

28th

ANNUAL REPORT

2012-2013

GLOBAL STONE INDIA LIMITED

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

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

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

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

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

NOTICE

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

ORDINARY BUSINESS:

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

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

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

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

K. N. Garg
Chairman

NOTES:

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

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

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

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Bangalore Office:

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

Mumbai Office:

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

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

MR. R. C. SONI

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

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

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

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

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

K. N. Garg
Chairman

DIRECTORS' REPORT

**To,
The Members,**

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

FINANCIAL HIGHLIGHTS

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

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

OPERATIONS

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

FUTURE OUTLOOK

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

DIVIDEND

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

BOARD OF DIRECTORS

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

STATUTORY AUDITOR

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

COMPANY SECRETARY

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

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

AUDITORS' REPORT

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

REPORT ON CORPORATE GOVERNANCE

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

DIRECTORS' RESPONSIBILITY STATEMENT

Your Directors confirm that:

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

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

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

PARTICULARS OF EMPLOYEES

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

FIXED DEPOSITS

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

APPRECIATION

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

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

K. N. GARG
CHAIRMAN

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

REPORT ON CORPORATE GOVERNANCE

INTRODUCTION

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

1. COMPANY'S PHILOSOPHY

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

2. BOARD OF DIRECTORS

(A) Composition and Size of the Board:

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

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

Note: Private & Foreign Companies Directorship are excluded.

(B) Board Meetings and Attendance of Directors:

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

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

(C) Sitting Fees

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