

INDEPENDENT AUDITOR'S REPORT

To,
The Board of
Haique Stones Inc.

Report on the Audit of Interim Financial Statements

Opinion

We have been appointed to audit the financial statement of the Haique Stones Inc. (The Company") being subsidiary of the parent as per the Indian GAAP. We have audited the financial statements of the Company, which comprise the Balance Sheet as at 30th September 2023, and Statement of Profit and Loss and the Cash Flow Statement for the Half year ended on that date and a summary of significant accounting policies and other explanatory information (hereinafter referred to as the "Interim Financial Statements").

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as at 30th September 2023, and of its financial performance for the half year ended on 30th September 2023 in accordance with the Accounting Standards issued by the Institute of Chartered Accountants of India (ICAI)

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SA) issued by ICAI. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by ICAI and we have fulfilled our other ethical responsibilities in accordance with the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion

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

Management is responsible for the preparation of these financial statements that give a true and fair view of the state of affairs, results of operations and cash flow of the Company in accordance with the accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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.

Those charged with governance are 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 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statement

Restriction on Use and Distribution

The financial statements dealt by this report have been prepared for the use in connection with the preparation of the consolidated financial statement of the parent for the purpose of inclusion in the DRHP / RHP of parent company to be filed with Securities and Exchange Board of India, the stock exchanges and Registrar of Companies, Jaipur in connection with the proposed IPO and for no other purpose. These financial statements have been prepared to comply with the requirements of Indian GAAP only. We are not responsible for non-compliance of any local laws of the country in which the Company is incorporated.

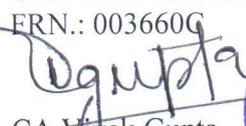
The financial statements are not the statutory financial statements of the Company and are prepared for the purposes of including these financial statements in the consolidated financial statements of the parent and accordingly the presentation and disclosures to the extent applicable for that purpose have been included in these financial statements by the management and intended users of the financial statements for the purpose for which those have been prepared.

We have no obligation, responsibility, liability in respect of this report as Statutory Auditors of the Company and nothing in this report, nor anything said or done in course of or in connection with the services that are subject to this report, will extend any duty or care since we are not the statutory auditors of the Company.

As a result, these Accounts are not a complete set of financial statements in accordance with the accounting principles generally accepted in India. Our report is intended solely for the parent, for the purpose of consolidation and should not be distributed to any other party other than the parent , Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

**For A. Bafna & Co.
Chartered Accountants**

ERN.: 003660G


CA Vivek Gupta
Partner

M No.: 400543

UDIN: 24400543 BK CX OT 2725

Place: Udaipur

Date: 06th February 2024



HAIQUE STONES INC., USA

Financial Statements
(As per Indian GAAP)

01 April 2023 to 30 September 2023

Haique Stones Inc.

Balance Sheet

As at 30 September 2023

Currency : in US Dollars (USD)

Particulars	Note	30-Sep-23	31-Mar-23
A EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	3	10,000	10,000
Reserves and surplus	4	2,12,912	65,943
Current liabilities			
Short-term borrowings		-	-
Trade payables	5	20,83,583	11,77,630
Other current liabilities	6	5,26,056	4,82,665
TOTAL		28,32,551	17,36,238
B ASSETS			
Non-current assets			
Long-term loans and advances	7	50,000	50,000
Current assets			
Inventories	8	13,48,637	11,74,986
Trade receivables	9	12,83,539	4,93,248
Cash and cash balances	10	1,50,375	8,004
Other current assets	11	-	10,000
TOTAL		28,32,551	17,36,238
Significant accounting policies	2		
Notes to accounts			

The accompanying notes are integral part of these financial statements

As per our report attached
For **A. Bafna & Co.**
Chartered Accountants
Firm Reg. No. : 003660C



Vivek Gupta
Partner
Membership Number : 400543
Place : Udaipur
Date : 06/02/2024

For and on behalf of Board of Directors of
Haique Stones Inc.
8 The Green, STE-A Dover, Delaware-19901, Kent, USA
EIN : 37-2013534

Nitin Gattani
Director

Place : Udaipur
Date : 06/02/2024

Sunil Lunawath
Director

Place : Udaipur
Date : 06/02/2024



Haique Stones Inc.

Statement of Profit and Loss
for the period ended 30 September 2023

Currency : in US Dollars (USD)

Particulars	Note	For the period ended 30 September 2023	For the year ended 31 March 2023
1 Revenue from operations	12	65,73,400	38,48,839
2 Other income		-	-
3 Total revenue (1+2)		<u>65,73,400</u>	<u>38,48,839</u>
4 Expenses			
(a) Cost of materials consumed		-	-
(b) Purchases of stock-in-trade	13	61,07,311	45,93,969
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	14	(1,73,651)	(11,74,986)
(d) Employee benefits expenses		-	-
(e) Finance costs	15	3,696	3,335
(f) Depreciation and amortisation expenses		-	-
(g) Other expenses	16	4,26,982	3,32,706
Total expenses		<u>63,64,338</u>	<u>37,55,024</u>
5 Profit/ (Loss) before exceptional and extraordinary items and tax (3 - 4)		2,09,062	93,815
6 Exceptional items		-	-
7 Profit / (Loss) before extraordinary items and tax (5 ± 6)		2,09,062	93,815
8 Extraordinary items		-	-
9 Profit / (Loss) before tax (7 ± 8)		2,09,062	93,815
10 Tax expense:			
(a) Current tax expense for current year		(52,093)	(27,872)
(b) Deferred tax expenses		-	-
(c) Prior year(s)		-	-
11 Profit / (Loss) from continuing operations (9 ± 10)		1,46,969	65,943
12 Profit / (Loss) for the year		<u>1,46,969</u>	<u>65,943</u>
Earning per equity share of face value of USD 1 each Basic and diluted	19	14.70	6.59
Significant accounting policies Notes to accounts	2		

As per our report attached
For A. Bafna & Co.
Chartered Accountants
Firm Reg. No. : 003660C

Vivek Gupta
Partner
Membership Number : 400543
Place : Udaipur
Date : 06/02/2024



For and on behalf of Board of Directors of
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8 The Green, STE-A Dover, Delaware-19901, Kent, USA
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Nitin Gattani
Director
Place : Udaipur
Date : 06/02/2024

Sunil Lunawath
Director
Place : Udaipur
Date : 06/02/2024



Haique Stones Inc.

Cash Flow Statement

for the period ended 30 September 2023

Currency : in US Dollars (USD)

Particulars	For the period ended 30 September 2023	For the year ended 31 March 2023
A Cash flow from operating activities		
Profit/(Loss) before tax	2,09,062	93,815
Adjustments for:		
Finance cost	3,696	3,335
Operating profit before working capital changes	2,12,758	97,150
Changes in working capital and other provisions		
Increase/ (Decrease) in trade payables	9,05,953	11,77,630
(Decrease)/ Increase in other current liabilities	(16,620)	4,54,793
Increase in long-term loan and advances	-	(50,000)
(Increase)/ Decrease in inventories	(1,73,651)	(11,74,986)
(Increase) in trade receivables	(7,90,291)	(4,93,248)
Cash generated from operations	1,38,149	11,339
Less: Income-tax paid (net)	(2,082)	-
Net cash flow from operating activities	1,36,067	11,339
	(A)	
B Cash flow from investing activities		
Net cash (used in) investing activities	-	-
	(B)	
C Cash flow from financing activities		
Issue of shares	10,000	-
Interest expenses paid	(3,696)	(3,335)
Net cash flow from/ (used in) financing activities	6,304	(3,335)
	(C)	
D Net increase/ (decrease) in cash and cash equivalents	1,42,371	8,004
Add: Cash and cash equivalents at the beginning of the year	8,004	-
E Cash and cash equivalents at the end of the year	1,50,375	8,004

Note:

The above Cash flow Statement has been prepared using Indirect method of preparation of Cash flow statement as per AS-3

The accompanying notes are integral part of these financial statements

As per our report attached

For A. Bafna & Co.

Chartered Accountants

Firm Reg. No. : 003660C

Vivek Gupta

Partner

Membership Number : 400543

Place : Udaipur

Date : 06/02/2024



For and on behalf of Board of Directors of

Haique Stones Inc.

8 The Green, STE-A Dover, Delaware-19901, Kent, USA

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Place : Udaipur

Date : 06/02/2024

Sunil Lunawath

Director

Place : Udaipur

Date : 06/02/2024



Haique Stones Inc.

Notes to financial statements

for the period ended 30 September 2023

Amount in US Dollars (USD)

1 Background of the Company:

Haique Stones Inc ('the Company'), is a C-Corporation entity registered in the Delaware State of the United States Of America. The Company was incorporated on Aug 6th, 2021 however its operations were started in August 2022. The Company is Wholly Owned Subsidiary (WOS) of Esprit Stones Limited (formerly known as Esprit Stones Private Limited), India. The Company is into trading of engineered stones in the USA, it imports majorly from its group companies and sell it to distributors, warehouses and businesses in various states of the USA.

2 Significant accounting policies

2.1 Preparation of Financial Statements

I) Basis of Preparation of Financial Statements

These financial statements are prepared under the historical cost convention on accrual basis to comply in all material aspects and in accordance with Indian Generally Accepted Accounting Principles (GAAP), which comprises of mandatory accounting standards as prescribed under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014. The accounting policies have been consistently applied by the Company unless otherwise stated. These financial statements are prepared in functional currency of the Company i.e. USD.

II) Purpose of Preparation of Financial Statements

These financial statements of foreign entity are prepared for the purpose limited purpose for preparation of Consolidated Financial Statements of its Holding Company Esprit Stones Limited.

2.2 Use of Estimates

The preparation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. The estimates and assumptions used in the accompanying financial statements are based upon management's evaluation of the relevant facts and circumstances as of the date of the financial statements. The examples of such estimates include, the useful life of tangible and intangible fixed assets, allowances for doubtful debts / advances, future obligations in respect of retirement benefit plans etc. Actual results may differ from the estimates and assumptions and in such case, the difference is recognised in the period in which the results are known.

2.3 Revenue Recognition

- (a) The company recognises revenues on the sale of products, net of discounts, when the products are dispatched / delivered to the customer/ dealer or when delivered to the carrier for export sales, which is when risks and rewards of ownership pass to the customer/ dealer.
- (b) Revenue is recognized when it is earned and no significant uncertainty exists as to its realization or collection.
- (c) Interest is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.
- (d) Dividend income is recognized when the company's right to receive dividend is established.
- (e) Export entitlements under the duty remission scheme are recognized as income when the credit as per the terms of the scheme is received in respect of the exports made.

2.4 Recognition of Expenditure

Expenses are accounted for on an accrual basis and provision is made for all known losses and liabilities.



Haique Stones Inc.

Notes to consolidated financial statements (continued)

for the period ended 30 September 2023

Amount in US Dollars (USD)

2.5 Tangible fixed assets

- (a) Tangible fixed assets are stated at cost less accumulated depreciation and impairment loss, if any.
- (b) The cost of Fixed Asset comprises its purchase price including non-refundable taxes & duties and directly attributable cost of bringing the asset (including leasehold improvements) to its working condition for its intended use. Subsequent upgradation / enhancements which results in an increase in the future benefits from such assets, beyond the previously assessed standard of performance, are also capitalised. Machinery spares which can be used only in connection with an item of tangible assets and whose use is not regular nature are written off over the estimated useful life of relevant assets.
- (c) All costs, including borrowing costs till commencement of commercial production, attributable to fixed assets are capitalized.

2.6 Intangible Assets and amortization

Intangible assets are stated at cost less accumulated amortization. Intangible assets are amortized on a straight line basis over their estimated useful life of 5 years

2.7 Impairment of Assets

The carrying amounts of assets are reviewed at each Balance Sheet date if there is any indication of impairment based on internal / external factors. An asset is impaired when the carrying amount of the asset exceeds the recoverable amount. An impairment loss is charged to the Statement of Profit and Loss in the year in which an asset is identified as impaired. An impairment loss recognized in prior accounting periods is reversed if there has been change in the estimate of the recoverable amount.

2.8 Capital Work-in-Progress

Capital work-in-progress comprises cost of fixed assets that are not yet ready for their intended use at the balance sheet date.

2.9 Depreciation and amortization

(a) Owned assets

- (i) Depreciation on fixed assets is provided on straight line method, at the rates and in the manner prescribed in Schedule II to the Companies Act, 2013. In case of plant and machinery used for double or triple shift, depreciation is increased to 150% and 200% of normal depreciation respectively.
- (ii) Significant components of assets having a life shorter than the main asset, if any is depreciated over the shorter life.

(b) Leased assets:

- (i). Leasehold lands are amortised over the period of lease.
- (ii). Buildings constructed on leasehold land are depreciated based on the useful life specified in Schedule II to the Companies Act, 2013, where the lease period is beyond the life of the building.
- (iii). In other cases, buildings constructed on leasehold lands are amortized over the primary lease period of the lands.

2.10 Investments

Current investments that are readily realisable and are intended to be held for not more than one year from the date on which such investments are made, are carried at lower of cost and quoted / fair value, computed category wise. Long Term Investments are stated at cost. However, provision for diminution in the value of long term investments is made only if such a decline is other than temporary.

2.11 Inventories

Inventories are valued at the lower of cost and net realizable value. Obsolete, slow moving and defective inventories are identified at the time of physical verification and necessary provision is made for such inventories. The cost is determined using the weighted average cost method for all categories of inventories. Cost includes in case of Raw materials, Stores & spares, Packing material and consumables the purchase price and attributable direct cost less discounts. In case of Work-in-Progress and finished goods cost includes direct labour, material costs and production overheads



Haique Stones Inc.

Notes to consolidated financial statements (continued)

for the period ended 30 September 2023

Amount in US Dollars (USD)

2.12 Foreign Currency Transactions

- (a) Transactions denominated in foreign currencies are normally recorded on the initial recognition in the reported currency using the exchange rates prevailing on the date of transaction.
- (b) Monetary assets & liabilities denominated in foreign currencies are restated at the appropriate rates of exchange prevailing on the date of Balance Sheet. Resultant gain or loss is accounted in the period in which they arise
- (c) Any income or expense on account of exchange difference either on settlement or on translation of monetary items are recognized in the Statement of Profit and Loss for the period in which they arise
- (d) In respect of Forward Exchange contracts entered into to hedge foreign currency risks, the difference between the forward rate and exchange rate at the inception of the contract is recognized as income or expense over the life of the contract. Further, the exchange differences arising on such contracts are recognized as income or expense along with the exchange differences on the underlying assets / liabilities. Further, in case of other contracts with committed exchange rates, the underlying is accounted at the rate so committed. Profit or loss on cancellations / renewals of forward contracts is recognized during the year. In case of option contracts, the losses are accounted on mark to market basis.

2.13 Earning Per Share

Basic earnings per share is calculated by dividing the net profit for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

2.14 Borrowing Cost

Interest and other borrowing costs attributable to qualifying assets are capitalized. A qualifying asset is an asset that necessarily requires a substantial period of time (generally over 12 months) to get ready for its intended use or sale. Other interest and borrowing costs are charged to statement of Profit & Loss.

2.15 Employee Benefits

(a) Short Term Employee Benefits:

All employee benefits payable wholly within 12 months of rendering service are classified as short term employee benefit. Benefits such as Salaries, Wages, performance incentives, expected cost of bonus, exgratia are recognised during the period in which employee renders related service.

(b) Post-employment Benefits:

Defined contribution plans: Company's contribution paid / payable during the year to employees state insurance scheme, Provident Fund and Labour welfare fund are recognised during the period.

Defined benefit plans: For defined benefit schemes in the form of gratuity fund, provident fund and post retirement medical benefits, the cost of providing benefits is determined using the Project Unit Credit Method, with actuarial valuations being carried out at each balance sheet date, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

The obligation is measured at the present value of the estimated future cash flows. The discounting rate used for determining the present value of the obligation under defined benefit plans, is based on the market yields on government securities as at the balance sheet date, having maturity periods approximately to the terms of related obligations.

Actuarial gains/losses are recognised in full in the statement of profit and loss, for the period in which they occur. Past service cost is recognised immediately to the extent that the benefits are already vested, and otherwise is amortised on a straight-line basis over the average period until the benefits become vested. The retirement benefit obligations recognised in the balance sheet represents that present value of the defined benefit obligation as adjusted for unrecognised past service cost and as reduced by the fair value of the scheme of assets.

(c) Long-term employee benefits:

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised as a liability at the present value of the defined benefit obligation at the balance sheet date.

(d) Termination benefits

Termination benefits are recognised as an expense in the period in which they are incurred.



Haique Stones Inc.

Notes to consolidated financial statements (continued)

for the period ended 30 September 2023

Amount in US Dollars (USD)

2.16 Leases

A lease is classified at the inception date as finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Company is classified as a finance lease. The Company as a lessee:

(i) **Operating lease:** Rentals payable under operating leases are charged to the statement of profit and loss on a straight line basis over the term of the relevant lease.

(ii) **Finance leases:** Finance leases are capitalised at the commencement of lease, at the lower of the fair value of the property or the present value of the minimum lease payments. The corresponding liability to the lessor is included in the balance sheet as a finance lease obligation. Lease payments are apportioned between finance charges and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged directly against income over the period of the lease.

2.17 Provisions, Contingent Liabilities, Contingent Assets and commitments

Provisions are recognised when there is a present obligation 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 there is a reliable estimate of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance sheet date and are not discounted to its present value.

(b) Contingent Liabilities:

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

(c) Contingent Assets:

Contingent Assets are neither recognised nor disclosed in the financial statements

(d) Commitments:

Commitments include the amount of purchase order (net of advances) issued to parties for completion of assets

2.18 Accounting for Taxes on Income

Current tax

Current tax is measured at the amount expected to be paid to the tax authorities in accordance with the provisions the applicable US Tax Laws

2.19 Government Grants

The Company has received government grants related to revenue expenses, which are deducted from related revenue expenses for the year.

2.20 Cash and Cash Equivalents

Cash comprises cash on hand and demand deposits with banks

Cash equivalents are short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value



Haique Stones Inc.

Notes to financial statements (continued)

for the period ended 30 September 2023

Currency : in US Dollars (USD)

	30 September 2023	31 March 2023
3 Equity Share Capital		
(a) Authorised share capital		
10,000 equity shares of USD 1 each	10,000	10,000
(b) Issued, subscribed and paid up share capital		
10,000 equity shares of USD 1 each	10,000	10,000
	<u>10,000</u>	<u>10,000</u>

(c) Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period:

Equity Shares	30 September 2023		31 March 2023	
	No of shares	Amount	No of shares	Amount
At the beginning of the period	10,000	10,000	-	-
Add: Issued during the period	-	-	10,000	10,000
At the end of the period	<u>10,000</u>	<u>10,000</u>	<u>10,000</u>	<u>10,000</u>

(d) The company has only one class of shares referred to as equity shares having at par value USD 1 per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation, the ordinary shareholders are entitled to receive the remaining assets of the company after payment of all preferential amounts, in proportion to their shareholdings.

(e) The Company's ultimate holding company/ parent company is Esprit Stones Limited [Formerly known as Esprit Stones Private Limited].

(f) No Ordinary Shares have been reserved for issue under options and contracts/commitments for the sale of shares/disinvestments as at the Balance Sheet date.

(g) No Shares have been bought back by the company during the period of 5 years preceding the date as at which the Balance Sheet is prepared.

(h) No Securities converted into Equity/preference Shares have been issued by the Company during the year.

(i) No Calls are unpaid by any Director or Officer of the Company during the year.

(j) Details of shares held by each shareholder holding more than 5% shares:

Equity Shares	30 September 2023		31 March 2023	
	No of shares	% Holding	No of shares*	% Holding
Esprit Stones Limited	10,000	100.00%	10,000	100.00%
	<u>10,000</u>	<u>100.00%</u>	<u>10,000</u>	<u>100.00%</u>

(k) Details of shares held by promoters at the end of the year

Equity Shares	30 September 2023			31-Mar-23		
	Number of shares	% of total shares	% change	Number of shares	% of total shares	% change during the year
Esprit Stones Limited	10,000	100.00%	0.00%	10,000	100.00%	100.00%
	<u>10,000</u>	<u>100.00%</u>	<u>0.00%</u>	<u>10,000</u>	<u>100.00%</u>	<u>100.00%</u>

4 Reserves and surplus

(a) Surplus in Statement of Profit and Loss

	30 September 2023	31 March 2023
Balance at the beginning of the period	65,943	
Add: Profit for the period	1,46,969	65,943
Balance at the end of the period	<u>2,12,912</u>	<u>65,943</u>
	<u>2,12,912</u>	<u>65,943</u>



Haique Stones Inc.

Notes to financial statements (continued)

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Currency : in US Dollars (USD)

	30 September 2023	31 March 2023
5 Trade Payables		
(a) total outstanding dues of micro and small enterprises; and	-	-
(b) total outstanding dues of other than micro and small enterprises	20,83,583	11,77,630
	<u>20,83,583</u>	<u>11,77,630</u>
6 Other current liabilities		
Advances from customers	4,38,173	4,42,545
Provision for expenses	-	12,248
Provision for taxes	87,883	27,872
	<u>5,26,056</u>	<u>4,82,665</u>
7 Long-term loans and advances		
<i>Unsecured and considered good</i>		
Security deposit - Others	50,000	50,000
	<u>50,000</u>	<u>50,000</u>
8 Inventories		
<i>Lower of cost or net realisable value</i>		
Finished goods (in transit)	13,48,637	11,74,986
	<u>13,48,637</u>	<u>11,74,986</u>
9 Trade receivables		
<i>(Unsecured and considered good)</i>		
Receivables outstanding for a period exceeding six months	-	-
Other receivables	12,83,539	4,93,248
	<u>12,83,539</u>	<u>4,93,248</u>
10 Cash and bank balances		
(a) Cash and cash equivalents		
Cash-in-hand	-	-
Balance with banks in current accounts	1,50,375	8,004
	<u>1,50,375</u>	<u>8,004</u>
(b) Other bank balances		
Deposits with maturity more than 3 months but less than 12 months	-	-
	<u>-</u>	<u>-</u>
	<u>1,50,375</u>	<u>8,004</u>
11 Other current assets		
Receivable against issue of shares	-	10,000
	<u>-</u>	<u>10,000</u>



Haique Stones Inc.

Notes to financial statements (continued)

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Currency : in US Dollars (USD)

	For the period ended 30 September 2023	For the year ended 31 March 2023
12 Revenue from operations		
Sale of products	65,73,400	38,48,839
	<u>65,73,400</u>	<u>38,48,839</u>
13 Purchase of traded goods		
Purchase of products	61,07,311	45,93,969
	<u>61,07,311</u>	<u>45,93,969</u>
14 Changes in inventories of finished goods, work-in-progress and stock-in-trade		
Traded goods		
Opening Stock	11,74,986	-
Less: Closing Stock	<u>(13,48,637)</u>	<u>(11,74,986)</u>
Changes in inventories of finished goods	<u>(1,73,651)</u>	<u>(11,74,986)</u>
15 Finance expenses		
Bank commission and charges	3,696	3,335
	<u>3,696</u>	<u>3,335</u>
16 Other expenses		
Selling and distribution expenses		
Transportation, ocean freight and clearing expenses	4,26,455	2,77,949
Other administrative expenses		
Legal and professional expenses	960	-
Goods damaged by accidents	-	54,764
Miscellaneous expenses	<u>(433)</u>	<u>(7)</u>
	<u>4,26,982</u>	<u>3,32,706</u>



Haique Stones Inc.

Notes to financial statements (continued)

###

Currency : in US Dollars (USD)

17 Contingent liabilities and commitments

The Company in the United States of America (USA) imports Quartz Surfaces from India. In the USA, the Quartz Surfaces from India is currently being imported under Anti-dumping duty (ADD) and Countervailing Duty (CVD) deposits. Further, based on the application from Importers and Exporters, The U.S. Department of Commerce (US-DOC) conducts a yearly Administrative Review (AR) of the ADD and CVD order on certain quartz surface products (quartz surface products) from India.

During the current year the applicable CVD deposit rates are from 1.57% to 2.17% and ADD deposit rates are from 1.02% to 3.19% on import of quartz surfaces from India. Further, below is the status of Administrative Review (AR) of the ADD and CVD order on certain quartz surface products (quartz surface products) from India:

a) Countervailing Duty (CVD) on import of quartz surfaces from India

Period under review	Status of Review	Financial Impact on Company
Upto 31 May 2021	US DOC has finalised CVD rates	No impact
June 1, 2021 to May 31, 2022	AR-2 is not filed by importers/ exporters	No impact
June 1, 2022 to May 31, 2023	AR-3 is filed by exporters	No impact estimated

b) Antidumping Duty (ADD) on import of quartz surfaces from India

Period under review	Status of Review	Financial Impact on Company
Upto 31 May 2021	US DOC has finalised ADD rates	No impact
June 1, 2021 to May 31, 2022	US DOC has given preliminary order	No impact
June 1, 2022 to May 31, 2023	AR-3 is filed by exporters	No impact estimated

*the Company has internally assessed the outcome of the results of ongoing Administrative review and based on the past results of the Administrative Reviews, it expects the judgement of current administrative reviews not to be against the Company and hence does not expect any impact on its financial position.



Haique Stones Inc.

Notes to financial statements (continued)

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Currency : in US Dollars (USD)

18 Related party transactions

As per Accounting Standard 18, the disclosures of transactions with the related parties are given below

(a) List of related parties where control exists and related parties with whom transactions have taken place and relationships

	For the period ended 30 September 2023	For the year ended 31 March 2023
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Ultimate Holding Company

Esprit Stones Limited

Issue of shares	-	10,000
Purchase of goods	54,35,107	14,89,237
Ocean freight	-	38,810

Fellow Subsidiaries

Haique Stones Private Limited

Purchase of goods	-	26,18,715
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Enterprises in which directors' are interested

Aravali Minerals and Chemicals Industries Private Limited

Purchase of goods	-	35,496
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(b) Balances at the year end

	For the period ended 30 September 2023	For the year ended 31 March 2023
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Payables:

Esprit Stones Limited	14,10,155	3,87,662
Haique Stones Private Limited	-	3,60,502
Aravali Minerals and Chemicals Industries Private Limited	-	300

Receivables:

Esprit Stones Limited	-	10,000
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19 Earning per share

	For the period ended 30 September 2023	For the year ended 31 March 2023
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Profit attributable to the equity shareholders (A)	1,46,969	65,943
Weighted average number of equity shares (B)	10,000	10,000
Basic and diluted earning per share (C = A/B)	14.70	6.59

As per our report attached

For A. Bafna & Co.

Chartered Accountants

Firm Reg. No. : 003660C

Vivek Gupta
Partner

Date : 06/02/2024



For and on behalf of Board of Directors of

Haique Stones Inc.

8 The Green, STE-A Dover, Delaware-19901, Kent, USA

EIN : 37-2013534

Nitin Gattani
Director

Date : 06/02/2024

Sunil Lunawath
Director

Date : 06/02/2024

