

**32<sup>nd</sup> 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, 7<sup>th</sup> Main, 3<sup>rd</sup> 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 32<sup>nd</sup> Annual General Meeting of the Members of Global Stone India Limited will be held on Saturday, the 30<sup>th</sup> 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 32<sup>nd</sup> 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: 14<sup>th</sup> 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, 7<sup>th</sup> 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.**

<b>Date of Birth</b>	<b>Date of Appointment</b>	<b>Directorship held in other Companies</b>	<b>No. of shares held in Company</b>
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

**31<sup>ST</sup> 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 31<sup>st</sup> March, 2017.

**FINANCIAL HIGHLIGHTS**

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

(In Lacs)

Particulars	For the Year Ended on 31 <sup>st</sup> March, 2016	For the Year Ended on 31 <sup>st</sup> 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 31<sup>st</sup> 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 31<sup>st</sup> 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 31<sup>st</sup> 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.