

**Unaudited Financial Results (Standalone) for the quarter and nine months ended December 31, 2023**

(Rs. in Lakhs)

Sr. No.	Particulars	Quarter Ended			Nine Months Ended		Year ended
		31-12-2023	30-09-2023	31-12-2022	31-12-2023	31-12-2022	31-03-2023
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
I.	Revenue from Operations	1,577.84	2,595.25	1,590.76	5,910.56	5,964.56	8,448.19
II.	Other Income	105.02	0.26	14.77	107.83	18.51	22.79
III.	<b>Total Income (I + II)</b>	<b>1,682.86</b>	<b>2,595.51</b>	<b>1,605.53</b>	<b>6,018.39</b>	<b>5,983.07</b>	<b>8,470.98</b>
IV.	<b>Expenses:</b>						
	Cost of Materials Consumed	1,586.85	1,882.54	2,036.08	5,330.19	6,243.31	8,779.01
	Purchases of Stock-in-Trade	-	-	-	-	-	-
	Changes in inventories of finished goods work-in-progress and Stock-in-	-	661.81	(554.28)	467.36	(753.28)	(680.11)
	Employee benefits expense	4.65	0.16	17.89	10.57	59.93	64.64
	Finance costs	23.49	24.83	39.22	73.76	137.87	161.54
	Depreciation and amortisation expense	4.42	4.65	6.04	13.59	19.23	23.77
	Other expenses	8.01	1.18	1.18	20.73	114.37	114.34
	<b>Total expenses (IV)</b>	<b>1,627.42</b>	<b>2,575.17</b>	<b>1,546.13</b>	<b>5,916.20</b>	<b>5,821.43</b>	<b>8,463.19</b>
V.	<b>Profit before Exceptional Items and tax (III - IV)</b>	<b>55.44</b>	<b>20.34</b>	<b>59.40</b>	<b>102.19</b>	<b>161.64</b>	<b>7.79</b>
VI.	Exceptional Items	6.41	8.39	-	14.80	-	-
VII.	<b>Profit before Tax (V-VI)</b>	<b>61.85</b>	<b>28.73</b>	<b>59.40</b>	<b>116.99</b>	<b>161.64</b>	<b>7.79</b>
VIII.	<b>Tax expense:</b>	15.58	5.66	17.41	29.92	44.31	4.91
	(1) Current tax	15.16	5.12	15.44	27.72	39.78	-
	(2) Deferred tax	0.42	0.54	1.97	2.20	4.53	4.91
	(3) MAT Credit Entitlement	-	-	-	-	-	-
IX.	<b>Profit for the period (VII-VIII)</b>	<b>46.26</b>	<b>23.07</b>	<b>41.99</b>	<b>87.07</b>	<b>117.33</b>	<b>2.88</b>
X.	<b>Other Comprehensive Income/(Expense) (Net of Tax)</b>	-	-	-	-	-	-
	Items that will not be reclassified to profit or loss	-	-	-	-	-	-
	Remeasurement of the net defined benefit liability/asset net	-	-	-	-	-	-
	Fair Value changes on investment, Net	-	-	-	-	-	-
	Item that will be reclassified subsequently to profit and loss	-	-	-	-	-	-
	<b>Total Other Comprehensive Income, net of tax</b>	-	-	-	-	-	-
XI.	<b>Total Comprehensive Income / (Expenses) (after Tax) (IX+X)</b>	<b>46.26</b>	<b>23.07</b>	<b>41.99</b>	<b>87.07</b>	<b>117.33</b>	<b>2.88</b>
XII.	Paid up Equity Share Capital (Face value of Rs. 5/- per share)	2,729.40	2,729.40	2,729.40	2,729.40	2,729.40	2,729.40
XIII.	<b>Earnings per equity share:</b>						
	Basic & Diluted	0.08	0.04	0.08	0.16	0.21	0.01
	Paid up Equity Share Capital (Equity Shares of face value of ₹ 10/- each)	2,729.40	2,729.40	2,729.40	2,729.40	2,729.40	2,729.40
	Other Equity excluding Revaluation Reserve	1,604.97	1,543.12	1,662.19	1,604.97	1,662.19	1,502.31
	Capital Redemption Reserve/Debt Redemption Reserve	-	-	-	-	-	-
	Net Worth (including Retained Earnings)	4,334.37	4,272.52	4,391.59	4,334.37	4,391.59	4,231.71
	<b>Ratios</b>						
a	Debt Service Coverage Ratio	2.31	0.09	0.95	1.70	1.48	0.20
b	Interest Service Coverage Ratio	3.63	2.16	2.51	2.59	2.17	1.05
c	Debt Equity Ratio	0.43	0.39	0.45	0.43	0.45	0.57
d	Current Ratio	2.71	2.14	3.01	2.71	3.01	21.00
e	Operating Income Ratio(%)	-0.57%	1.96%	6.85%	1.91%	7.96%	4.13%
f	Net profit margin (%)	2.93%	0.89%	2.64%	1.47%	1.97%	0.03%

**NOTES:**

- The unaudited Financial Results for the quarter ended on 31 December, 2023 were reviewed by the Audit Committee and then approved by the Board of Directors at their meeting held on 12th February 2024.
- The Unaudited Financial Results have been prepared in accordance with the Indian Accounting Standards (Ind AS) as prescribed under Section 133 of the Companies Act, 2013 read with Rule 3 of Companies (Indian Accounting Standards) Rules, 2015.
- The outbreak of COVID-19 pandemic globally and in India has severely impacted businesses and economies. There has been disruption to regular business operations due to the measures taken to curb the impact of the pandemic. The Company's manufacturing operations have been partially functional during the lockdown. All the operations of the Company have resumed post lifting of lockdown. As per the current assessment of the situation based on the Internal and external information available up to the date of approval of these financial results by the Board of Directors, the Company believes that the Impact of Covid-19 on its business, assets, internal financial controls, profitability and liquidity, both present and future, would be limited and there is no indication of any material Impact on the carrying amounts of Inventories, trade receivables, Investments and other financial assets.
- All balances are subject to external confirmations/ physical verification.
- The figures for the corresponding previous period have been regrouped / reclassified wherever necessary, to make them comparable.
- The company is in the process of outsourcing its internal audit process. Currently, there are no formal reports prepared by the review team.
- EIR adjustments are yet to be effected in the books of accounts.
- ECL Provisioning for loss assets is yet to be done.

Place: Ahmedabad  
Date: February 12, 2024

**PRAHLAD KUMAR  
AGARWAL**

Digitally signed by PRAHLAD KUMAR AGARWAL  
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# H K Shah & Co.

## CHARTERED ACCOUNTANTS

**Independent Auditor's Review Report on the Quarterly Unaudited Standalone Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.**

To  
The Board of Directors,  
GALA GLOBAL PRODUCTS LIMITED  
[CIN: L22219GJ2010PLC063243]  
Ahmedabad

We have reviewed the accompanying statement of unaudited financial results of GALA GLOBAL PRODUCTS LIMITED ("The Company") for the quarter ended December 31, 2023 ("the Statement") attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").

### Scope Of Review

This statement, which is the responsibility of the Company's Management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, (Ind AS 34) "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with regulation 33 of Listing Regulation read with circulars issued by SEBI. Our responsibility is to issue a report on these financial results based on our review.

We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

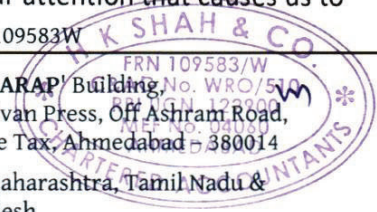
### Qualified Conclusion

Based on our review conducted as above, with the exception of the matter described in the 'Basis for Qualified Conclusion' para below, nothing has come to our attention that causes us to

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Uttar Pradesh





believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standards ('Ind AS') specified under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other recognised accounting practices and policies, has not disclosed the information required to be disclosed in terms of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.

#### **Basis for Qualified Conclusion**

1. A) Considerable payments made as advances to the supplier can be quantified subject to detailed investigation with the outcome of future events only. As per the information and explanations provided to us, this matter is sub-judice at present. ECL provisioning for the same will be done on the basis of detailed investigation with the outcome of future events only. Only some amounts have started to be received back in this.

B) There is a major amount of stock, and it is not possible to value the stock, especially in the light of the obsolescence possibility due to the nature of goods. Ind AS 2 is not followed. We are not in a position to quantify the effect on profit and loss accounts and balance sheet of the company.

2. Ind AS adjustments are yet to be affected in the books. In light of this, we are not in a position to quantify the effect on the Profit and Loss accounts and Balance Sheet of the company.

3. During the year the company had made various transactions with Director/s and other related parties. We are unable to verify whether such transactions were carried out at arm's length price. With reference to the overall situation of the company, the company is running a current account with the Director/s and section 185 may be attracted.

4. As required under Ind As 109, Financial Instruments, the company has not measured the loss allowance with regard to the provision of expected credit loss for a financial instrument, part of the trade receivables are overdue.

5. As auditors, we observe the reasonable threat to the going concern status, however, visible efforts are seen to avert the threat.

6. As required under Ind AS 108, Operating Segments, the company has not reported the operating segment in respect of various segments. The company has entered into trading of many commodities other than paper.

7. The company carries Intangible assets worth Rs.13 Crore which are not amortized and are subject to valuation and we are not in a position to quantify.

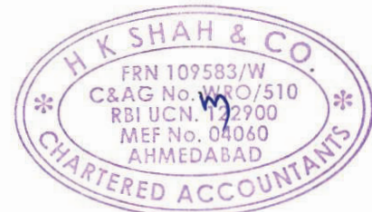


8. The savings on OTS of Rs.8.39 Lakh have been booked in spite of the provisional letter resulting in over statement of profit and understatement of liability to that extent.
9. The company has not accounted audit fees in the books. Accordingly, profit is overstated, and current liabilities is understated to that extent.
10. Bank Loan Statements and Confirmations are not provided for the verification.
11. Bank CC Account as on 31.12.2023 is showing long outstanding with a substantial amount is under reconciliation.
12. Provision of interest on Loans is not provided in the books.

#### **Emphasis of Matters**

1. We draw attention to the requirements of Ind AS 19 — Employee Benefits have not been complied with. Based on books of account and as per the explanations given by the management, the Company is in the process of finalization of structure for the employee benefits and hence, there were no employees who were eligible for the benefits yet. Accordingly, Employee Benefits have not been provided in the financial statements as per the criteria defined by the Company.
2. We draw attention to inability to pay income tax liabilities of Rs. 63.20 lakhs based on Tax Audit Assessment of the company on the due date as well as till date.
3. The company is required to maintain cost records and required to be audited u/s 148 of the Companies Act, 2013. We have broadly reviewed the books of accounts and records maintained by the Company pursuant to the rules made by the Central Government for the maintenance of the Cost Records as per the Companies Act, 2013. However, cost records have not been maintained as prescribed, nor the same has been audited as prescribed. Hence, we are unable to review the same.
4. As required under Section 138 of the Companies Act 2013 read with rule 13 of Companies (Accounts) Rules, 2014, every listed company is required to appoint Internal Auditor. However, the company has not appointed an Internal Auditor.
5. Various compliances of statutory requirements like; company law, PF, TDS, Income tax, GST etc; are subject to actual compliance.
6. Balances of Debtors, Creditors, Security Deposits, stock, etc; are subject to confirmation.
7. Valuation of inventories is accepted on the basis of management evaluation.

Our opinion is not modified in respect of these matters.



**Other Matters**

1. We draw attention to Note 5 to Note 8.

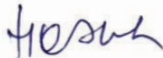
2. We draw attention to Note 3 of the financial results, as regards the management's evaluation of COVID-19 impact on the future performance of the Company. To assess the recoverability of certain assets, investments and trade receivables, the Company has considered internal and external information up to the date of this report in respect of the current and estimated future global including Indian economic indicators consequent to the global health pandemic. The actual impact of the pandemic may be different from that considered in assessing the recoverability of these assets.

For

H K Shah Co.,

Chartered Accountants

FRN.: 109583W



H K Shah

Partner

M. No.: 042758

Place: Ahmedabad

Date: February 12, 2024

UDIN: 24042758BKBJCL7740

