATION NOTES	TOTAL
Closing cash in hand as on 08.11. 2016	-	16,768	16,768
(+) Permitted receipts	-	-	-
(-) Permitted payments	-	-	-
(-) Amount deposited in Banks	-	-	-
Closing cash in hand as on 30.12. 2016	-	16,768	16,768

Note : 15

The net worth of Company as per book value as on 31st March 2017 is Rs.1,863,770 and its turnover is nil .In previous year the networth (including other income) was Rs.2,094,936 and its turnover was nil .

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.3825 lacs (Previous Year Cumulative Rs. 3600 lacs)
17. 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 but not converted yet.
18. 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.
19. No Remuneration was paid /provided in respect of the directors during the current as well as the previous year.
20. 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'.
21. Computation of Earnings Per Share (Basic and diluted):

Description	Current Year	Previous Year
Amount used as numerator (Profit/Loss) (Rs.)	(231,166)	(241,193)
Denominator (No. of Equity Shares) (Nos.)	12,000,000	12,000,000
Nominal value per Equity share (Rs.)	10	10
Earnings Per Share (Rs.)	(0.02)	(0.07)

22. 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.
23. The Company, in earlier years, has received advances amounting to Rs. 12.06 Lacs (Previous Year-Rs.12.29 Lacs) against various purchase orders for Supply & Commissioning of works. However, the performance of work against the said purchase order has not yet been commenced till the close of the current year and the Company is hopeful of completing the successful supply and commissioning in near future.

24. In books the value of inventory of spares and consumables is Rs.23.99 lacs . The inventory with this value is lying in the books since long time but no provision of obsolescence is made as the value of inventory is uncertainable.
25. During the year, the Company has not complied with the provisions of Sections 177 and 203 of the Companies Act, 2013 in respect of constitution and conduct of various Committees and their meetings and employment of a full-time Company Secretary on its rolls respectively. The Company is in the process of regularization of the same as at the close of the year.
26. 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).

27. **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
Mr. R.C. Soni
Mr. K.L. Daga
Mrs. Hiba Shaikh
- (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.

(Amt Rs. in Lacs)

Closing Balances	Key management Personnel		Associates	
	31.03.2017	31.03.2016	31.03.2017	31.03.2016
Loans & Advances	-	-	8.54	8.54
Total			8.54	8.54

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

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

Particulars	For the year ended 31 March 2017	For the year ended 31 March 2016
Audit Fees	30,000	40,000
Total	40,000	40,000

29. Other Information

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

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

31. Balances appearing under Short term loans and advances, long term loans and advances Short term borrowings and other current liabilities are subject to confirmation and consequential reconciliation, if any, from the respective lenders. The effect of which will be considered in the year of such reconciliation.

For and on behalf of the Board of Directors
For Global Stone India Limited

Place: Indore

Date: 29th May, 2017

Sd/-
K.N.Garg
Director
DIN:00008402

Sd/-
R.C. Soni
Director
DIN:00023092

Form No. MGT-11**PROXY FORM**

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

CIN:	L51909KA1985PLC006812
Name of the company:	Global Stone India Limited
Registered office:	G 405 to G412, Sigma Soft tech park, Ramagondanahalli Village, Varthur Hobli, Bangalore, 560066 Karnataka

Name of the member (s) :	_____
Registered address :	_____
E-mail Id :	_____ Folio No/ Client Id : _____
DP ID :	_____

I/We, being the member (s) of shares of the above named company, hereby appoint

1. Name : _____

Address: _____

E-mail Id: _____ Signature _____ or failing him/her

2. Name : _____

Address: _____

E-mail Id: _____ Signature _____ or failing him/her

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 32nd Annual general meeting of the company, to be held on Saturday the 30th day of September, 2017 At 11:00 A.m. at the **G 405 to G412, Sigma Soft tech park, Ramagondanahalli Village, Varthur Hobli, Bangalore, 560066 Karnataka** and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Particulars of Resolution	Vote	
		For	Against
	ORDINARY BUSINESS: as Ordinary Resolution		
Item no.1	To receive, consider and adopt the audited Profit and Loss Account for the financial year ended on 32 nd March, 2017 and Balance Sheet as on that date together with the Reports of Independent Auditor and Directors thereon.		
Item no. 2	To appoint a Director in place of Mr. K. N. Garg (DIN: 00008402) who retires by rotation and being eligible, offers himself for re-appointment.		
Item no. 3	To ratify appoint M/s A K P S & Co. (Earlier known as Pahwa Jhamb & Company), Chartered Accountants, Indore having Firm Registration No. 009710C as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting of the Company and to authorise the Board of Directors to fix their remuneration.		

As Witness my / ourhand(s) this _____ day of _____ 2017

Signature of shareholder _____

Signature of Proxy holder(s) _____

**Affix
Revenue
Stamp**

Note: This form of proxy in order to be effective should be duly completed and deposited at the Office of the Company, not less than 48 hours before the commencement of the Meeting.

Global Stone India Limited

(CIN: L51909KA1985PLC006812)

Regd. Off.: G 405 to G412, Sigma Soft tech park, Ramagondanahalli Village, Varthur

Hobli, Bangalore, 560066 Karnataka

Attendance Slip

DPID _____ CLIENT ID _____

Regd. Folio No. _____

Mr./Ms. _____

Father's/Husband's Name _____

I certify that I am a registered Shareholders/Proxy for the registered Shareholder of the Company. I hereby record my presence at the 32nd Annual General Meeting of the Company Saturday the 30th day of September, 2017 At 11:00 A.m. at the **G 405 to G412, Sigma Soft tech park, Ramagondanahalli Village, Varthur Hobli, Bangalore, 560066 Karnataka.**

Member's/Proxy's Name in _____ Member's / Proxy's

Signature _____

Note:

- 1) Please fill in this attendance slip and hand it over at the entrance of the Meeting Hall.
- 2) Member's Signature should be in accordance with the specimen signature registered with the Company.
- 3) Please bring your copy of the Annual Report for reference at the Meeting.

POLLING PAPER

(Form No. MGT-12)

[Pursuant to section 109(5) of the Companies Act, 2013 and rule 21(1)(c) of the Companies

(Management and Administration) Rules, 2014]

Name of the Company : Global Stone India Limited
 CIN : L51909KA1985PLC006812
 Regd. Office : G 405 to G412, Sigma Soft tech park, Ramagondanahalli Village, Varthur Hobli,
 Bangalore, 560066 Karnataka,.

BALLOT PAPER

Sr. No.	Particulars	Details
1	Name of the First Named Shareholders (in Block letters)	
2	Postal Address	
3	Registered folio No. /*Client ID No. (*Applicable to investors holding shares in dematerialized form)	
4	Class of Share	

I hereby exercise my vote in respect of Ordinary resolution enumerated below by recording my assent or dissent to the said resolution in the following manner:

Resolution No.	Particulars of Resolution	Vote	
		For	Against
	ORDINARY BUSINESS: as Ordinary Resolution		
Item no.1	To receive, consider and adopt the audited Profit and Loss Account for the financial year ended on 32nd March, 2017 and Balance Sheet as on that date together with the Reports of Independent Auditor and Directors thereon.		
Item no. 2	To appoint a Director in place of Mr. K. N. Garg (DIN: 00008402) who retires by rotation and being eligible, offers himself for re-appointment.		
Item no. 3	To ratify appoint M/s A K P S & Co. (Earlier known as Pahwa Jhamb & Company), Chartered Accountants, Indore having Firm Registration No. 009710C as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting of the Company and to authorise the Board of Directors to fix their remuneration.		

Place:

Date:

(Signature of the shareholder)

'Annexure - V'

To,
Link Intime India Pvt. Ltd
C 101, 247 Park, L.B.S. Marg, Vikhroli (West),
Mumbai, Maharashtra, 400083

Updating of Shareholders Information

I/We request you to record the following information against my/our Folio No.:

General Information:

Folio No.:	
Name of the first named Shareholder:	
PAN:*	
CIN/Registration No.:* (applicable to Corporate Shareholders)	
Tel. No. with STD Code:	
Mobile No.:	
E-mail id:	

*Self attested copy of the document(s) enclosed. Bank Details:

IFSC:(11 digit)	
MICR: (9 digit)	
Bank A/c Type:	
Bank A/c No.: *	
Name of the Bank:	
Bank Branch Address:	

*A blank cancelled cheque is enclosed to enable verification of bank details.

I/We hereby declare that the particulars given above are correct and complete. If the transaction is delayed because of incomplete or incorrect information, I/We would not hold the Company/RTA responsible. I/We undertake to inform any subsequent changes in the above particulars as and when the changes take place. I/We understand that the above details shall be maintained till I/We hold the securities under the above mentioned Folio No.

Place:

Date:

 Signature of Sole/First holder