GMJ & Co
Chartered Accountants
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INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF GLOBAL COMPOSITES & STRUCTURALS LIMITED

Report on the Audit of the Ind AS Financial Statements

Opinion

We have audited the accompanying Ind AS financial statements of Global Composites & Structurals Limited ("the Company"), which comprise the balance sheet as at 31st March 2023, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Companies Act,2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2023, its Net loss and total comprehensive loss, changes in equity and its cash flow for the year ended on that date.

Basis for Opinion

We conducted our audit of the Ind AS financial statements in accordance with the Standards on Auditing ('SAs') specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Ind AS Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the Ind AS financial statements under provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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Emphasis of Matter

Without modifying our opinion, we draw attention to -

1. We draw attention to **Note no. 30** of the financial Statements regarding the appropriateness of the "going concern" basis used for the preparation of these Accounts even though the net-worth of the company has been completely eroded as at 31st March, 2023 and the validity of "going concern" basis would depend upon the continuance of the existing financial support by the holding company. The accounts do not include adjustments, if any, that may result from discontinuances of the funding by the Holding company.

2. We draw attention **Note no. 40** to the Ind AS financial statements, which describes that the management has approved for merger with the holding company as a going concern with effect from the Appointed Date April 1, 2023 and upon coming into effect of the Scheme and subject to the provisions of the Scheme, the Company would stand dissolved without being wound up.

Information other than the Financial Statements and Auditor's Report thereon

The Company's Board of Directors is responsible for preparation of the other information. Other information comprises the information included in the Management Discussion and Analysis of the Board's Report including Annexures thereto to Corporate Governance and Shareholder's Information, but does not include the Ind AS financial statements and our auditor's report thereon.

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

In connection with our audit of the Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Ind AS financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

We have been provided the aforesaid reports and based on the work we have performed, we did not observe any material misstatement of this other information and accordingly, we have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India.

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This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the Ind AS financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Ind AS financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

i. Identify and assess the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

ii. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.

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iii. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

iv. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

v. Evaluate the overall presentation, structure and content of the Ind AS financial statements, including the disclosures, and whether the Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually, or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Ind AS financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Ind AS financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the **"Annexure A"** a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. As required by Section 143(3) of the Act, we report that:
   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes 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 it appears from our examination of those books.

(c) The company does not have any branches. Hence, the provisions of section 143(3)(c) is not applicable.

(d) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.

(e) In our opinion, the aforesaid Ind AS financial statements comply with the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

(f) In our opinion, there are no financial transactions or matters which may have any adverse effect on the functioning of the company.

(g) On the basis of the written representations received from the directors as on 31st March, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.

(h) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in **"Annexure B".**

(i) With respect to other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, no remuneration has been paid by the company to its directors during the year.

(j) 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 has disclosed the impact of pending litigations on its financial position in its financial statements – Refer **Note no. 32** to the Ind AS financial statements;

ii. The Company did not have any long - term contracts including derivative contracts as such there are no foreseeable losses.

iii. There were no amounts which are required to be transferred to the Investor Education and Protection Fund by the Company.

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iv. (a) The management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) The management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

v. The company has neither declared nor paid any dividend during the year.

vi. Proviso to Rule 3(1) of the companies (Accounts) Rules, 2014 for maintaining book of account using accounting software which has the feature of recording audit trail (Edit log) facility is applicable to the company with effect from April 1, 2023 and accordingly, reporting under rule 11(g) of companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023

For GMJ & Company
Chartered Accountants
FRN: 103429W

GMJ & CO. MUMBAI FRN. NO. 103429W CHARTERED ACCOUNTANTS

CA Atul Jain
Partner
Membership No. 037097
UDIN: 23037097BGWDJB6231

Place: Mumbai
Date: 22nd May, 2023

ANNEXURE A TO THE AUDITORS' REPORT

ANNEXURE REFERRED TO IN PARAGRAPH "REPORT ON OTHER LEGAL AND REGUALTORY REQUIREMENTS" OF OUR REPORT TO THE MEMBERS OF "THE COMPANY" FOR THE YEAR ENDED 31ST MARCH, 2023

On the basis of such checks as we considered appropriate and according to the information and explanations given to us during the course of our audit, we state that:

(i) a) [A]The company has maintained proper records showing full particulars, including quantitative details and situation of the Property, Plant and Equipment;

[B] The company has maintained proper records showing full particulars of Intangible assets;

b) Property, Plant and Equipment were physically verified during the year by the management and no material discrepancies were noticed on such verification;

c) According to the information and explanations given to us, the title deeds of immovable properties are held in the name of the company;

d) According to the information and explanations given to us, the Company has not revalued any Property, Plant & Equipment or any Intangible Asset. Accordingly, paragraph 3(i)(d) of the Companies (Auditor's Report) Order, 2020 ("the Order") is not applicable to the Company;

e) According to the information and explanations given to us, the Company does not have any Benami properties. Accordingly, paragraph 3(i)(e) of the Companies (Auditor's Report) Order, 2020 ("the Order") is not applicable to the Company;

(ii) a) According to the information and explanations given to us, Physical verification of inventory has been conducted at reasonable intervals by the management and no material discrepancies were noticed on such physical verification during the year;

b) According to the information and explanations given to us, the Company has been sanctioned Bank Overdraft limits in aggregate from bank which is in excess of Rs. 5 Crores. The Prime security against the overdraft is on Land & Building and Plant & Machinery and the collateral security is on Stock and Book Debts. The company has filed half yearly statements with the bank and they are in agreement with the books of accounts of the company.

(iii) According to information and explanations given to us, the company has not granted loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act 2013. Therefore, the provisions of Clause 3(iii)(a), (iii)(b), (iii)(c), (iii)(d), (iii)(e) and (iii)(f) of the said Order are not applicable to the Company.

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(iv) According to information and explanations given to us, the Company has not granted any loans or made any investments, or provided any guarantee or security to the parties covered under Section 185 and 186. Therefore, the provisions of Clause 3(iv) of the said Order are not applicable to the Company;

(v) According to information and explanations given to us, the company has not accepted any deposits from the public within the meaning of Sections 73 to 76 of the Act and the Rules framed there under to the extent notified;

(vi) According to the information and explanations given to us, the Central Government has not prescribed maintenance of cost records under sub-section (1) of section 148 of the Companies Act'2013;

(vii) According to the information and explanations given to us, in respect of statutory dues:

(a) The company is generally regular in depositing undisputed statutory dues including provident fund, income tax, goods and service tax, Custom duty, Cess and other material statutory dues with the appropriate authorities. There have been no dues which are outstanding for more than six months from the date they become payable.

(b) According to the information and explanation given to us, following dues have not been deposited with the concerned authorities on account of dispute as at 31st March ,2023

Name of State	Nature of Demand	Period to which the amount relates	Amount	Forum where dispute is pending
CST Maharashtra	Sales Tax	2010-11	26,83,515	Commissioner (Appeals)
Maharashtra	Goods and Service Tax	2018-19	19,17,507	Deputy Commissioner

(viii) According to the information and explanations given to us, the Company does not have any transactions not recorded in books of accounts that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act 1961. Accordingly, paragraph 3(viii) of the Companies (Auditor's Report) Order, 2020 ("the Order") is not applicable to the Company;

(ix) (a) To the best of our knowledge and belief and according to the information given to us, the Company has not defaulted in repayment of loans or other borrowings or the payment of interest to any lender during the year.

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(b) The company has not declared as willful defaulter by any bank or financial institution or by any other lender during the year, Accordingly, paragraph 3(ix)(b) of the Companies (Auditor's Report) Order, 2020 ("the Order") is not applicable to the Company;

(c) Company has not obtained any term loan during the year. Therefore, paragraph 3(ix)(c) of the Companies (Auditor's Report) Order, 2020 ("the Order") is not applicable to the Company;

(d) According to the information and explanation given to us, funds which were raised in previous year on short term basis were not utilized for long term purpose except for funding of cash loss;

(e) According to the information and explanation given to us, Company has not taken any fund from any entity or from any person on account of or to meet the obligations of its subsidiaries, associates or joint ventures and hence paragraph 3(ix)(e) of the Companies (Auditor's Report) Order, 2020 ("the Order") is not applicable to the company.

(f) According to information and explanation given to us, the company has not raised loans during the year on the pledge of securities held in its securities, joint ventures or associates companies and hence paragraph 3(ix)(f) of the Companies (Auditor's Report) Order, 2020 ("the Order") is not applicable to the Company;

(x) During the year, the Company has not raised money by way of initial public offer or further public offer (including debt instruments) and term loans and has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, paragraph 3(x)(a) & (b) of the Companies (Auditor's Report) Order, 2020 ("the Order") is not applicable to the Company;

(xi) To the best of our knowledge and belief and according to the information given to us, no fraud by the Company or on the Company has been noticed or reported during the year. Accordingly, paragraph 3(xi)(a) & (b) of the Companies (Auditor's Report) Order, 2020 ("the Order") is not applicable to the Company;

As represented to us by the management, there are no whistle-blower complaints received by the company during the year. Also, the whistle blower mechanism is not mandatory for the company and thus the Clause 3(xi)(c) is not applicable for the company.

(xii) To the best of our knowledge and belief and according to the information given to us, The Company is not a Nidhi Company. Accordingly, clause 3(xii)(a), (b) & (c) of the Order is not applicable to it;

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(xiii) According to the information and explanations given to us, all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 wherever applicable and the details have been disclosed in the Ind AS Financial Statements as required by the applicable accounting standards;

(xiv) In our opinion and based on our examination, the company does not have internal audit system and is not required to have an internal audit system as per the provisions of the Companies Act 2013. Hence, paragraph 3(xiv)(a) & (b) of the Companies (Auditor's Report) Order, 2020 ("the Order") is not applicable to the Company;

(xv) According to the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with them during the year. Hence, paragraph 3(xv) of the Companies (Auditor's Report) Order, 2020 ("the Order") is not applicable to the Company;

(xvi) The company is not required to be registered under Section 45-IA for the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3(xvi)(a), (b), (c) & (d) of the Order are not applicable to the Company.

(xvii) The company has incurred cash losses amounting to Rs. 19,682.23 (in thousands) in the current Financial Year and Rs. 15,370.82 (in thousands) in the preceding Financial Year.

(xviii) There has been no instance of resignation by the statutory auditor under section 140(2) of the companies act 2013 during the year and accordingly paragraph 3(xviii) of the Companies (Auditor's Report) Order, 2020 ("the Order") is not applicable to the Company;

(xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, it has come to our attention, which causes us to believe that material uncertainty exists as on the date of the audit report indicating that Company's Net Worth is completely eroded as on 31st March, 2023 is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due. However, the company is wholly dependent on its Holding company for funding of day to day operations.

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(xx) As represented to us by the management, Provisions of section 135 of the Companies Act 2013 is not applicable to the company and accordingly paragraph 3(xx)(a) & (b) of the Companies (Auditor's Report) Order, 2020 ("the Order") is not applicable to the Company.

For GMJ & Company
Chartered Accountants
FRN: 103429W

GMJ & CO. MUMBAI FRN. NO. 103429W CHARTERED ACCOUNTANTS

CA Atul Jain
Partner
Membership No. 037097
UDIN: 23037097BGWDJB6231

Place: Mumbai
Date: 22nd May, 2023

Annexure "B" to Independent Auditor's Report

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Act

We have audited the internal financial controls over financial reporting of Global Composites & Structurals Limited ("the Company") as of March 31, 2023 in conjunction with our audit of the Ind AS Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such control operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

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Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Ind AS financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

1. Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

2. Provide reasonable assurance that transactions are recorded as necessary to permit preparation of Ind AS financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and

3. Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the Ind AS financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

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, 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For GMJ & Company
Chartered Accountants
FRN: 103429W

GMJ & CO
MUMBAI
FRN. NO.
103429W
CHARTERED ACCOUNTANTS

Atul Jain

CA Atul Jain
Partner
Membership No. 037097
UDIN: 23037097BGWDJB6231

Place: Mumbai
Date: 22nd May, 2023

GLOBAL COMPOSITES & STRUCTURALS LIMITED

BALANCE SHEET AS AT MARCH 31, 2023

(Amount in '000)

Particulars	Notes	March 31, 2023	March 31, 2022
ASSETS			
Non-Current Assets			
(a) Property, Plant and Equipment	5	35,325.28	29,826.08
(b) Financial Assets			
(i) Investments	6	499.95	499.95
(c) Other Non-Current Assets	10	2,699.28	7,870.24
		38,524.51	**38,196.27**
Current assets			
(a) Inventories	7	8,592.80	7,685.33
(b) Financial Assets			
(i) Trade Receivables	8	8,418.99	10,749.05
(ii) Cash and Cash Equivalents	9	34.94	298.31
(iii) Other Financial Assets	6	2,756.53	2,812.88
(c) Other Current Assets	10	5,816.64	245.79
		25,619.90	**21,791.36**
Total		**64,144.41**	**59,987.63**
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share capital	11	29,355.00	29,355.00
(b) Other Equity	12	(2,75,921.26)	(2,56,439.63)
		(2,46,566.26)	**(2,27,084.63)**
Liabilities			
Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	13	1,76,209.07	1,78,758.83
(ii) Trade Payables	14		
Micro, Small and Medium Enterprises		-	-
Others		10,367.01	15,252.27
(b) Other Current Liabilities	15	1,24,134.59	93,061.16
		3,10,710.67	**2,87,072.26**
TOTAL		**64,144.41**	**59,987.63**
Significant accounting policies and notes forming part of the financial statements	1 to 40		

For GMJ & Co
Chartered Accountants
Firm No. 103429W

GMJ & CO. MUMBAI FRN. NO. 103429W CHARTERED ACCOUNTANTS

CA Atul Jain
Partner
M. No. 037097
Place : Mumbai
Date : 22nd May, 2023

For and on behalf of the Board of Directors of
Global Composites and Structurals Ltd
CIN : U26102MH2006PLC161108

Dinesh Sharma
Director
00051986

Aankur Patni
Director
00090657

GLOBAL COMPOSITES & STRUCTURALS LIMITED
STATEMENT OF PROFIT AND LOSS FOR PERIOD ENDED MARCH 31, 2023

(Amount in '000)

Particulars	Notes	March 31, 2023	March 31, 2022
REVENUE			
Revenue from operations	16	45,457.51	66,836.14
Other income	17	3,340.78	287.53
Total Income(I)		**48,798.29**	**67,123.67**
EXPENSES			
Cost of materials consumed	18	4,448.75	23,900.06
Employee benefits expense	19	560.90	399.99
Finance costs	20	27,715.88	26,146.67
Depreciation and amortization expense	21	1,599.85	2,636.57
Other expenses	22	35,754.98	32,047.76
Total Expenses (II)		**70,080.37**	**85,131.06**
Loss before exceptional items and tax (I-II)		**(21,282.08)**	**(18,007.39)**
Exceptional Items	23	-	-
Profit/(Loss) before tax		**(21,282.08)**	**(18,007.39)**
Tax expense:			
Current tax			
Adjustment of tax relating to earlier Years		(4.05)	**39.02**
Profit/(Loss) for the period		**(21,278.02)**	**(18,046.41)**
OTHER COMPREHENSIVE INCOME			
Other Comprehensive income for the year, net of tax		-	-
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD, NET OF TAX		**(21,278.02)**	**(18,046.41)**
Earnings per share for profit attributable to equity shareholders	24		
Basic and Diluted		(7.25)	(6.15)
Significant accounting policies and notes forming part of the financial statements	1 to 40		

For GMJ & Co
Chartered Accountants
Firm No. 103429W

GMJ & CO. MUMBAI FRN. NO. 103429W CHARTERED ACCOUNTANTS

CA Atul Jain
Partner
M. No. 037097
Place : Mumbai
Date : 22nd May, 2023

For and on behalf of the Board of Directors of
Global Composites and Structurals Ltd
CIN : U26102MH2006PLC161108

Dinesh Sharma
Director
00051986

Aankur Patni
Director
00090657

GLOBAL COMPOSITES & STRUCTURALS LIMITED
STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED MARCH 31, 2023

(Amount in '000)

Particulars	March 31, 2023	March 31, 2022
CASH FLOWS FROM OPERATING ACTIVITIES:		
Profit/(Loss) before income tax	(21,278.02)	(18,046.41)
Loss before income tax	(21,278.02)	(18,046.41)
Adjustments for:		
Depreciation and amortisation expense	1,599.85	2,636.57
Finance costs	25,915.88	24,346.67
Dividend and interest income classified as Investing cash flows	(90.00)	(75.00)
Change in operating assets and liabilities:		
(Increase)/Decrease in Trade Receivables	2,330.05	(60.52)
(Increase)/Decrease in Inventories	(907.47)	(858.75)
Increase/(decrease) in Trade Payables	(4,885.25)	1,139.40
(Increase)/decrease in other non-current assets	5,167.36	(209.55)
(Increase)/decrease in other current assets	(5,570.85)	95.40
Increase/(decrease) in other Current Liabilities	31,073.43	13,777.13
(Increase)/Decrease in other Financial Asset	56.36	(676.36)
Cash generated from operations	33,411.34	22,068.60
Less: Income taxes paid	-	-
Net cash inflow from operating activities	33,411.34	22,069.60
CASH FLOWS FROM INVESTING ACTIVITIES:		
Payments for property, plant and equipment	(7,099.05)	(36.46)
Dividends received	90.00	75.00
Net cash inflow from investing activities	(7,009.05)	38.54
CASH FLOWS FROM FINANCING ACTIVITIES:		
Repayment of borrowings	(2,549.77)	470.33
Interest paid	(24,115.88)	(22,546.67)
Net cash inflow (outflow) from financing activities	(26,665.65)	(22,076.34)
Net increase (decrease) in cash and cash equivalents	(263.36)	31.80
Cash and Cash Equivalents at the beginning of the financial year	298.31	267.51
Cash and Cash Equivalents at end of the year	34.94	298.31
Reconciliation of cash and cash equivalents as per the cash flow statement:		
Cash and cash equivalents as per above comprise of the following:		
Cash and cash equivalents	20.92	284.28
Bank Balance in Current Account	14.03	14.03
Balances per statement of cash flows	**34.94**	**298.31**

Significant accounting policies and notes forming part of the financial statements

For GMJ & Co
Chartered Accountants
Firm No. 103429W

CA Atul Jain
Partner
M. No. 37097
Place : Mumbai
Date : 22nd May, 2023

GMJ & CO. MUMBAI FRN. NO. 103429W CHARTERED ACCOUNTANTS

For and on behalf of the Board of Directors of
Global Composites and Structurals Ltd
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GLOBAL COMPOSITES & STRUCTURALS LIMITED
STATEMENT OF CHANGES IN EQUITY AS AT MARCH 31, 2023

A Equity Share Capital

(Amount in '000)

Particulars	Balance at the Beginning of the period	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in Equity share capital during the year	Balance at the end of the period
April 1 , 2022					
Numbers	29,35,500	-	-	-	29,35,500
Amount	29,355	-	-	-	29,355
March 31, 2023					
Numbers	29,35,500	-	-	-	29,35,500
Amount	29,355	-	-	-	29,355

B Other Equity

(Amount in '000)

Particulars	Reserves and Surplus	
	Retained Earnings	Total
As at April 1, 2022	(2,56,439.63)	(2,56,439.63)
Loss for the year	(21,278.02)	(21,278.02)
Other comprehensive income	-	-
Total comprehensive income for the year	(2,77,717.66)	(2,77,717.66)
- Fair Valuation of Financial Guarantee	1,800.00	1,800.00
- Adjustment of Tax relating to earlier years	(3.60)	(3.60)
As at March 31, 2023	**(2,75,921.26)**	**(2,75,921.26)**

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GLOBAL COMPOSITES & STRUCTURALS LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE PERIOD ENDED MARCH 31, 2023

1 Corporate Information

Global Composites & Structurals Limited is a public company domiciled in India and incorporated on 13th April 2006 under the provisions of the Companies Act, 1956. The Company is enhaged in the manufacturing and selling of Fibre glass reinforcements plastic (FRP), FRP pipings, PRP Composites, Cable trays, engineering products, vessels/Tanks, designing and structural fabrication of metal & steel structures

2 Significant Accounting Policies

2.1 Basis of preparation

The company's financial statements has been prepared in accordance with Indian Accounting Standards(Ind AS) notified under the Companies (Indian Accounting Standards) Rules 2015 (as Amended from time to time).

For all periods up to and including the year ended March 31, 2017, the Company prepared its financial statements in accordance accounting standards notified under the section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP). These financial statements for the year ended March 31, 2018 are the first the Company has prepared in accordance with Ind AS. Refer to note 43 for information on how the Company adopted Ind AS.

The financial statements have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value or revalued amount:

- Land and buildings classified as property, plant and equipment
- Derivative financial instruments,
- Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments),
- Contingent consideration, and
- Non-cash distribution liability.

In addition, the carrying values of recognised assets and liabilities designated as hedged items in fair value hedges that would otherwise be carried at amortised cost are adjusted to record changes in the fair values attributable to the risks that are being hedged in effective hedge relationships. The financial statements are presented in INR and all values are rounded to the nearest lacs (INR 00,000), except when otherwise indicated.

2.2 Summary of significant accounting policies

(A) Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are inclusive of excise duty and net of returns, trade allowances, rebates, value added taxes and amounts collected on behalf of third parties. The company recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the company's activities as described below. The company bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

Recognising revenue from major business activities

(i) Sale of goods

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer, usually on delivery of the goods. Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates. A liability is recognised at the time the product is sold. The Company does not provide any extended warranties or maintenance contracts to its customers.

(ii) Dividend income

Revenue is recognised when the company's right to receive the payment is established, which is generally when shareholders approve the dividend.

(c) Taxes

(i) Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the company operates and generates taxable income.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

(ii) Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss

- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss

- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

(d) Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

(e) Inventories

Inventories are valued at the lower of cost and net realisable value.

Costs incurred in bringing each product to its present location and condition are accounted for as follows:

Raw materials: cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on first in, first out/weighted average basis.

Finished goods and work in progress: cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity, but excluding borrowing costs. Cost is determined on first in, first out basis/weighted average.

Traded goods: cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on first in, first out basis/weighted average basis.

Initial cost of inventories includes the transfer of gains and losses on qualifying cash flow hedges, recognised in OCI, in respect of the purchases of raw materials.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

(f) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

(i) Financial assets

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

(1) Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS103 applies are classified as at FVTPL. For all other equity instruments, the company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The company makes such election on an instrument by- instrument basis. The classification is made on initial recognition and is irrevocable.

If the company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

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(ii) **Financial liabilties**

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

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Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

(1) Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ loss are not subsequently transferred to P&L. However, the company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss. The company has not designated any financial liability as at fair value through profit and loss.

(2) Loans and borrowings

This is the category most relevant to the company. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

(3) Financial guarantee contracts

Financial guarantee contracts issued by the company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

(iii) Reclassification of financial assets

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The company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The company's senior management determines change in the business model as a result of external or internal changes which are significant to the company's operations. Such changes are evident to external parties. A change in the business model occurs when the company either begins or ceases to perform an activity that is significant to its operations. If the company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

(iv) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

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(g) Derivative financial instruments and hedge accounting

Initial recognition and subsequent measurement

The Company uses derivative financial instruments, such as forward currency contracts, interest rate swaps and forward commodity contracts, to hedge its foreign currency risks, interest rate risks and commodity price risks, respectively. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

The purchase contracts that meet the definition of a derivative under Ind AS 109 are recognised in the statement of profit and loss. Commodity contracts that are entered into and continue to be held for the purpose of the receipt or delivery of a non-financial item in accordance with the Company's expected purchase, sale or usage requirements are held at cost.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to profit or loss, except for the effective portion of cash flow hedges, which is recognised in OCI and later reclassified to profit or loss when the hedge item affects profit or loss or treated as basis adjustment if a hedged forecast transaction subsequently results in the recognition of a non-financial asset or non-financial liability.

For the purpose of hedge accounting, hedges are classified as:

- Fair value hedges when hedging the exposure to changes in the fair value of a recognised asset or liability or an unrecognised firm commitment
- Cash flow hedges when hedging the exposure to variability in cash flows that is either attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction or the foreign currency risk in an unrecognised firm commitment
- Hedges of a net investment in a foreign operation

At the inception of a hedge relationship, the Company formally designates and documents the hedge relationship to which the Company wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. The documentation includes the company's risk management objective and strategy for undertaking hedge, the hedging/ economic relationship, the hedged item or transaction, the nature of the risk being hedged, hedge ratio and how the entity will assess the effectiveness of changes in the hedging instrument's fair value in offsetting the exposure to changes in the hedged item's fair value or cash flows attributable to the hedged risk. Such hedges are expected to be highly effective in achieving offsetting changes in fair value or cash flows and are assessed on an ongoing basis to determine that they actually have been highly effective throughout the financial reporting periods for which they were designated.

Hedges that meet the strict criteria for hedge accounting are accounted for, as described below:

(i) Fair value hedges

The change in the fair value of a hedging instrument is recognised in the statement of profit and loss as finance costs. The change in the fair value of the hedged item attributable to the risk hedged is recorded as part of the carrying value of the hedged item and is also recognised in the statement of profit and loss as finance costs.

For fair value hedges relating to items carried at amortised cost, any adjustment to carrying value is amortised through profit or loss over the remaining term of the hedge using the EIR method. EIR amortisation may begin as soon as an adjustment exists and no later than when the hedged item ceases to be adjusted for changes in its fair valueattributable to the risk being hedged.

If the hedged item is derecognised, the unamortised fair value is recognised immediately in profit or loss. When an unrecognised firm commitment is designated as a hedged item, the subsequent cumulative change in the fair value of the firm commitment attributable to the hedged risk is recognised as an asset or liability with a corresponding gain or loss recognised in profit and loss.

(ii) Cash flow hedges

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The effective portion of the gain or loss on the hedging instrument is recognised in OCI in the cash flow hedge reserve, while any ineffective portion is recognised immediately in the statement of profit and loss.

The Company uses forward currency contracts as hedges of its exposure to foreign currency risk in forecast transactions and firm commitments, as well as forward commodity contracts for its exposure to volatility in the commodity prices. The ineffective portion relating to foreign currency contracts is recognised in finance costs and the ineffective portion relating to commodity contracts is recognised in other income or expenses.

Amounts recognised as OCI are transferred to profit or loss when the hedged transaction affects profit or loss, such as when the hedged financial income or financial expense is recognised or when a forecast sale occurs. When the hedged item is the cost of a non-financial asset or non-financial liability, the amounts recognised as OCI are transferred to the initial carrying amount of the non-financial asset or liability.

If the hedging instrument expires or is sold, terminated or exercised without replacement or rollover (as part of the hedging strategy), or if its designation as a hedge is revoked, or when the hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss previously recognised in OCI remains separately in equity until the forecast transaction occurs or the foreign currency firm commitment is met.

(iii) Hedges of a net investment

Hedges of a net investment in a foreign operation, including a hedge of a monetary item that is accounted for as part of the net investment, are accounted for in a way similar to cash flow hedges. Gains or losses on the hedging instrument relating to the effective portion of the hedge are recognised as OCI while any gains or losses relating to the ineffective portion are recognised in the statement of profit or loss. On disposal of the foreign operation, the cumulative value of any such gains or losses recorded in equity is reclassified to the statement of profit or loss (as a reclassification adjustment).

(h) Property, plant and equipment

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Cost may also include transfers from equity of any gains or losses on qualifying cash flow hedges of foreign currency purchases of property, plant and equipment.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Transition to Ind AS

On transition to Ind AS, the company has elected to continue with the carrying value of all of its property, plant and equipment recognised as at April 1, 2015 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

Depreciation methods, estimated useful lives and residual value

Depreciation is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives or, in the case of certain leased furniture, fittings and equipment, the shorter lease term as follows:

Freehold buildings	30-60 years
Machinery	10-15 years
Furniture, fittings and equipment	10 years
Vehicles	4-8 years
office equipments	3-5 years

The property, plant and equipment acquired under finance leases is depreciated over the asset's useful life or over the shorter of the asset's useful life and the lease term if there is no reasonable certainty that the company will obtain ownership at the end of the lease term.

The useful lives have been determined based on technical evaluation done by the management's expert which are higher than those specified by Schedule II to the Companies Act; 2013, in order to reflect the actual usage of the assets. The residual values are not more than 5% of the original cost of the asset.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within other gains/(losses).

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(i) **Intangible assets**

Computer software

Costs associated with maintaining software programmes are recognised as an expense as incurred. Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the company are recognised as intangible assets when the following criteria are met:

- it is technically feasible to complete the software so that it will be available for use
- management intends to complete the software and use or sell it
- there is an ability to use or sell the software
- it can be demonstrated how the software will generate probable future economic benefits
- adequate technical, financial and other resources to complete the development and to use or sell the software are available, and
- the expenditure attributable to the software during its development can be reliably measured.

Directly attributable costs that are capitalised as part of the software include employee costs and an appropriate portion of relevant overheads.

Capitalised development costs are recorded as intangible assets and amortised from the point at which the asset is available for use.

Research and development

Research expenditure and development expenditure that do not meet the criteria specified above are recognised as an expense as incurred. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period.

Amortisation methods and periods

The Company amortises intangible assets with a finite useful life using the straight-line method over the following periods:

Patents, copyright and other rights	3-5 years
Computer software	3-5 years
Non-compete fees	1-3 years

Transition to Ind AS

On transition to Ind AS, the company has elected to continue with the carrying value of all of intangible assets recognised as at April 1, 2015 measured as per the previous GAAP and use that carrying value as the deemed cost of intangible assets.

(j) Trade and other payables

These amounts represent liabilities for goods and services provided to the company prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within XX days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

(k) Borrowing costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. Other borrowing costs are expensed in the period in which they are incurred.

(l) Provisions

General

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

(j) Employee benefits

(i) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

(ii) Other long-term employee benefit obligations

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The liabilities for earned leave and sick leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

(iii) Post-employment obligations

The company operates the following post-employment schemes:

(a) defined benefit plans such as gratuity, pension, post-employment medical plans; and

(b) defined contribution plans such as provident fund.

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Pension and gratuity obligations
The liability or asset recognised in the balance sheet in respect of defined benefit pension and gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation denominated in INR is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation. The benefits which are denominated in currency other than INR, the cash flows are discounted using market yields determined by reference to high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

Post-employment medical obligations
Company provide post-retirement healthcare benefits to their retirees. The entitlement to these benefits is usually conditional on the employee remaining in service up to retirement age and the completion of a minimum service period. The expected costs of these benefits are accrued over the period of employment using the same accounting methodology as used for defined benefit plans. Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited in other comprehensive income in the period in which they arise.

Defined contribution plans
The company pays provident fund contributions to publicly administered provident funds as per local regulations. The company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

(iv) Share-based payments
Share-based compensation benefits are provided to employees via the Employee Option Plan and share-appreciation rights.

Employee options
The fair value of options granted under the Employee Option Plan is recognised as an employee benefits expense with a corresponding increase in equity. The total amount to be expensed is determined by reference to the fair value of the options granted:
- including any market performance conditions (e.g., the entity's share price)
- excluding the impact of any service and non-market performance vesting conditions (e.g. profitability, sales growth targets and remaining an employee of the entity over a specified time period), and
- including the impact of any non-vesting conditions (e.g. the requirement for employees to save or holdings shares for a specific period of time).

The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each period, the entity revises its estimates of the number of options that are expected to vest based on the non-market vesting and service conditions. It recognises the impact of the revision to original estimates, if any, in profit or loss, with a corresponding adjustment to equity.

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Share appreciation rights

Liabilities for the company's share appreciation rights are recognised as employee benefit expense over the relevant service period. The liabilities are remeasured to fair value at each reporting date and are presented as employee benefit obligations in the balance sheet.

(v) Bonus Plans

The company recognises a liability and an expense for bonuses. The company recognises a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

(vi) Termination benefits

Termination benefits are payable when employment is terminated by the company before the normal retirement date, or when an employee accepts voluntary redundancy in exchange for these benefits. The company recognises termination benefits at the earlier of the following dates: (a) when the company can no longer withdraw the offer of those benefits; and (b) when the entity recognises costs for a restructuring that is within the scope of Ind AS 37 and involves the payment of terminations benefits. In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due more than 12 months after the end of the reporting period are discounted to present value.

(k) Contributed equity

Equity shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

(l) Dividends

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

(m) Earnings per share

Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the company
- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares

Dilluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity

- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

(n) Current/non current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The company has identified twelve months as its operating cycle.

(o) Cash dividend and non-cash distribution to equity holders of the parent

The Company recognises a liability to make cash or non-cash distributions to equity holders when the distribution is authorised and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

Non-cash distributions are measured at the fair value of the assets to be distributed with fair value re-measurement recognised directly in equity.

Upon distribution of non-cash assets, any difference between the carrying amount of the liability and the carrying amount of the assets distributed is recognised in the statement of profit and loss.

(p) Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest XXX as per the

3 Significant accounting judgements, estimates and assumptions

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the company's accounting policies.

This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

Critical estimates and judgements

The areas involving critical estimates or judgements are:
- Estimation of current tax expense and payable
- Estimated fair value of unlisted securities and Debt Instruments
- Estimated goodwill impairment
- Estimated useful life of intangible asset
- Estimation of defined benefit obligation
- Estimation of provision for warranty claims
- Estimation of fair values of contingent liabilities and contingent purchase consideration in a business combination
- Recognition of revenue
- Recognition of deferred tax assets for carried forward tax losses
- Impairment of trade receivables and other financial assets

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the company and that are believed to be reasonable under the circumstances.

4 Recent Pronouncements

The following standards / amendments to standard s have been issued by the Ministry of Corporate Affairs (MCA) on March 31, 2023 and will be effective from April 1, 2023. The Company is evaluating the requirements of these standards, improvements and amendments and has not yet determined the impact on the financial statements.

1. Ind AS 101- First time adoption of Ind AS - Modification relating to recognition of deferred tax asset by a first-time adopter associated with
(a) right to use assets and related liabilities and
(b) decommissioning, restoration and similar liabilities and corresponding amounts recognised as cost of the related assets.

2. Ind AS 102 - Share-based Payment - Modification relating to adjustment after vesting date to the fair value of equity instrument granted

3. Ind AS 103 - Business Combination - Modification relating to disclosures to be made in the first financial statements following a business combination.

4. Ind AS 107 - Financial Instruments Disclosures - Modification relating to disclosure of material accounting policies including information about basis of measurement of financial instruments.

5. Ind AS 109 - Financial Instruments - Modification relating to reassessment of embedded derivatives.

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6. Ind AS 1- Presentation of Financials Statements - Modification relating to disclosure of 'material accounting policy information' in place of 'significant accounting policies.

7. Ind AS 8 - Accounting Policies, Change in Accounting Estimates and Errors - Modification of definition of 'accounting estimate' and application of changes in accounting estimates.

8. Ind AS 12 - Income Taxes - Modification relating to recognition of deferred tax liabilities and deferred tax assets.

9. Ind AS 34 - Interim Financial Reporting - Modification in interim financial reporting relating to disclosure of 'material accounting policy information' in place of 'significant accounting policies.

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GLOBAL COMPOSITES & STRUCTURALS LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE PERIOD ENDED MARCH 31, 2023

5. PROPERTY, PLANT AND EQUIPMENT

(Amount in '000)

Particulars	Land	Buildings	Plant and Equipments	Furniture and Fixtures	Office Equipments	Computer Hardwares	Total
GROSS CARRYING VALUE							
As at April 1, 2022	13,834.46	14,873.38	25,833.52	141.08	201.52	25.22	54,909.18
Additions	2,515.80	3,276.20	1,200.00	-	16.05	91.00	7,099.05
As at March 31, 2023	**16,350.26**	**18,149.57**	**27,033.52**	**141.08**	**217.57**	**116.22**	**62,008.23**
ACCUMULATED DEPRECIATION/IMPAIRMENT							
As at April 1, 2022	-	3,857.52	21,022.13	83.85	119.60	-	25,083.10
Depreciation for the period	-	721.03	865.54	2.31	1.42	9.55	1,599.85
As at March 31, 2023	**-**	**724.89**	**886.56**	**2.39**	**1.54**	**9.55**	**26,682.95**
Net Carrying value as at March 31, 2023	**16,350.26**	**17,424.68**	**26,146.97**	**138.69**	**216.03**	**106.67**	**35,325.28**
Net Carrying value as at March 31, 2022	**13,834.46**	**11,015.86**	**4,811.39**	**57.23**	**81.92**	**25.22**	**29,826.08**

Notes:

Property, Plant and Equipment mortgaged as security against borrowings by the company

Refer to Note 29 for information on property, plant and equipment mortgaged as security by the company

GLOBAL COMPOSITES & STRUCTURALS LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE PERIOD ENDED MARCH 31, 2023

6. FINANCIAL ASSETS

(Amount in '000)

Particulars	March 31, 2023	March 31, 2022
Investments carried at Fair Value through Profit & Loss		
Unquoted		
Investments in Equity Instruments		
750 (750) Equity Shares of Process Automation Engineering Limtied of Rs. 10/- each	0.00	0.00
9,999 (9,999) Equity Shares of The Thane Janata Sahakari Bank Limited of Rs. 50/- each	499.95	499.95
	499.95	499.95
Total	**499.95**	**499.95**
Aggregate amount of unquoted investments	499.95	499.95
Investments carried at fair value through profit and loss	499.95	499.95
Current		
Financial assets carried at amortised cost		
Security Deposits	2,756.53	2,812.88
Total	**2,756.53**	**2,812.88**

7. INVENTORIES

(Amount in '000)

Particulars	March 31, 2023	March 31, 2022
(As certified by Management)		
(Valued at lower of Cost and Net Realisable value)		
Raw materials	8,592.80	7,685.33
Total	8,592.80	7,685.33

8. TRADE RECEIVABLES

(Amount in '000)

Particulars	March 31, 2023	March 31, 2022
Current		
Trade Receivables considered good - Unsecured	8,418.99	10,749.05
	8,418.99	10,749.05

TRADE RECEIVABLES AGEING SCHEDULE AS AT MARCH 31, 2023

(Amount in '000)

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	Total
(I) Undisputed Trade receivables -considered good	758.74	-	-	-	7,660.25	8,418.99
(II) Undisputed Trade receivables -considered doubtful						-
(III) Disputed trade receivables considered good						-
(IV) Disputed trade receivables considered doubtful						-
(V) Disputed Trade Receivables- which have significant increase in credit risk						-
(VI) Disputed Trade Receivables- Credit Impaired						-

TRADE RECEIVABLES AGEING SCHEDULE AS AT MARCH 31, 2022

(Amount in '000)

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	Total
(I) Undisputed Trade receivables -considered good	1.76	20.60	8.73	-	10,717.96	10,749.05
(II) Undisputed Trade receivables -considered doubtful						-
(III) Disputed trade receivables considered good						-
(IV) Disputed trade receivables considered doubtful						-
(V) Disputed Trade Receivables- which have significant increase in credit risk						-
(VI) Disputed Trade Receivables- Credit Impaired						-

9. CASH AND CASH EQUIVALENTS

(Amount in '000)

Particulars	March 31, 2023	March 31, 2022
Balances with banks:		
- On current accounts	14.03	14.03
Cash on hand	20.92	284.28
	34.94	298.31

10. OTHER ASSETS

(Amount in '000)

Particulars	March 31, 2023	March 31, 2022
Non Current		
Advances other than Capital advances		
- Advances to Others	69.19	969.97
Others	-	-
- Balances with Statutory, Government Authorities	2,630.09	6,900.27
Total	2,699.28	7,870.24
Current		
Others		
- Prepaid expenses	169.78	245.79
- Unbilled Revenue	5,646.86	-
Total	5,816.64	245.79

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GLOBAL COMPOSITES & STRUCTURALS LIMITED
NOTES TO FINANCIAL STATEMENTS FOR THE PERIOD ENDED MARCH 31, 2023

11. SHARE CAPITAL

i. Authorised Share Capital

(Amount in '000)

	Equity Share	
	Number	Amount
At April 1, 2022	1,00,00,000	1,00,000.00
Increase/(decrease) during the year		
At March 31, 2023	1,00,00,000	1,00,000

During the year ended March 31, 2018, the authorised share capital was increased by INR 10 Equity shares of INR 10 each.

ii. Issued Capital

(Amount in '000)

	Number	Amount
Equity shares of INR 10 each issued, subscribed and fully paid		
At April 1, 2022	29,35,500	29,355.00
Issued during the period		
At March 31, 2023	29,35,500	29,355.00

iii. Shares held by holding/ ultimate holding company and / or their subsidiaries / associates

Out of equity shares issued by the company, shares held by its holding company / associate company are as below:

	March 31, 2023	March 31, 2022
M/s Ion Exchange (I) Limited the holding company	29,35,494	21,70,000
M/s Rockman Merchants Ltd.the Associate company	-	7,15,500

iv. Details of shareholders holding more than 5% shares in the company

Name of the shareholder	March 31, 2023		March 31, 2022	
	Number	% holding	Number	% holding
M/s Ion Exchange (I) Limited	29,35,494	100.00%	21,70,000	73.92%
M/s Rockman Merchants Ltd	-	-	7,15,500	24.37%

Details of shares held by Promoters

Name of Shareholders	As at March 31, 2023		As at March 31, 2022	
	No. of Shares	% Held	No. of Shares	% Held
Dinesh Sharma	1	0.00	20,800	0.71
Aankur Patni	1	0.00	10,000	0.34
Bimal Jain	-	0.00	12,500	0.43
Harish Khokhar	-	0.00	4,000	0.14
Vilas Lad	-	0.00	100	0
Durgesh Tiwari	-	0.00	100	0
Nirmala Patni	-	0.00	2500	0.08
Rockmen Merchants Limited	-	0.00	7,15,500	24.37
Ion Exchange (India) Limited	29,35,494	100.00	21,70,000	73.92
Total	29,35,500	100	29,35,500	100

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GLOBAL COMPOSITES & STRUCTURALS LIMITED
NOTES TO FINANCIAL STATEMENTS FOR THE PERIOD ENDED MARCH 31, 2023

12. OTHER EQUITY

Reserves and Surplus

(Amount in '000)

Particulars	March 31, 2023	March 31, 2022
Retained Earnings	(2,75,921.26)	(2,56,439.63)
	(2,75,921.26)	**(2,56,439.63)**

13. BORROWINGS

(Amount in '000)

Particulars	March 31, 2023	March 31, 2022
Current Borrowings		
Secured/Unsecured		
Loans repayable on demand		
Overdraft against security of all Fixed Assets and Current Assets of the Company and Corporate Guarantee of the holding Company	1,76,209.07	1,78,758.83
Total	**1,76,209.07**	**1,78,758.83**

14. TRADE PAYABLES

(Amount in '000)

Particulars	March 31, 2023	March 31, 2022
Current		
Trade Payables to Micro, Small and Medium Enterprises	-	-
Trade Payables to Others	10,367.01	15,252.27
Total	**10,367.01**	**15,252.27**

Trade Payables ageing schedule: As at 31st March,2023

(Amount in '000)

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME					-
(ii) Others	8,435.17	-	-	1,931.84	**10,367.01**
(iii) Disputed dues- MSME					-
(iv) Disputed dues - Others					-

Trade Payables ageing schedule: As at 31st March,2023

(Amount in '000)

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME					-
(ii) Others	7,043.24	190.49	25.68	7,992.86	**15,252.27**
(iii) Disputed dues- MSME					-
(iv) Disputed dues - Others					-

15. OTHER LIABILITIES

(Amount in '000)

Particulars	March 31, 2023	March 31, 2022
Current		
Advance received from Customers	1,23,431.63	90,914.64
Others	-	-
Statutory Liabilities	74.65	54.95
Others	628.31	2,091.57
Total	**1,24,134.59**	**93,061.16**

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GLOBAL COMPOSITES & STRUCTURALS LIMITED
NOTES TO FINANCIAL STATEMENTS FOR THE PERIOD ENDED MARCH 31, 2023

16. REVENUE FROM OPERATIONS

(Amount in '000)

Particulars	March 31, 2023	March 31, 2022
Sales		
Sale of products	1,559.74	65.05
Sale of services	43,897.77	66,771.09
	45,457.51	**66,836.14**

17. OTHER INCOME

(Amount in '000)

Particulars	March 31, 2023	March 31, 2022
Dividend income	90.00	75.00
	-	-
Other Non Operating Income	-	-
Miscellaneous Income	3,250.78	212.53
	3,340.78	**287.53**

18. COST OF MATERIALS CONSUMED

(Amount in '000)

Particulars	March 31, 2023	March 31, 2022
As at beginning of the year	7,685.33	6,826.58
Add: Purchases	5,356.22	24,758.81
Less : As at end of the year	(8,592.80)	(7,685.33)
	4,448.75	**23,900.06**

19. EMPLOYEE BENEFITS EXPENSE

(Amount in '000)

Particulars	March 31, 2023	March 31, 2022
Staff welfare expenses	560.90	399.99
	560.90	**399.99**

20. FINANCE COST

(Amount in '000)

Particulars	March 31, 2023	March 31, 2022
Interest expense on debts and borrowings	25,915.88	24,346.67
Guarantee Commission Expense	1,800.00	1,800.00
	27,715.88	**26,146.67**

21. DEPRECIATION AND AMORTISATION EXPENSE

(Amount in '000)

Particulars	March 31, 2023	March 31, 2022
Depreciation on tangible assets	1,599.85	2,636.57
	1,599.85	**2,636.57**

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GLOBAL COMPOSITES & STRUCTURALS LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE PERIOD ENDED MARCH 31, 2023

22. OTHER EXPENSES

(Amount in '000)

Particulars	March 31, 2023	March 31, 2022
Manufacturing Expenses		
Electric power, fuel and water	3,492.83	2,874.50
Repairs and maintenance (Mfg)	50.21	204.55
Job Work charges	18,223.11	18,536.45
Crane Operating charges	1,932.74	718.46
Inspection and Testing Charges	1,891.31	1,258.36
	25,590.21	**23,592.30**
Selling, Administration and Other Expenses		
Clearing,Forwarding,Labour and Packing Charges	570.00	41.98
Guest House Expense	138.00	138.00
Payments to auditors (Refer note below)	180.00	180.00
Postage and Courier charges	1.55	14.81
Insurance	130.67	252.06
Legal and professional fees	190.10	185.24
Printing and Stationery	114.52	45.86
Rates and taxes	1,165.62	720.62
Repairs & maintenance - other	2,126.25	1,855.67
Security charges	1,748.87	1,859.81
Telephone and internet expenses	140.43	120.65
Travelling & conveyance expenses	1,783.15	1,648.97
U-10 House Keeping charges	970.34	571.93
Miscellaneous expenses	184.32	154.05
Bank charges	467.56	473.81
Interest on GST	62.53	74.42
Other Interest Charges	82.96	-
Sundry Balances written off (Net)	107.89	117.58
	10,164.77	8,455.46
Total	35,754.98	32,047.76

23. EXCEPTIONAL ITEMS

(Amount in '000)

Particulars	March 31, 2023	March 31, 2022
Prior Period Items	-	-
	-	-

Details of Payments to auditors

(Amount in '000)

Particulars	March 31, 2023	March 31, 2021
As auditor		
Audit Fee	120.00	120.00
Quarterly review fee	60.00	60.00
	180.00	180.00

CHARTERED ACCOUNTANTS

24. EARNINGS PER SHARE

(Amount in '000)

Particulars	March 31, 2023	March 31, 2022
(a) Basic earnings per share		
From continuing operations attributable to the equity holders of the company	(7.25)	(6.15)
Total basic earnings per share attributable to the equity holders of the company	**(7.25)**	**(6.15)**
(b) Reconciliations of earnings used in calculating earnings per share		
Profit attributable to the equity holders of the company used in calculating basic earnings per share	(21,278)	(18,046)
	(21,278)	**(18,046)**
Weighted average number of equity shares used as the denominator in calculating dilluted earnings per share	**2,935.50**	**2,935.50**

The weighted average number of shares takes into account the weighted average effect of changes in treasury share transactions during the year. There have been no other transactions involving Equity shares or potential Equity shares between the reporting date and the date of authorisation of these financial statements.

CHARTERED ACCOUNTANTS
103429W

GLOBAL COMPOSITES & STRUCTURALS LIMITED
NOTES TO FINANCIAL STATEMENTS FOR THE PERIOD ENDED MARCH 31, 2023

(Amount in INR)

25. RELATED PARTY TRANSACTIONS

Related party transaction has been identified by the management and relied on by auditors.

(i) List of related parties as per the requirements of Ind-AS 24 - Related Party Disclosures

Name of Related Party	Nature of Relationship	Country of Incorporation
Ion Exchange India Limited	Holding Company	India
Ion Exchange Enviro Farms Limited	Associate Company	India
Ion Exchange Environment Management Limited	Associate Company	India
Ion Exchange Projects and Engineering Limited	Associate Company	India
Total Water Management Services (India) Ltd	Associate Company	India
Headway Corporate Resources Limited	Associate Company	India
Process Automation Engineers Limited	Associate Company	India
Aquanomics Systems Limited	Associate Company	India
Aankur Patni	Key Management Personnel KMP	India
Dinesh Sharma	Key Management Personnel KMP	India
Rajesh Sharma	Key Management Personnel KMP	India

(ii) Transactions with related parties

The following transactions occurred with related parties

(Amount in '000)

Name	Nature of Relationship	Nature of Transaction	March 31, 2023	March 31, 2022
Ion Exchange (India) Limited	Holding Company	Purchases*	-	11,426.82
Ion Exchange (India) Limited	Holding Company	Financial Guarantee Charges	1,800.00	1,800.00
Ion Exchange (India) Limited	Holding Company	Sales of Goods*	-	-
Ion Exchange (India) Limited	Holding Company	Sales of Services*	43,255.45	66,771.09
Ion Exchange Projects and Engineering Limited	Associate Company	Sales*	642.32	-
Aquanomics Systems Ltd	Associate Company	Bad and Doubtful Debts	1,975.66	-

***The above figures are exclusive of GST**

(iii) Outstanding balances arising from sales/purchases of goods and services

(Amount in '000)

Name	Nature of Relationship	March 31, 2023	March 31, 2022
Trade Receivables			
Aquanomics Systems Ltd	Associates	-	1,975.66
Advance received from Customers			
(Net of Trade Receivables)	Holding Company	1,23,431.63	88,023.90

Ion Exchange (India) Ltd, an Holding company has given Corporate Guarantee for the amount aggregating to Rs. 18.00 Crores against the overdraft against security of Rs. 1,76,209.07 [in thousands] (Against Rs. 1,78,758.83 [in thousands] as on 31st March 2022) availed from TJSB Sahakari Bank Ltd.

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GLOBAL COMPOSITES & STRUCTURALS LIMITED
NOTES TO FINANCIAL STATEMENTS FOR THE PERIOD ENDED MARCH 31, 2023

26. FAIR VALUE MEASUREMENTS

i. Financial Instruments by Category

(Amount in '000)

Particulars	Carrying Amount		Fair Value	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
FINANCIAL ASSETS				
Trade Receivables	8,418.99	10,749.05	8,418.99	10,749.05
Cash and Cash Equivalents	34.94	298.31	34.94	298.31
Other Financial Assets	2,756.53	2,812.88	2,756.53	2,812.88
FVTPL				
Investment in Equity Instruments	499.95	499.95	499.95	499.95
Total	8,453.94	11,047.36	8,453.94	11,047.36

FINANCIAL LIABILITIES				
Amortised cost				
Borrowings	1,76,209.07	1,78,758.83	1,76,209.07	1,78,758.83
Trade Payables	10,367.01	15,252.27	10,367.01	15,252.27
Other financial liabilities	1,23,431.63	90,914.64	1,23,431.63	90,914.64
Total	3,10,007.71	2,84,925.74	3,10,007.71	2,84,925.74

The management assessed that the fair value of cash and cash equivalent, trade receivables, trade payables, and other current financial assets and liabilities approximate their carrying amounts largely due to the short term maturities of these instruments. The Company has not disclosed the fair value of current financial instruments such as trade receivables, cash and cash equivalents, bank balances - others, loans, others, borrowings, trade payables and other financial liabilities because their carrying amounts are a reasonable approximation of fair value.

ii. Fair Value Hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are recognised and measure at fair value. To provide an indication about the reliability of the inputs used in determing fair value, the company has classified its financial instruments into three levels prescribed under the accounting standard. An explanation of each level follows underneath the table:

Assets and liabilities measured at fair value - recurring fair value measurement:

(Amount in '000)

Particulars	March 31, 2023 Fair value measurement using				March 31, 2022 Fair value measurement using			
	Quoted prices in active markets (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total	Quoted prices in active markets (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total
Financial Assets								
Financial Investments at FVTPL								
Unquoted equity shares		499.95		499.95		499.95		499.95
Total Financial Assets	-	499.95	-	499.95	-	499.95	-	499.95
Total Assets	-	499.95	-	499.95	-	499.95	-	499.95

There have been no transfers among Level 1, Level 2 and Level 3 during the period

Level 1 - Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, traded bonds and mutual funds that have quoted price. The fair value of all equity instruments (including bonds) which are traded in the stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued using the closing NAV.

Level 2 - The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over the counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3 - If one or more of the significant inputs are not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity shares, contingent consideration and indemnification assets included in level 3.

iii. Valuation technique used to determine fair value

Specific Valuation techniques used to value financial instruments include:

- the use of quoted market prices or dealer quotes for similar instruments

All the resulting fair value estimates are included in level 2 except for unlisted equity securities, contingent consideration and indemnification assets, where the fair values have been determined based on present values and the discount rates used were adjusted for counterparty or own credit risk.

GLOBAL COMPOSITES & STRUCTURALS LIMITED
NOTES TO FINANCIAL STATEMENTS FOR THE PERIOD ENDED MARCH 31, 2023

(Amount in '000)

27. FINANCIAL RISK MANAGEMENT

The Company has exposure to the following risks arising from financial instruments:
- Credit risk;
- Liquidity risk

(i) Risk management framework
The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.
The audit committee oversees how management monitors compliance with the company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the Board.

(ii) Credit risk
Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Company's receivables from customers and investment securities.

Trade receivables
Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. In respect of trade receivables, the company is not exposed to any significant credit risk exposure to any single counter party or any group of counterparties having similar characteristics. Based on historical information about customer default rates management consider the credit quality of trade receivable.

Cash and cash equivalents
The Company held cash and cash equivalents of INR 34.94 thousand as at 31st March 2023 (as at 31st March 2022: INR 298.31 thousand) . The cash and cash equivalents are held with banks.

Investments
The Company does not expect any losses from non-performance by the Investment made.

Other financial assets
Other financial assets mainly comprises of tender deposits and security deposits which are given to customers or other governmental agencies and are assessed by the Company for credit risk on a continuous basis.

(iii) Liquidity risk
Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Exposure to liquidity risk
The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include estimated interest payments and exclude the impact of netting agreements.

Particulars	Contractual cash flows					
	Carrying amount	Total	Upto 1 year	1-3 years	3-5 years	More than 5 years
As at 31st March 2023						
Financial liabilities						
Borrowings	1,76,209.07	1,76,209.07	1,76,209.07			
Trade Payables	10,367.01	10,367.01	10,367.01	-	-	-
Other financial liabilities	1,23,431.63	1,23,431.63	1,23,431.63			
	3,10,007.71	**3,10,007.71**	**3,10,007.71**	-	-	-
As at 31st March 2022						
Financial liabilities						
Borrowings	1,78,758.83	1,78,758.83	1,78,758.83	-	-	-
Trade Payables	15,252.27	15,252.27	15,252.27	-	-	-
Other financial liabilities	90,914.64	90,914.64	90,914.64	-	-	-
	2,84,925.74	**2,84,925.74**	**2,84,925.74**	-	-	-

GLOBAL COMPOSITES & STRUCTURALS LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE PERIOD ENDED MARCH 31, 2023

Interest rate risk

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing investments because of fluctuations in the interest rates, in cases where the borrowings are measured at fair value through profit or loss. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing investments will fluctuate because of fluctuations in the interest rates.

Exposure to interest rate risk

Company's interest rate risk arises primarily from borrowings. The interest rate profile of the Company's interest-bearing financial instruments is as follows.

Particulars	March 31, 2023	March 31, 2022
Financial liabilities - measured at amortised cost		
Short term borrowings	1,76,209.07	1,78,758.83
	(1,76,209.07)	(1,78,758.83)

Fair value sensitivity analysis for fixed-rate instruments

The Company does not account for any fixed-rate borrowings at fair value through profit or loss. Therefore, a change in interest rates at the reporting date would not affect profit or loss.

Cash flow sensitivity analysis for variable-rate instruments

A reasonably possible change of 100 basis points in interest rates at the reporting date would have increased (decreased) equity and profit or loss by the amount shown below. This analysis assumes that all other variables, in particular foreign currency exchange rates, remain constant.

Particulars	2022-23		2021-22	
	1% Increase	1% Decrease	1% Increase	1% Decrease
1% Movement	-	-	-	-

The risk estimates provided assume a change of 100 basis points interest rate for the interest rate benchmark as applicable to the borrowings summarised above. This calculation also assumes that the change occurs at the balance sheet date and has been calculated based on risk exposures outstanding as at that date. The period end balances are not necessarily representative of the average debt outstanding during the period.

(Amount in '000)

28. CAPITAL MANAGEMENT

For the purpose of the company's capital management, capital includes issued equity capital, convertible preference shares, share premium and all other equity reserves attributable to the equity holders of the parent. The primary objective of the Company's capital management is to maximise the shareholder value.

The company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The company includes within debt, interest bearing loans and borrowings, trade and other payables, less cash and cash equivalents.

Particulars	March 31, 2023	March 31, 2022
Borrowings	1,76,209.07	1,78,758.83
Trade payables	10,367.01	15,252.27
Other payables	1,24,134.59	93,061.16
Less: Cash and cash equivalents	(34.94)	(298.31)
Net Debt	**3,10,675.73**	**2,86,773.95**
Equity	29,355.00	29,355.00
Total Capital	**29,355.00**	**29,355.00**
Capital and net debt	3,40,030.73	3,16,128.95
Gearing ratio	91	91

29. ASSETS PLEDGED AS SECURITY

The carrying amount of assets pledged as security for current and non current borrowings are: (Amount in '000)

	March 31, 2023	March 31, 2022
CURRENT ASSETS		
i. Financial Assets		
First Charge		
Trade Receivable	8,418.99	10,749.05
ii. Non Financial Assets		
First Charge		
Inventories	8,592.80	7,685.33
Total current assets pledge as security	**17,011.79**	**18,434.38**
NON CURRENT ASSETS		
First Charge		
Freehold land		
Equitable Mortgage of Land & Building located at Gut.69-A & B70,71,73 & 89-A, Village Nichole, Post Kanivali Tal Wada, Dist, Thane	16,350.26	13,834.46
Plants and equipments		
Hypothecation of Plant & Machinery present and future covering total exposure.	26,146.97	4,811.39
Total non current assets pledge as security	**42,497.22**	**18,645.85**

30. Networth

The net worth of the Company has been eroded completely as at 31st March 2023. The Management has undertaken various cost reduction programs during the year and it expects better returns in the coming years from manufacturing of composits, FRP storage tank, FRP tanks for swimming Pools and fabrication of FRP/GRP pipes and fitting as a result of improved business sentiments.

In addition to the above the mangement has given manufactruing facilities at Wada to Ion Exchange (India) Ltd to manufacture their products on Job work basis which generates additional revenue to the company.

In view of the present financial position of the company the Holding Company has assured that it is not their intention to withdraw the existing financial support to the Company and also to provide and maintain sufficient financial supports and assistance as may be needed to enable the business activities of the company to continue to be conducted as a going concern.

In view of these, the accounts of the Company have been prepared on a 'going concern' basis.

31. The Company has initiated the process of obtaining confirmation from suppliers regarding the registration under the "Micro, Small and Medium Enterprises Development Act, 2006". The suppliers are not registered wherever the confirmation are received and in other cases, the Company is not aware of their registration status and hence information relating to outstanding balance or interest due is not disclosed as it is not determinable.

32. (A) Contingent Liabilities :

(Amount in '000)

Particulars	As at 31st March 2023
TDS Default (Prior Years)	7.80
Sales Tax and GST demand disputed by Company	4,601.02

(B) Details of Statutory assessment under MVAT and CST concluded during the year.

1. During the year the Company had availed benefits of Maharashtra Settlement of Arrears of Tax, Interest, Penalty or Late Fee Act, 2022 (popularly known as Amnesty Scheme) announced by the Maharashtra State Government and accordingly demand outstanding for FY 2011-12 in CST and FY 2014-15 for both VAT & CST have been settled and Order sanctioning the benefits of the scheme were received.

33. In the opinion of the Board, the balances of sundry debtors, creditors and loans & advances are subject to confirmation and reconciliation, if any, if realized in the ordinary course of business have value on realization at least to the amount at which they are stated in the Balance Sheet. The provision for all known liabilities subject to confirmation by respective parties are adequate and not in excess of amount reasonably necessary.

34. Previous year figures have been regrouped/ reclassified wherever considered necessary to confirm to the current year presentation.

35. Persuant to the amendments to Schedule III vide MCA circular dated March 23, 2021, the following ratios are presented

Particulars	YEAR ENDED 31.03.2023	YEAR ENDED 31.03.2022	Remarks
Current ratio	0.08	0.08	No Change
Debt equity ratio	(0.71)	(0.79)	Due to Negative networth the ratio is adverse
Debt service coverage ratio	0.24	0.37	Due to decrease in EBDIT
Return on equity ratio	0.09	0.08	As there is increase in loss and networth is negative.
Inventory turnover ratio	0.55	3.29	Due to decrease in Cost of goods sold and increase in average inventory.
Trade receivables turnover ratio in months (annualised)	4.74	6.24	Less sales made during the year as compared to previous year.
Trade payables turnover ratio	0.42	1.69	Less purchase made during the year as compared to previous year.
Net capital turnover ratio	(0.17)	(0.26)	Due to decrease in sales and increase in working capital
Net profit ratio	(0.47)	(0.27)	Due to decrease in sales of Services.
Return on capital employed ratio	(0.02)	(0.03)	Due to decrease in EBIT during the year
Return on investment ratio	0.18	0.15	Dividend received during the year is more as compared to previous year.

36. The company does not have any transaction with companies struck off under Section 248 of the Companies Act, 2013 or Section 560 of Companies Act, 1956, during the current year and in the previous year

37. The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

38. The Company has neither invested nor traded in Crypto currency or Virtual Currency during the current year and in the previous year.

39. The Company has not entered into any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant Provisions of the Income Tax Act, 1961).

40. The Board of Directors of the Company at its meeting held on February 2, 2023, accorded a composite Scheme of Amalgamation of the company and the Ion Exchange India Limited in terms of the draft scheme of amalgamation . The Scheme is subject to receipt of requisite approvals of statutory authorities as required under applicable laws. The Holding company has filed scheme of amalgamation with Hon'ble National Company Law Tribunal ('NCLT'), Mumbai Bench on 19th May, 2023 and appointed date for the proposed Scheme of amalgamation is April 1, 2023.

As per our report of even date attached	For and on behalf of the Board of Directors of
For GMJ & CO.	Global Composites and Structurals Ltd
Chartered Accountants	CIN : U26102MH2006PLC161108
Firm No. 103429W	
CA Atul Jain	Dinesh Sharma / Aankur Patni
Partner	Director / Director
M.No.: 037097	00051986 / 00090657
Place : Mumbai	
Date : 22nd May, 2023	