The information in this Placement Document is not complete and may be changed. The Issue is meant only for Eligible QIBs under Chapter VI of the SEBI (ICDR) Regulations, on a Private Placement basis and is not an offer to the Public or to any other class of Investors to purchase the Equity Shares. This Placement Document is not an offer to sell any Equity Shares and is not soliciting an offer to subscribe to or buy the Equity Shares in any jurisdiction where such offer, sale or subscription is not permitted. This Placement Document is being issued for the sole purpose of information or discussion relating to the Equity Shares that may be allotted pursuant to the Placement Document.

Gujarat Toolroom Ltd.

# GUJARAT TOOLROOM LIMITED

**Registered Office:** 404 - 4th floor, Samarth Co.Op.H.Soc, Nr. Silicon Tower, Nr. Law Garden, Ellishbridge, Ahmedabad Ellisbridge, Ahmedabad, Gujarat, 380006
**Tel**: +91-7227013356 | **Email:** cs@gujarattoolroom.com | **Website**: http://www.gujarattoolroom.com/
**Contact Person**: Ms. Vaidehi Bang, Company Secretary and Compliance Officer.
**CIN**: L45208GJ1983PLC006056

Gujarat Toolroom Limited (the "**Issuer**" or "**Company"**) was originally incorporated as private limited Company under the Companies Act, 1956 as Pirnmatic Engineering Private Limited vide certificate of incorporation dated March 25, 1983, issued by Registrar of Companies, Gujarat. Subsequently, a fresh certificate of incorporation dated December 31, 1990, was issued by Registrar of Companies, Gujarat, pursuant to change of name of our Company from Pirnmatic Engineering Private Limited to Kunal Fabricators Private Limited. Subsequently, a fresh certificate of incorporation dated September 11, 1991, was issued by Registrar of Companies, Gujarat, pursuant to change of name of our Company from Kunal Fabricators Private Limited to Gujarat Toolroom Private Limited. Subsequently, the name of the company was changed to Gujarat Toolroom Limited pursuant to conversion into a public company vide shareholder's approval dated 5th September 1991 and vide fresh certificate of incorporation dated September 11, 1991, issued by Registrar of Companies, Gujarat.

Our Company is issuing up to 7,19,24,810 equity shares of face value of ₹1/- each (the "**Equity Shares**") at a price of ₹13.30 per Equity Share (the "**Issue Price**"), including a premium of ₹ 12.30 per Equity Share, aggregating to approximately ₹ 95.66 crore (the "**Issue**"). For further details, see "***Summary of the Issue***" on page 40.

**THIS ISSUE IS BEING UNDERTAKEN IN RELIANCE UPON CHAPTER VI OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, AS AMENDED (THE "SEBI (ICDR) REGULATIONS") AND SECTION 42 OF THE COMPANIES ACT, 2013,AS AMENDED, READ WITH RULE 14 OF THE COMPANIES (PROSPECTUS AND ALLOTMENT OF SECURITIES) RULES, 2014, AS AMENDED (THE "PAS RULES") AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013 AND RULES FRAMED THEREUNDER EACH AS AMENDED ("THE COMPANIES ACT").**

**OUR COMPANY HAS PREPARED THIS PLACEMENT DOCUMENT SOLELY FOR PROVIDING INFORMATION IN CONNECTION WITH THE ISSUE. THE ISSUE AND DISTRIBUTION OF THIS PLACEMENT DOCUMENT IS BEING MADE TO ELIGIBLE QIBs (AS DEFINED BELOW) IN RELIANCE UPON SECTION 42 OF THE COMPANIES ACT, 2013 AND THE RULES PRESCRIBED THEREUNDER, AND CHAPTER VI OF THE SEBI (ICDR) REGULATIONS. THIS PLACEMENT DOCUMENT IS PERSONAL TO EACH PROSPECTIVE INVESTOR AND DOES NOT CONSTITUTE AN OFFER OR INVITATION OR SOLICITATIONOF AN OFFER TO THE PUBLIC OR TO ANY OTHER PROSPECTIVE INVESTOR OR CLASS OF INVESTORS WITHIN OR OUTSIDE INDIA OTHER THAN ELIGIBLE QIBs. THIS PLACEMENT DOCUMENT SHALL BE CIRCULATED ONLY TO SUCH ELIGIBLE QIBs WHOSE NAMES ARE RECORDED BY OUR COMPANY PRIOR TO MAKING AN INVITATION TO SUBSCRIBE TO EQUITY SHARES.**

**YOU MAY NOT AND ARE NOT AUTHORISED TO: (1) DELIVER THIS PLACEMENT DOCUMENT TO ANY OTHER PERSON; OR (2) REPRODUCETHIS PLACEMENT DOCUMENT IN ANY MANNER WHATSOEVER OR (3) RELEASE ANY PUBLIC ADVERTISEMENTS OR UTILISE ANY MEDIA, MARKETING OR DISTRIBUTION CHANNELS OR AGENTS TO INFORM THE PUBLIC AT LARGE ABOUT THE ISSUE. ANY DISTRIBUTION OR REPRODUCTIONOF THIS PLACEMENT DOCUMENT IN THE WHOLE OR IN PART IS UNAUTHORISED. FAILURE TO COMPLY WITH THIS INSTRUCTION MAY RESULT IN A VIOLATION OF THE COMPANIES ACT, 2013, AS AMENDED, THE SEBI ICDR REGULATIONS OR OTHER APPLICABLE LAWS OF INDIA AND OF OTHER JURISDICTIONS.**

**INVESTMENTS IN EQUITY SHARES INVOLVE A HIGH DEGREE OF RISK AND PROSPECTIVE INVESTORS SHOULD NOT INVEST IN THE ISSUE UNLESS THEY ARE PREPARED TO TAKE THE RISK OF LOSING ALL OR PART OF THEIR INVESTMENT. PROSPECTIVE INVESTORS ARE ADVISED TO CAREFULLY READ "*RISK FACTORS*" ON PAGE 60 BEFORE MAKING AN OF INVESTMENT DECISION RELATING TO THE ISSUE. EACH PROSPECTIVE INVESTOR IS ADVISED TO CONSULT ITS OWN ADVISORS ABOUT THE CONSEQUENCES OF AN INVESTMENT IN THE EQUITY SHARES ISSUED PURSUANT TO THE PRELIMINARY PLACEMENT DOCUMENT AND THIS PLACEMENT DOCUMENT. PROSPECTIVE INVESTORS SHALL CONDUCT THEIR OWN DUE DILIGENCE ON THE EQUITY SHARES AND THE COMPANY.**

The Equity Shares are listed on BSE Limited ("**BSE**") ("**Stock Exchange**"). The closing prices of the outstanding Equity Shares on **BSE Ltd as on December 18, 2024, was INR 13.89 per Equity Share. Our Company has received in-principle approvals pursuant to Regulation 28(1)(a) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "SEBI Listing Regulations") for listing of the Equity Shares to be issued pursuant to the Issue, from BSE on December 16, 2024. Our Company shall make applications to the Stock Exchange to obtain final listing and trading approvals for the Equity Shares to be issued pursuant to the Issue. The Stock Exchange assumes no responsibility** for the correctness of any statements made, opinions expressed, or reportscontained herein. Admission of the Equity Shares to be issued pursuant to the Issue for trading on the Stock Exchange should not be taken as an indication of the merits of our Company or the Equity Shares.

A copy of this Placement Document, which includes disclosures prescribed under Form PAS-4 (as defined hereinafter), has been delivered to the Stock Exchange. A copy of this Placement Document (which shall also include disclosures prescribed under Form PAS-4) shall be delivered to the Stock Exchange. Our Company shall also make the requisite filings with the Registrar of Companies ('**ROC**') within the stipulated period as required under the provisions of the Companies Act, 2013 (**the Act**) and the Companies (Prospectus and Allotment of Securities) Rules, 2014 ('**PAS Rules**'). This Placement Document has not been reviewed by the Securities and Exchange Board of India ("**SEBI**"), the Stock Exchange, the ROC or any other regulatory or listing authority, and is intended only for use by Eligible QIBs (as defined hereinafter). This Placement Document has not been and shall not be filed as a prospectus with the ROC, shall not be circulated or distributed to the public in India or any other jurisdiction, and the Issue shall not constitute a public offer in India or any other jurisdiction.

Invitations, offers and sales of Equity Shares to be issued pursuant to the Issue shall only be made pursuant to this Placement Document, together with the Application Form,this Placement Document and the Confirmation of Allocation Note (each as defined hereinafter). For further details, see **"*Issue Procedure*"** on page 293. The distribution of this Placement Document or the disclosure of its contents without our Company's prior consent to any person other than Eligible QIBs and persons retained by Eligible QIBs to advise them with respect to their purchase of Equity Shares is unauthorized and prohibited. Each prospective investor, by accepting delivery of this Placement Document, agrees to observe theforegoing restrictions and to make no copies of this Placement Document or any documents referred to in this Placement Document.

The Equity Shares offered in the Issue have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "**U.S. Securities Act**"), or the securities laws any state of the United States and may not be offered or sold in the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and any applicable state securities laws. The Equity Shares offered in the Issue are being offered and sold only outside the United States in "*offshore transactions*", asdefined in and in reliance on Regulations under the U.S. Securities Act ("**Regulation S**") and the applicable laws of the jurisdiction where those offers and sales are made. For selling restriction in certain jurisdiction see **"*Selling Restrictions*"** on page 316 and ***"Transfer Restrictions"*** on page 330 for information about transfer restrictions that apply to the Equity Shares sold in the Issue.

The information on our Company's website, any website directly or indirectly linked to our Company's website or on the respective websites of the Book Running Lead Manager (as defined hereinafter) or of their respective affiliates does not form part of this Placement Document and prospective investors should not rely on any such information contained in or available through any such websites for their investment in this Issue.

| BOOK RUNNING LEAD MANAGER | |
|---|---|
| IMM | **Intelligent Money Managers Private Limited**<br>CIN: U65923WB2010PTC156220 / SEBI REGN. No.: INM000012169 / Validity of Registration: Permanent<br>Contact Person: Amit Kumar Mishra<br>Address: YMCA Building, 25, Jawaharlal Nehru Road, 2nd Floor, Kolkata - 700 087<br>Tel. No.: +91-33-4065 6289<br>E-mail Id: info@intelligentgroup.org.in<br>Website: www.intelligentgroup.org.in/ |

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## NOTICE TO INVESTORS

Our Company has furnished and accepts full responsibility for the information contained in this Placement Document and confirms that to the best of its knowledge and belief, having made all reasonable enquiries, this Placement Document contains all information with respect to our Company and the Equity Shares, which is material in the context of the Issue. The statements contained in this Placement Document relating to our Company and the Equity Shares are, in all material respects, true and accurate and not misleading, and the opinions and intentions expressed in this Placement Document with regard to our Company and the Equity Shares are honestly held, have been reached after considering all relevant circumstances, are based on reasonable assumptions and information presently available to our Company. There are no other facts in relation to our Company and the Equity Shares, the omission of which would, in the context of the Issue, make any statement in this Placement Document misleading in any material respect. Further, our Company has made all reasonable enquiries to ascertain such facts and to verify the accuracy of all such information and statements. Unless otherwise stated, all information in this Placement Document is provided as of the date of this Placement Document and neither our Company nor the Book Running Lead Manager has any obligation to update such information to a later date.

Intelligent Money Managers Private Limited, the Book Running Lead Manager (the "**BRLM**") has not separately verified all of the information contained in this Placement Document (financial, legal or otherwise). Accordingly, neither the BRLM nor any of their respective shareholders, employees, counsel, officers, directors, representatives, agents or affiliates make any express or implied representation, warranty or undertaking, and no responsibility or liability is accepted by the BRLM and/or any of their respective shareholders, employees, counsel, officers, directors, representatives, agents or affiliates as to the accuracy or completeness of the information contained in this Placement Document or any other information (financial, legal or otherwise) supplied in connection with our Company and the Equity Shares or distribution of this Placement Document. Each person receiving this Placement Document acknowledges that such person has not relied either on the BRLM or on any of their respective shareholders, employees, counsel, officers, directors, representatives, agents or affiliates in connection with such person's investigation of the accuracy of such information or such person's investment decision, and each such person must rely on its own examination of our Company and the merits and risks involved in investing in the Equity Shares issued pursuant to the Issue.

No person is authorized to give any information or to make any representation not contained in this Placement Document and any information or representation not so contained must not be relied upon as having been authorized by or on behalf of our Company or on behalf of the BRLM. The delivery of this Placement Document at any time does not imply that the information contained in it is correct as at any time subsequent to its date.

The distribution of this Placement Document or the disclosure of its contents without the prior consent of our Company to any person, other than Eligible QIBs specified by the BRLM or their representatives, and those retained by Eligible QIBs to advise them with respect to their purchase of the Equity Shares is unauthorized and prohibited. Each prospective investor, by accepting delivery of this Placement Document, agrees to observe the foregoing restrictions and not further distribute or make any copies of this Placement Document or any documents referred to in this Placement Document. Any reproduction or distribution of this Placement Document, in whole or in part, and any disclosure of its contents to any other person is prohibited.

The distribution of this Placement Document and the issue of Equity Shares may be restricted in certain jurisdictions by applicable laws. As such, this Placement Document does not constitute and may not be used for or in connection with, an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorized or to any person to whom it is unlawful to make such offer or solicitation. In particular, except for India, no action has been taken by our Company and the BRLM that would permit an offering of the Equity Shares or distribution of this Placement Document in any jurisdiction, where action for that purpose is required. Accordingly, the Equity Shares may not be offered or sold, directly or indirectly, and neither this Placement Document nor any offering material in connection with the Equity Shares may be distributed or published in or from any country or jurisdiction, except under circumstances that will result in compliance with any applicable rules and regulations of any such country or jurisdiction. For a description of the restrictions applicable to the offer of the Equity Shares in the Issue in certain jurisdictions, see "***Selling Restrictions***" and "***Transfer Restrictions and Purchaser Representation***" on page 316 and 330 of this Placement Document, respectively.

**The Equity Shares have not been and will not be registered under the U.S. Securities Act and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. The Equity Shares offered in the Issue are being offered and sold only outside the United States in *"offshore transactions"*, as defined in and in reliance on Regulation S under the U.S. Securities Act ("Regulation S") and the applicable laws of the jurisdiction where those offers and sales are made. For the selling restrictions in certain other jurisdictions**, please see "***Selling Restrictions***" on page 316. Also see, "***Transfer Restrictions and Purchaser Representation***" on page 330 respectively of this Placement Document for information about transfer restrictions that apply to the Equity Shares sold in the Issue.

In making an investment decision, the prospective investors must rely on their own examination and due diligence of our Company and the Equity Shares and the terms of the Issue, including merits and risks involved. Prospective investors should not construe the contents of this Placement Document as legal, business, tax, accounting, or investment advice. Prospective investors should consult their own counsel and advisors as to business, investment, legal, tax, accounting and related matters concerning this Issue. In addition, our Company and the BRLM are not making any representation to any investor, purchaser, offeree or subscriber of the Equity Shares in relation to this Issue regarding the legality of an investment in the Equity Shares by such investor, purchaser, offeree or subscriber under applicable legal, investment or similar laws or regulations. The prospective investors of the Equity Shares should conduct their own due diligence on the Equity Shares and our Company. If you do not understand the contents of this Placement Document, you should consult an authorized financial advisor and/or legal advisor.

Each investor, purchaser, offeree or subscriber of the Equity Shares in the Issue is deemed to have acknowledged, represented and agreed that it is an Eligible QIB and is eligible to invest in India and in our Company under applicable law, including Chapter VI of the SEBI ICDR Regulations, Section 42 of the Companies Act and other provisions of the Companies Act, and that it is not prohibited by SEBI or any other regulatory, statutory or judicial authority, in India or any other jurisdiction, from buying, selling or dealing in securities including the Equity Shares. Each investor, purchaser, offeree or subscriber of the Equity Shares in the Issue also acknowledges that it has been afforded an opportunity to request from our Company and review information relating to our Company and the

Equity Shares.

This Placement Document contains summaries of certain terms of certain documents, which summaries are qualified in their entirety by the terms and conditions of such document. The information on our Company's website, viz. www.gujarattoolroom.com , or any website directly or indirectly linked to our Company or on the website of the BRLM or any of their respective affiliates, does not constitute nor form part of this Placement Document. Prospective investors should not rely on such information contained in, or available through, any such websites. Our Company agrees to comply with any undertakings given by it from time to time in connection with the Equity Shares to the Stock Exchange and, without prejudice to the generality of foregoing, shall furnish to the Stock Exchange all such information as the rules of the Stock Exchange may require in connection with the listing of the Equity Shares on the Stock Exchange.

## NOTICE TO INVESTORS IN THE UNITED STATES AND U.S. PERSONS

The Equity Shares to be issued pursuant to the Issue have not been approved, disapproved or recommended by any regulatory authority in any jurisdiction, including the United States Securities and Exchange Commission, any other federal or state authorities in the United States or the securities authorities of any non-United States jurisdiction or any other United States or non-United States regulatory authority. No authority has passed on or endorsed the merits of the Issue or the accuracy or adequacy of this Placement Document. Any representation to the contrary is a criminal offence in the United States and may be a criminal offence in other jurisdictions.

The Equity Shares have not been and will not be registered under the U.S. Securities Act and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. The Equity Shares offered in the Issue are being offered and sold only outside the United States in "offshore transactions", as defined in and in reliance on Regulation S under the U.S. Securities Act ("**Regulations**") and the applicable laws of the jurisdiction where those offers and sales are made. For the selling restrictions in certain other jurisdictions, please see "***Selling Restrictions***" on page 316. Also see, "***Transfer Restrictions and Purchaser Representation***" on page 330 of this Placement Document for information about transfer restrictions that apply to the Equity Shares sold in the Issue.

## NOTICE TO INVESTORS IN CERTAIN JURISDICTION

This Placement Document is not an offer to sell securities and is not soliciting an offer to subscribe to or buy securities in any jurisdiction where such offer, solicitation, sale or subscription is not permitted. For information to investors in certain other jurisdictions, see "***Selling Restrictions***" and "***Transfer Restrictions and Purchaser Representation***" on page 316 and 330 of this Placement Document, respectively for information about transfer restrictions that apply to the Equity Shares sold in the Issue.

## REPRESENTATIONS BY INVESTORS

All references herein to "you" or "your" in this section are to the prospective investors in the Issue. By bidding for and/or subscribing to any Equity Shares under this Issue, you are deemed to have represented, warranted, acknowledged and agreements set forth in the sections "***Notice to Investors***", "***Selling Restrictions***" and "***Transfer Restrictions and Purchaser Representation***" on pages 4, 316 and 330 respectively of this Placement Document and to have represented, warranted, acknowledged to and agreed with our Company and the BRLM, as follows:

1. You are a **"Qualified Institutional Buyer"** as defined in Regulation 2(1)(ss) of the SEBI ICDR Regulations and not excluded pursuant to Regulation 179(2)(b) of the SEBI ICDR Regulations, having a valid and existing registration under applicable laws and regulations of India, and undertake to (i) acquire, hold, manage or dispose of any Equity Shares that are Allotted (hereinafter defined) to you in accordance with Chapter VI of the SEBI ICDR Regulations, the Companies Act, and all other applicable laws; and (ii) comply with all requirements under applicable law in this relation, including reporting obligations, requirements/ making necessary filings, if any, in connection with the Issue or otherwise accessing capital markets;

2. You are eligible to invest in India under applicable laws, including the FEMA Rules (as defined hereinafter) and any notifications, circulars or clarifications issued thereunder, and have not been prohibited by SEBI or any other regulatory authority, statutory authority or otherwise, from buying, selling, or dealing in securities or otherwise accessing capital markets in India;

3. If you are not a resident of India, but a QIB, you are an Eligible FPI (and are not an individual, corporate body or a family office), having a valid and existing registration with SEBI under the applicable laws in India or a multilateral or bilateral development financial institution, and are eligible to invest in India under applicable laws, including the SEBI FPI Regulations, FEMA Rules, and any notifications, circulars or clarifications issued thereunder, and have not been prohibited by SEBI or any other regulatory authority, from buying, selling, dealing in securities or otherwise accessing the capital markets. You confirm that you are not an FVCI. You will make all necessary filings with appropriate regulatory authorities, including the RBI, as required pursuant to applicable laws;

4. You are aware that in terms of the SEBI FPI Regulations and the FEMA Rules, the total holding by each FPI including its investor group (which means multiple entities registered as FPIs and directly or indirectly having common ownership of more than 50% or common control) shall be below 10% of the total Paid-up Equity Share Capital of our Company on a fully diluted basis. Further, the aggregate limit of all FPIs investments, is up to 100%, being the sectoral cap applicable to the sector in which our Company operates. In terms of the FEMA Rules, for calculating the total holding of FPIs in a company, holding of all registered FPIs shall be included. Hence, eligible FPIs may invest in such number of Equity Shares in this Issue such that the individual investment of the FPI in our Company does not exceed 10% of the post-Issue Paid-up Equity Share Capital of our Company on a fully diluted basis and the aggregate investment by FPIs in our Company does not exceed the sectoral cap applicable to our Company. In case the holding of an FPI together with its investor group increases to 10% or more of the total Paid-up Equity Share Capital, on a fully diluted basis, such FPI together with its investor group shall divest the excess holding within a period of five trading days from the date of settlement of the trades resulting in the breach. If however, such excess holding has not been divested within the

specified period of five trading days, the entire shareholding of such FPI together with its investor group will be re-classified as FDI, subject to the conditions as specified by SEBI and the RBI in this regard and compliance by our Company and the investor with applicable reporting requirements and the FPI and its investor group will be prohibited from making any further portfolio investment in our Company under the SEBI FPI Regulations;

5. You will provide the information as required under the provisions of the Companies Act, the PAS Rules and applicable SEBI ICDR Regulations and rules for record keeping by our Company, including your name, complete address, phone number, e-mail address, permanent account number (if applicable) and bank account details and such other details as may be prescribed or otherwise required even after the closure of the Issue;

6. You are eligible to invest in and hold the Equity Shares of the Company in accordance with the FDI Policy, read along with the press note no. 3 (2020 Series), dated April 17, 2020, issued by the Department for Promotion of Industry and Internal Trade, Government of India, wherein if the beneficial owner of the Equity Shares is situated in or is a citizen of a country which shares land border with India, foreign investments can only be made through the Government approval route, as prescribed in the FEMA Regulations;

7. If you are Allotted Equity Shares pursuant to this Issue, you shall not sell the Equity Shares so acquired for a period of one year from the date of Allotment (as defined hereinafter), except on the floor of the Stock Exchange. For additional restrictions in this regard, see ***"Selling Restrictions"*** and ***"Transfer Restrictions"*** on page 316 and 330, respectively.

8. You are aware that the Preliminary Placement Document and this Placement Document has not been and will not be filed as a prospectus with the ROC under the Companies Act, the SEBI ICDR Regulations or under any other law in force in India and, no Equity Shares will be offered in India or overseas to the public or any members of the public in India or any other class of investors, other than Eligible QIBs. The Preliminary Placement Document and this Placement Document (which includes disclosures prescribed under Form PAS-4) has not been reviewed, verified or affirmed by the RBI, SEBI, the Stock Exchange, the ROC or any other regulatory or listing authority and is intended only for use by Eligible QIBs;

9. You are aware that the Preliminary Placement Document and this Placement Document have been filed, with the Stock Exchange for record purposes only and the Preliminary Placement Document and this Placement Document will be displayed on the website of our Company and the Stock Exchange.

10. You are permitted to subscribe for and acquire the Equity Shares under the laws of all relevant jurisdictions that apply to you and that you have fully observed such laws and you have necessary capacity, have obtained all necessary consents, governmental or otherwise, and authorizations and complied and shall comply with all necessary formalities, to enable you to participate in the Issue and to perform your obligations in relation thereto (including, without limitation, in the case of any person on whose behalf you are acting, all necessary consents and authorizations to agree to the terms set out or referred to in the Preliminary Placement Document and this Placement Document), and will honor such obligations;

11. You are aware that, our Company, the BRLM or any of their respective shareholders, directors, officers, employees, counsel, representatives, agents or affiliates are not making any recommendations to you or advising you regarding the suitability of any transactions that you may enter into in connection with the Issue and your participation in the Issue is on the basis that you are not, and will not, up to the Allotment, be a client of the BRLM. The BRLM or any of their respective shareholders, directors, officers, employees, counsel, representatives, agents, associates or affiliates do not have any duties or responsibilities to you for providing the protection afforded to their clients or customers or for providing advice in relation to the Issue and are not in any way acting in a fiduciary capacity;

12. You confirm that, either: (i) you have not participated in or attended any investor meetings or presentations by our Company or its agents (the "**Company Presentations**") with regard to our Company or the Issue; or (ii) if you have participated in or attended any Company Presentations: (a) you understand and acknowledge that the BRLM may not have knowledge of the statements that our Company or its agents may have made at such Company Presentations and is therefore unable to determine whether the information provided to you at such Company Presentations may have included any material misstatements or omissions, and, accordingly you acknowledge that the BRLM have advised you not to rely in any way on any information that was provided to you at such Company Presentations, and (b) confirm that you have not been provided any material or price sensitive information relating to our Company and the Issue that was not publicly available;

13. Your decision to subscribe to the Equity Shares to be issued pursuant to the Issue has not been made on the basis of any information, which is not set forth in this Placement Document;

14. You are subscribing to the Equity Shares to be issued pursuant to the Issue in accordance with applicable laws and by participating in this Issue, you are not in violation of any applicable law, including but not limited to the SEBI Insider Trading Regulations, the Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Market) Regulations, 2003, as amended, and the Companies Act;

15. You understand that the Equity Shares issued pursuant to the Issue shall be subject to the provisions of the Memorandum of Association and Articles of Association of our Company and will be credited as fully paid and will rank pari passu in all respects with the existing Equity Shares including the right to receive dividend and other distributions declared;

16. All statements other than statements of historical fact included in this Placement Document, including, without limitation, those regarding our Company, or our financial position, business strategy, plans and objectives of management for future operations (including development plans and objectives relating to our Company's business), are forward-looking statements. You are aware that, such forward looking statements involve known and unknown risks, uncertainties and other important factors that could cause actual results to be materially different from future results, performance or achievements expressed or implied by such forward looking statements. Such forward-looking statements are based on numerous assumptions regarding our Company present and future business strategies and environment in which our Company will operate in the future. You should not place undue reliance on forward-looking statements, which speak only as at the date of this Placement Document. Neither our Company nor the BRLM or any of their respective shareholders, directors, officers, employees, counsel, representatives, agents or

affiliates assume any responsibility to update any of the forward-looking statements contained in this Placement Document;

17. You are aware and understand that the Equity Shares are being offered only to Eligible QIBs on a private placement basis and are not being offered to the general public, or any other category other than Eligible QIBs and the Allotment of the same shall be at the sole discretion of our Company, in consultation with the BRLM;

18. You are aware that in terms of the requirements of the Companies Act, upon Allocation, our Company will be required to disclose names and percentage of post-Issue shareholding of the proposed Allottees in the Placement Document, as applicable. However, disclosure of such details in relation to the proposed Allottees in the Placement Document will not guarantee Allotment to them, as Allotment in the Issue shall continue to be at the sole discretion of our Company, in consultation with the BRLM;

19. You are aware that, if you are Allotted more than 1% of the Equity Shares in the Issue, our Company shall be required to disclose your name and the number of the Equity Shares Allotted to you to the Stock Exchange and the Stock Exchange will make the same available on their website and you consent to such disclosures;

20. You have been provided a serially numbered copy of this Placement Document and have read it in its entirety; including, in particular, "***Risk Factors***" on page 60 of this Placement Document;

21. In making your investment decision, you have (i) relied on your own examination of our Company, the Equity Shares and the terms of the Issue, including the merits and risks involved, (ii) made and will continue to make your own assessment of our Company, the Equity Shares and the terms of the Issue based solely on and in reliance of the information contained in this Placement Document and no other disclosure or representation by our Company or any other party, (iii) consulted your own independent counsel and advisors or otherwise have satisfied yourself concerning, without limitation, the effects of local laws (including tax laws), (iv) received all information that you believe is necessary or appropriate in order to make an investment decision in respect of our Company and the Equity Shares, and (v) relied upon your own investigation and resources in deciding to invest in the Issue;

22. Neither our Company nor the BRLM nor any of their respective shareholders, directors, officers, employees, counsel, representatives, agents or affiliates have provided you with any tax advice or otherwise made any representations regarding the tax consequences of purchase, ownership and disposal of the Equity Shares (including but not limited to the Issue and the use of the proceeds from the Equity Shares). You will obtain your own independent tax advice from a reputable service provider and will not rely on the BRLM or any of their shareholders, directors, officers, employees, counsel, representatives, agents or affiliates, when evaluating the tax consequences in relation to the Equity Shares (including, in relation to the Issue and the use of proceeds from the Equity Shares). You waive, and agree not to assert any claim against, our Company, the BRLM or any of their respective shareholders, directors, officers, employees, counsel, representatives, agents or affiliates, with respect to the tax aspects of the Equity Shares or as a result of any tax audits by tax authorities, wherever situated;

23. You are a sophisticated investor and have such knowledge and experience in financial, business and investment matters as to be capable of evaluating the merits and risks of an investment in Equity Shares. You are experienced in investing in private placement transactions of securities of companies in a similar nature of business, similar stage of development and in similar jurisdictions. You and any accounts for which you are subscribing for the Equity Shares (i) are each able to bear the economic risk of your investment in the Equity Shares, (ii) will not look to our Company and/or the BRLM or any of their respective shareholders, directors, officers, employees, counsel, advisors, representatives, agents or affiliates for all or part of any such loss or losses that may be suffered in connection with the Issue, including losses arising out of non-performance by our Company of any of its respective obligations or any breach of any representations and warranties by our Company, whether to you or otherwise, (iii) are able to sustain a complete loss on the investment in the Equity Shares, (iv) have no need for liquidity with respect to the investment in the Equity Shares, (v) have no reason to anticipate any change in your or their circumstances, financial or otherwise, which may cause or require any sale or distribution by you or them of all or any part of the Equity Shares; and (vi) are seeking to subscribe to the Equity Shares in the Issue for your own investment and not with a view to resell or distribute. You are aware that investment in Equity Shares involves a high degree of risk and that the Equity Shares are, therefore a speculative investment;

24. If you are acquiring the Equity Shares to be issued pursuant to the Issue for one or more managed accounts, you represent and warrant that you are authorized in writing, by each such managed account to acquire such Equity Shares for each managed account and hereby make the representations, warranties, acknowledgements, undertakings and agreements herein for and on behalf of each such account, reading the reference to "you" to include such accounts;

25. You are not a "promoter" (as defined under the Companies Act and the SEBI ICDR Regulations) of our Company and are not a person related to any of our Promoters, either directly or indirectly and your Bid (hereinafter defined) does not directly or indirectly represent any of our 'Promoters', or members of our 'Promoter Group' (as defined under the SEBI ICDR Regulations) or persons or entities related thereto;

26. You have no rights under a shareholders' agreement or voting agreement with the Promoters or members of the Promoter Group, no veto rights or right to appoint any nominee director on our Board, other than the rights acquired, if any, in the capacity of a lender not holding any Equity Shares; the acquisition of which shall not deem you to be a Promoter or a person related to the Promoter;

27. You agree that in terms of Section 42(7) of the Companies Act and Rule 14 of the PAS Rules, we shall file the list of Eligible QIBs (to whom the Preliminary Placement Document was circulated) along with other particulars including your name, complete address, phone number, e-mail address, permanent account number and bank account details, including such other details as may be prescribed or otherwise required even after the closure of the Issue with the ROC and SEBI within 30 days of circulation of the Preliminary Placement Document and other filings required under the Companies Act;

28. You will have no right to withdraw your Bid or revise your Bid downwards after the Bid/Issue Closing Date (as defined hereinafter);

29. You are eligible to Bid for and hold the Equity Shares so allotted, together with any Equity Shares held by you prior to the Issue. You further confirm that your aggregate holding after the Allotment of the Equity Shares shall not exceed the level permissible, as per any applicable regulation;

30. The Bid made by you would not ultimately result in triggering an open offer under the SEBI Takeover Regulations (as defined hereinafter) and you shall be solely responsible for compliance, if any with all other applicable provisions of the SEBI Takeover Regulations;

31. Your aggregate equity shareholding in our Company, together with other Allottees that belong to the same group or are under common control as you, pursuant to the Allotment under the Issue shall not exceed 50% of the Issue Size. For the purposes of this representation:
    (i) Eligible QIBs "belonging to the same group" shall mean entities where (a) any of them controls, directly or indirectly, through its subsidiary or holding company, not less than 15% of the voting rights in the other; (b) any of them, directly or indirectly, by itself, or in combination with other persons, exercise control over the others; or (c) there is a common director, excluding nominee and independent directors, amongst an Eligible QIB, its subsidiary or holding company and any other Eligible QIB; and
    (ii) 'Control' shall have the same meaning as is assigned to it by Regulation 2(1)(e) of the SEBI Takeover Regulations;

32. You shall not undertake any trade in the Equity Shares credited to your beneficiary account until such time that the final listing and trading approvals for such Equity Shares to be issued pursuant to this Issue, are issued by the Stock Exchange;

33. You are aware that (i) applications for in-principle approval, in terms of Regulation 28(1)(a) of the SEBI Listing Regulations, for listing and admission of the Equity Shares to be issued pursuant to the Issue and for trading on the Stock Exchange, were made and an in-principle approval has been received by our Company from each of the Stock Exchange, and (ii) the application for the final listing and trading approval will be made only after Allotment. There can be no assurance that the final listing and trading approvals for listing of the Equity Shares will be obtained in time or at all. Neither our Company nor the BRLM nor any of their respective shareholders, directors, officers, employees, counsel, representatives, agents or affiliates shall be responsible for any delay or non-receipt of such final listing and trading approvals or any loss arising from such delay or non-receipt;

34. You are aware and understand that the BRLM have entered into a Placement Agreement with our Company whereby the BRLM have, subject to the satisfaction of certain conditions set out therein, undertaken to use their reasonable efforts to procure subscriptions for the Equity Shares on the terms and conditions set forth therein;

35. You understand the contents of this Placement Document are exclusively the responsibility of our Company and that neither the BRLM nor any person acting on its behalf or any of the counsel or advisors to the Issue has, or shall have, any liability for any information, representation or statement contained in this Placement Document or any information previously published by or on behalf of our Company and will not be liable for your decision to participate in this Issue based on any information, representation or statement contained in this Placement Document or otherwise. By accepting a participation in this Issue, you agree to the same and confirm that the

only information you are entitled to rely on, and on which you have relied in committing yourself to acquire the Equity Shares is contained in this Placement Document, such information being all that you deem necessary to make an investment decision in respect of the Equity Shares, you have neither received nor relied on any other information, representation, warranty or statement made by or on behalf of the BRLM or our Company or any other person, and the BRLM or our Company or any of their respective affiliates, including any view, statement, opinion or representation expressed in any research published or distributed by them, the BRLM and their affiliates will not be liable for your decision to accept an invitation to participate in the Issue based on any other information, representation, warranty, statement or opinion;

36. You understand that, the BRLM or any of their respective shareholders, directors, officers, employees, counsel, representatives, agents or affiliates do not have any obligation to purchase or acquire all or any part of the Equity Shares purchased by you in the Issue or to support any losses directly or indirectly sustained or incurred by you for any reason whatsoever in connection with the Issue, including non-performance by our Company of any of its obligations or any breach of any representations or warranties by us, whether to you or otherwise;

37. You are able to purchase the Equity Shares in accordance with the restrictions described in ***"Selling Restrictions"*** on page 316, you understand and agree that the Equity Shares are transferable only in accordance with the restrictions described in the ***"Purchase Representations and Transfer Restrictions"*** on page 330, and you have made, or are deemed to have made, as applicable, the representations, warranties, acknowledgements, undertakings and agreements in ***"Selling Restrictions"*** and ***"Purchase Representations and Transfer Restrictions"*** on page 316 and 330 respectively

38. You understand that the Equity Shares have not been and will not be registered under the U.S. Securities Act or any state securities laws of the United States and may not be offered, sold- or delivered within the United States, except in reliance on an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and any applicable U.S. state securities laws. You are outside the United States and are subscribing to the Equity Shares in an "offshore transaction" as defined in and in reliance on, **Regulation S** and the applicable laws of the jurisdictions where those offers and sales are made;

39. You are not acquiring or subscribing for the Equity Shares as a result of any "directed selling efforts" (as defined in Regulation S) and you understand and agree that offers and sales are being made in reliance on an exemption to the registration requirements of the U.S. Securities Act;

40. You agree that any dispute arising in connection with the Issue will be governed by and construed in accordance with the laws of Republic of India, and the courts in Mumbai, India shall have exclusive jurisdiction to settle any disputes which may arise out of or in connection with the Preliminary Placement Document and this Placement Document;

41. Each of the representations, warranties, acknowledgements, and agreements set out above shall continue to be true and accurate at all times up to and including the Allotment, listing, and trading of the Equity Shares in the Issue;

42. You agree to indemnify and hold our Company, the BRLM and their respective directors, officers, employees, affiliates, associates, controlling persons and representatives harmless from

any and all costs, claims, liabilities and expenses (including legal fees and expenses) arising out of or in connection with any breach of the foregoing representations, warranties, acknowledgements and undertakings made by you in this Placement Document. You agree that the indemnity set out in this paragraph shall survive the resale of the Equity Shares by, or on behalf of, the managed accounts;

43. You acknowledge that the Preliminary Placement Document does not, and this Placement Document shall not confer upon or provide you with any right of renunciation of the Equity Shares offered through the Issue in favour of any person;

44. You will make the payment for subscription to the Equity Shares pursuant to this Issue from your own bank account. In case of joint holders, the monies shall be paid from the bank account of the person whose name appears first in the application;

45. You confirm that neither is your investment as an entity of a country which shares land border with India nor is the beneficial owner of your investment situated in or a citizen of such country (in each which case, investment can only be through the Government approval route), and that your investment is in accordance with consolidated FDI Policy, issued by the Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India, and Rule 6 of the FEMA Rules;

46. You are aware and understand that, you are allowed to place a Bid for Equity Shares. Please note that submitting a Bid for Equity Shares should not be taken to be indicative of the number of Equity Shares that will be Allotted to a successful Bidder. Allotment of Equity Shares will be undertaken by our Company, in its absolute discretion, in consultation with the BRLM;

47. You represent that you are not an affiliate of our Company or the BRLM or a person acting on behalf of such affiliate;

48. Our Company, the BRLM, their respective affiliates, directors, officers, employees, shareholders, representatives, agents, controlling persons and others will rely on the truth and accuracy of the foregoing representations, warranties, acknowledgements and undertakings, and are irrevocable. It is agreed that if any of such representations, warranties, acknowledgements and undertakings are no longer accurate, you will promptly notify our Company and the BRLM; and

49. You will make all necessary filings with appropriate regulatory authorities, including the RBI, as required pursuant to applicable laws.

## OFFSHORE DERIVATIVE INSTRUMENTS

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 21 of the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019 ("**SEBI FPI Regulations"**), an Eligible FPI including the affiliates of the BRLM, which are registered as a Category I FPIs may issue, subscribe to or otherwise deal in offshore derivate instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by a FPI against securities held by it in India, as its underlying, and all such offshore derivative instruments are referred to herein as "**P-Notes**"), and persons who are eligible for registration as Category I FPIs can subscribe to or deal in such P-Notes provided that in the case of an entity that has an investment manager who is from the Financial Action Task Force member country, such investment manager shall not be required to be registered as a Category I FPI. The above-mentioned Category I FPIs may receive compensation from the purchasers of such instruments. In terms of Regulation 21 of SEBI FPI Regulations, P-Notes may be issued only by such persons who are registered as Category I FPIs and they may be issued only to persons eligible for registration as Category I FPIs subject to exceptions provided in the SEBI FPI Regulations and compliance with 'know your client' requirements, as specified by SEBI and subject to compliance with such other conditions as may be specified from the SEBI from time to time. An Eligible FPI shall also ensure that no transfer of any instrument referred to above is made to any person unless such FPIs are registered as Category I FPIs and such instrument is being transferred only to person eligible for registration as Category I FPIs subject to requisite consents being obtained in terms of Regulation 21 of SEBI FPI Regulations. Such P-Notes can be issued subject to compliance with the KYC norms and such other conditions as specified by SEBI from time to time, including payment of applicable regulatory fee. P-Notes have not been and are not being offered or sold pursuant to this Placement Document. This Placement Document does not contain any information concerning P-Notes or the issuer(s) of any P-Notes, including without limitation any information regarding any risk factors relating thereto.

Subject to certain relaxations provided under Regulation 22(4) of the SEBI FPI Regulations, investment by a single FPI including its investor group (multiple entities registered as FPIs and directly or indirectly, having common ownership of more than 50% or common control,) is not permitted to be 10% or above of our post-Issue Equity Share capital on a fully diluted basis ("**Investment Restrictions**"). The SEBI has, vide a circular dated November 5, 2019 and as amended, issued the operational guidelines for FPIs, designated depository participants and eligible foreign investors (the "**FPI Operational Guidelines**"), to facilitate implementation of the SEBI FPI Regulations. In terms of such FPI Operational Guidelines, the Investment Restrictions shall also apply to subscribers of offshore derivative instruments and two or more subscribers of offshore derivative instruments having common ownership, directly or indirectly, of more than 50% or common control shall be considered together as a single subscriber of the offshore derivative instruments. Further, in the event a prospective investor has investments as an FPI and as a subscriber of offshore derivative instruments, these Investment Restrictions shall apply on the aggregate of the FPI and offshore derivative instruments investments held in the underlying company.

Further, in accordance with Press Note No. 3 (2020 Series), dated April 17, 2020, read with Consolidated FDI Policy, issued by the Department for Promotion of Industry and Internal Trade, Government of India, investments where the entity is of a country which shares land border with India or where the beneficial owner of the Equity Shares is situated in or is a citizen of a country

which shares land border with India, can only be made through the Government approval route, as prescribed in the Consolidated FDI Policy and FEMA Rules. These investment restrictions shall also apply to subscribers of offshore derivative instruments.

Affiliates of the BRLM which are Eligible FPIs may purchase, to the extent permissible under law, the Equity Shares in the Issue, and may issue P-Notes in respect thereof. **Any P-Notes that may be issued are not securities of our Company and do not constitute any obligation of, claims on or interests in our Company**. Our Company has not participated in any offer of any P-Notes, or in the establishment of the terms of any P-Notes, or in the preparation of any disclosure related to any P-Notes. Any P-Notes that may be offered are issued by, and are the sole obligations of, third parties that are unrelated to our Company. Our Company and the BRLM do not make any recommendation as to any investment in P-Notes and do not accept any responsibility whatsoever in connection with any P-Notes. Any P-Notes that may be issued are not securities of the BRLM and does not constitute any obligations of or claims on the BRLM.

**Prospective investors interested in purchasing any P-Notes have the responsibility to obtain adequate disclosure as to the issuer(s) of such P-Notes and the terms and conditions of any such P-Notes from the issuer(s) of such P-Notes. Neither SEBI nor any other regulatory authority has reviewed or approved any P-Notes or any disclosure related thereto. Prospective investors are urged to consult with their own financial, legal, accounting and tax advisors regarding any contemplated investment in P-Notes, including whether P-Notes are issued in compliance with applicable laws and regulations.**

## DISCLAIMER CLAUSE OF THE STOCK EXCHANGE

As required, a copy of this Placement Document has been submitted to the Stock Exchange.

The Stock Exchange do not in any manner:

1. warrant, certify or endorse the correctness or completeness of the contents of this Placement Document;
2. warrant that the Equity Shares issued pursuant to this Issue will be listed or will continue to be listed on the Stock Exchange; or
3. take any responsibility for the financial or other soundness of our Company, its promoters, its management or any scheme or project of our Company

and it should not for any reason be deemed or construed to mean that this Placement Document has been cleared or approved by the Stock Exchange. Every person who desires to apply for or otherwise acquire any Equity Shares may do so pursuant to an independent inquiry, investigation and analysis and shall not have any claim against the Stock Exchange whatsoever, by reason of any loss which may be suffered by such person consequent to or in connection with, such subscription/acquisition, whether by reason of anything stated or omitted to be stated herein, or for any other reason whatsoever.

## PRESENTATION OF FINANCIAL AND OTHER INFORMATION

**Certain Conventions**

In this Placement Document, unless otherwise specified or the context otherwise indicates or implies, references to "you", "your", "offeree", "purchaser", "subscriber", "recipient", "investors" and "potential investor" are to the Eligible QIBs pursuant to this Issue, references to "our Company", the "Company", or the "Issuer" are to Gujarat Toolroom Limited on a standalone basis and references to "our", "us", or "we" are to Gujarat Toolroom Limited together with our Subsidiaries, Joint Venture and Associate on a consolidated basis.

**Currency and units of presentation**

In this Placement Document, references to '₹', 'INR', 'Rs.', 'Indian Rupees' and 'Rupees' are to the legal currency of Republic of India, references to 'US$', 'USD' and 'U.S. dollars' are to the legal currency of the United States of America, references to "EUR" or "€" are to Euro, the official currency of the European Union and references to "AED" are to the United Arab Emirates Dirham, the official currency of the United Arab Emirates. All references herein to the 'US' or 'U.S.' or the 'United States' are to the United States of America and its territories and possessions. All references herein to "India" are to the Republic of India and its territories and possessions and all references herein to the 'Government' or 'GOI' or the 'Central Government' or the 'State Government' are to the Government of India, central or state, as applicable.

References to the singular also refer to the plural and one gender also refers to any other gender, wherever applicable.

Figures in this Placement Document have been presented in lakhs or in whole numbers where the numbers have been too small to present in lakhs unless stated otherwise. Further, certain figures in the "Industry Overview" section of this Placement Document have been presented in USD million. Our Audited Financial Statements for Fiscal 2024, Fiscal 2023, Fiscal 2022 and the Unaudited Interim Financial Statements as at and for the six months period ended September 30, 2024 is prepared in lakhs and have been presented in this Placement Document in lakhs for presentation purposes.

In this Placement Document, references to "Lakh" or "Lacs" represents "100,000", "million" represents "10 lakh" or "1,000,000", "Crore" represents "10,000,000" or "10 million" or "100 lakhs", and "billion" represents "1,000,000,000" or "1,000 million" or "100 Crore".

Certain figures contained in this Placement Document, including financial information, have been subject to rounding adjustments. In certain instances, (i) the sum or percentage change of such numbers may not conform exactly to the total figure given, and (ii) the sum of the figures in a column or row in certain tables may not conform exactly to the total figure given for that column or row. Any such discrepancies between the totals and the sum of the amounts listed are due to rounding off adjustments. All figures in decimals have been rounded off to the second decimal.

Unless otherwise specified, all financial numbers in parenthesis represent negative figures.

**Page numbers**
Unless stated otherwise, all references to page numbers in this Placement Document are to the page numbers of this Placement Document.

**Financial Data and Other Information**
The financial year of our Company commences on April 1 of each calendar year and ends on March 31 of the following calendar year, unless otherwise specified or if the context requires otherwise. The terms "Fiscal" or "Fiscal year" or "financial year" or "FY," refer to the 12-month period ending, or as of March 31 of that year (as the case may be).

Our Company has published its Audited Consolidated Financial Statements for the Fiscal 2024, Fiscal 2023 and Fiscal 2022 and the Unaudited Consolidated Interim Financial Statements as at and for the half yearly ended September 30, 2024, in Indian Rupees in in lakh. As required under applicable regulations, and for the convenience of prospective investors, we have included the following in this Placement Document:

- Audited Consolidated Financial Statements of our Company and its Subsidiary as at and for the financial years ended March 31, 2024, March 31, 2023 and March 31, 2022, prepared in accordance with the Indian Accounting Standard (referred to as "Ind AS"), as prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, as amended and other accounting principles generally accepted in India and other relevant provisions of the Companies Act (collectively, the "**Audited Consolidated Financial Statements**");
- Unaudited Consolidated Interim Financial Statements of our Company and its Subsidiaries as at and for the half yearly ended September 30, 2024, prepared in accordance with the principles laid down in Indian Accounting Standards 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 (the "**Unaudited Consolidated Interim Financial Statements**")

The Audited Financial Statements should be read along with the respective audit reports dated June 10, 2024, May 8, 2023, August 9, 2022, respectively, and the Unaudited Interim Financial Statements should be read along with its limited review reports dated November 11, 2024, respectively. Further, our Unaudited Interim Financial Statements are not necessarily indicative of results that may be expected for the full financial year or any future reporting period and are not comparable with the annual financials. For further information, see ***"Financial Information"*** on page 91.

Our Company presents its Financial Statements under Ind AS. Ind AS differs from accounting principles with which prospective investors may be familiar in other countries, including generally accepted accounting principles followed in the U.S. ("U.S. GAAP") or International Financial Reporting Standards ("IFRS"). Our Company does not attempt to quantify the impact of U.S. GAAP or IFRS on the financial data included in this Placement Document, nor does our Company provide a reconciliation of its Financial Statements to IFRS or U.S. GAAP. Accordingly, the degree to which the Financial Statements included in this Placement Document will provide meaningful information is entirely dependent on the reader's familiarity with the respective Indian accounting policies and practices. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Placement Document should accordingly be limited.

Unless otherwise stated or unless the context requires otherwise, the financial information contained in this Placement Document as at and for the year ended March 31, 2024 is derived from the Audited Financial Statements as at and for the year ended March 31, 2024, as at and for the year ended March 31, 2023 is derived from the comparative financial information included for year ended March 31, 2023, Audited Financial Statements, as at and for the year ended March 31, 2022 is derived from the comparative financial information year ended March 31, 2022 and Limited Reviewed Financial Statements and for the half year ended September 30, 2024 are derived from Limited Reviewed Financial Statements for the six months period ended September 30, 2024. For details, see ***"Financial Information"*** and ***"Management's Discussion and Analysis of Financial Condition and Results of Operations"*** on pages 91 and 229, respectively.

**Non – GAAP financial measures**

Certain non-GAAP measures and certain other statistical information such as EBITDA, EBITDA Margins, ROE, Debt/Equity, Interest Coverage Ratio, ROCE, PAT Margins, etc. (together referred as "Non-GAAP Measures") presented in this Placement Document are a supplemental measure of our performance and liquidity that are not required by, or presented in accordance with, Ind AS, Indian GAAP, or IFRS. We compute and disclose such non-GAAP financial measures and such other statistical information relating to our operations and financial performance as we consider such information to be useful measures of our business and financial performance. Further, these Non-GAAP Measures are not a measurement of our financial performance or liquidity under Ind AS, Indian GAAP, or IFRS and should not be considered in isolation or construed as an alternative to cash flows, profit/ (loss) for the year/ period or any other measure of financial performance or as an indicator of our operating performance, liquidity, profitability or cash flows generated by operating, investing or financing activities derived in accordance with Ind AS, Indian GAAP, or IFRS. In addition, these Non-GAAP Measures are not standardized terms, hence a direct comparison of similarly titled Non-GAAP Measures between companies may not be possible. Other companies may calculate the Non-GAAP Measures differently from us, limiting their usefulness as a comparative measure. Although the Non-GAAP Measures are not a measure of performance calculated in accordance with applicable accounting standards, our Company's management believes that it is useful to an investor in evaluating us because it is a widely used measure to evaluate a company's operating performance or liquidity. Prospective investors should read this information in conjunction with the financial statements included in ***"Financial Information"*** on page 91.

Any discrepancies in the tables included herein between the amounts listed and the totals thereof are due to rounding off.

## INDUSTRY AND MARKET DATA

Information regarding market size, market share, market position, growth rates and other industry data pertaining to our business contained in this Placement Document consists of estimates based on data reports compiled by governmental bodies, professional organizations and analysts and on data from other external sources, and on our knowledge of markets in which we compete.

Unless stated otherwise, statistical information, industry and market data used throughout this Placement Document has been derived from publicly available sources. While our Company has taken reasonable care in the reproduction of the information from such publicly available sources, none of our Company, the BRLM, any of our Company's or their respective affiliates or advisors or any other person connected with the Issue has independently verified data and statistics obtained from such publicly available sources. Industry sources and publications generally state that the information contained therein has been obtained from sources generally believed to be reliable, but that their accuracy, completeness and underlying assumptions are not guaranteed, and their reliability cannot be assured.

Therefore, discussions of matters relating to India, its economy and the industry in which we currently operate are subject to the caveat that data and statistics upon which such discussions are based may be inaccurate, incomplete or unreliable. Statements from third-parties that involve estimates are subject to change, and actual amounts may differ materially from those included in this Placement Document. Similarly, while we believe our internal estimates to be reasonable, such estimates have not been verified by any independent sources, and neither we nor the BRLM can assure potential Investors as to their accuracy.

This information is subject to change and cannot be certified with complete certainty due to limits on the availability and reliability of raw data and other limitations and uncertainties inherent in any statistical survey. Neither our Company nor any of the BRLM have independently verified the industry and market data and do not make any representation regarding accuracy or completeness of such data. In many cases, there is no readily available external information (whether from trade or industry associations, government bodies or other organizations) to validate market related analysis and estimates, so our Company has relied on internally developed estimates. Similarly, while our Company believes its internal estimates to be reasonable, such estimates have not been verified by any independent sources and neither our Company nor any of the BRLM can assure potential Investors as to their accuracy.

Accordingly, investors must rely on their independent examination of, and should not place undue reliance on, or base their investment decision solely on this information.

## FORWARD - LOOKING STATEMENTS

Certain statements contained in this Placement Document that are not statements of historical fact constitute 'forward looking statements'. Investors can generally identify forward looking statements by terminology including 'aim', 'anticipate', 'believe', 'continue', 'can', 'could', 'estimate', 'expect', 'intend', 'may', 'objective', 'plan', 'potential', 'project', 'pursue', 'shall', 'should', 'will', 'would', 'future', 'forecast', 'target', 'guideline', 'will likely result', 'is likely', 'are likely', 'expected to', 'will continue', 'will achieve', or other words or phrases of similar import. Similarly, statements that describe the strategies, objectives, plans or goals of our Company are also forward-looking statements. However, these are not the exclusive means of identifying forward looking statements.

All statements regarding our Company's expected financial conditions, results of operations, business plans and prospects are forward looking statements. These forward-looking statements include statements as to our Company's business strategy, planned projects, revenue and profitability (including, without limitation, any financial or operating projections or forecasts), new business and other matters discussed in this Placement Document that are not historical facts. These forward-looking statements contained in this Placement Document (whether made by our Company or any third party), are predictions and involve known and unknown risks, uncertainties, assumptions, and other factors that may cause the actual results, performance or achievements of our Company to be materially different from any future results, performance or achievements expressed or implied by such forward looking statements or other projections. All forward looking statements are subject to risks, uncertainties and assumptions about our Company that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement.

Important factors that could cause actual results to differ materially from our Company's expectations include, among others:

- A slowdown or disruption in our Business activities;
- An inability to effectively manage wholly owned subsidiaries or develop relationships with new business associates for our products;
- An inability to effectively manage business in any new geographical territory;
- Engagement in a highly competitive business and a failure to effectively compete;
- An adverse change in the regulations governing our products and the products of our customers;
- Uncertainty surrounding the continuing impact of the COVID-19 pandemic on our business operations and financial performance; and
- Inability to protect and further strengthen and enhance our brand and business reputation.

Additional factors that could cause actual results, performance or achievements to differ materially include, but are not limited to, those discussed under ***"Risk Factors"***, ***"Management's Discussion and Analysis of Financial Condition and Results of Operations"***, ***"Industry Overview"*** and ***"Our Business"*** on pages 60, 229, 242 & 264, respectively.

By their nature, market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual future gains, losses or impact on net interest income and net income could materially differ from those that have been estimated, expressed or implied by such forward looking statements or other projections. The forward-looking statements contained in this Placement Document are based on the beliefs of management, as well as the

assumptions made by, and information currently available to the management of our Company.

Whilst our Company believes that the expectations reflected in such forward-looking statements are reasonable at this time, it cannot assure investors that such expectations will prove to be correct. Given these uncertainties, investors are cautioned not to place undue reliance on such forward-looking statements. In any event, these statements speak only as of the date of the Preliminary Placement Document or the respective dates indicated in this Placement Document, and neither our Company nor the BRLM undertakes any obligation to update or revise any of them, whether as a result of new information, future events or otherwise. If any of these risks and uncertainties materialize, or if any of our Company's underlying assumptions prove to be incorrect, the actual results of operations or financial condition of our Company could differ materially from that described herein as anticipated, believed, estimated or expected. All subsequent forward-looking statements attributable to our Company are expressly qualified in their entirety by reference to these cautionary statements.

## ENFORCEMENT OF CIVIL LIABILITIES

Our Company is a limited liability Company incorporated under the laws of India. All our Directors and Key Managerial Personnel are residents of India. All of the assets of our Company are located in India accept the Company has two wholly owned Subsidiaries namely GTL Gems DMCC and Gujarat Toolroom Zambia Limited located at Dubai, UAE and Zambia respectively. As a result, it may be difficult or may not be possible for the prospective investors outside India to affect service of process upon our Company or such persons in India, or to enforce against them judgments of courts outside India.

India is not a signatory to any international treaty in relation to the recognition or enforcement of foreign judgments. However, recognition and enforcement of foreign judgments is provided for under Section 13 and Section 44A respectively of the Code of Civil Procedure, 1908, as amended ("Civil Procedure Code") on a statutory basis.

Section 13 of the Civil Procedure Code provides that a foreign judgment shall be conclusive regarding any matter directly adjudicated upon between the same parties or between parties litigating under the same title, except;

1) where the judgment has not been pronounced by a court of competent jurisdiction;
2) where the judgment has not been given on the merits of the case;
3) where it appears on the face of the proceedings that the judgment is founded on an incorrect view of international law or a refusal to recognize the law of India in cases, in which such law is applicable, where the proceedings in which the judgment was obtained were opposed to natural justice;
4) where the judgment has been obtained by fraud; and
5) where the judgment sustains a claim founded on a breach of any law, then in force in India.

Section 44A of the Civil Procedure Code provides that a foreign judgment rendered by a superior court (within the meaning of that section) in any jurisdiction outside India which the Government has by notification declared to be a reciprocating territory, may be enforced in India by proceedings in execution as if the judgment had been rendered by a district court in India. However, Section 44A of the Civil Procedure Code is applicable only to monetary decrees not being in the nature of any amounts payable in respect of taxes or other charges of a like nature or in respect of a fine or other penalties and does not include arbitration awards.

Under Section 14 of the Civil Procedure Code, a court in India will, upon the production of any document purporting to be a certified copy of a foreign judgment, presume that the foreign judgment was pronounced by a court of competent jurisdiction, unless the contrary appears on record but such presumption may be displaced by proving want of jurisdiction.

Each of the United Kingdom, Singapore, United Arab Emirates and Hong Kong, amongst others, has been declared by the Government to be a reciprocating territory for the purposes of Section 44A of the Civil Procedure Code, but the United States of America has not been so declared. A foreign judgment of a court in a jurisdiction which is not a reciprocating territory may be enforced only by a new suit upon the foreign judgment and not by proceedings in execution. The suit must be brought in India within three years from the date of the foreign judgment in the same manner as any other suit filed to enforce a civil liability in India. Accordingly, a judgment of a court in the United States

may be enforced only by a fresh suit upon the foreign judgment and not by proceedings in execution.

It is unlikely that a court in India would award damages on the same basis as a foreign court if an action were brought in India. Furthermore, it is unlikely that an Indian court would enforce foreign judgments if it viewed the amount of damages awarded as excessive or inconsistent with public policy of India, and it is uncertain whether an Indian court would enforce foreign judgments that would contravene or violate Indian law. Further, any judgment or award denominated in a foreign currency would be converted into Rupees on the date of such judgment or award and not on the date of payment. A party seeking to enforce a foreign judgment in India is required to obtain approval from the RBI to repatriate outside India any amount recovered, and any such amount may be subject to income tax in accordance with applicable laws.

## EXCHANGE RATES

Fluctuations in the exchange rate between the Rupee and foreign currencies will affect the foreign currency equivalent to the Rupee price of the Equity Shares traded on the Stock Exchange/s. These fluctuations will also affect the conversion into foreign currencies of any cash dividends paid in Rupees on the Equity Shares.

The following table sets forth information, for the period indicated with respect to the exchange rates between the Rupee and the U.S. dollar (in INR per US$), for the periods indicated. The exchange rates are based on the reference rates released by the RBI and FBIL, which are available on the website of the RBI and FBIL. No representation is made that any Rupee amounts could have been, or could be, converted into U.S. dollars at any particular rate, the rates stated below, or at all.

(INR per US$)

| Currency | September 30, 2024 | March 28, 2024* | March 31, 2023 | March 31, 2022 |
|---|---|---|---|---|
| 1 USD | 83.79 | 83.37 | 82.22 | 75.81 |

*(Source: www.rbi.org.in and www.fbil.org.in)*

** March 29, 2024, was a bank holiday on account of Good Friday celebration. Further, March 30, 2024, and March 31, 2024, being Saturday and Sunday respectively and exchange rate was not available.*

## DEFINITIONS AND ABBREVIATIONS

This Placement Document uses the definitions and abbreviations set forth below which you should consider when reading the information contained herein. The following list of certain capitalized terms used in this Placement Document is intended for the convenience of the reader / prospective investor only and is not exhaustive.

Unless otherwise specified, the capitalized terms used in this Placement Document shall have the meaning as defined hereunder. Further, any references to any statute, rules, guidelines, regulations, agreement, document or policies shall include amendments thereto, from time to time.

The words and expressions used in this Placement Document but not defined herein, shall have, to the extent applicable, the meaning ascribed to such terms under the Companies Act, the SEBI ICDR Regulations, the SCRA, the Depositories Act, or the rules and regulations made thereunder. Notwithstanding the foregoing, terms used in the section "***Statement of Possible Special Tax Benefits***", "***Industry Overview***", "***Financial Information***" and "***Legal Proceedings***" beginning on pages 341, 242, 91 and 344 of this Placement Document, respectively, shall have the meaning given to such terms in such sections.

*General and Company Related Terms*

| Term | Description |
|---|---|
| Company, our Company, the Company, the Issuer | Gujarat Toolroom Limited, a public limited company incorporated under the Companies Act, 1956, having its registered office at 404 - 4th floor, Samarth Co. Op. H. Soc., Nr. Silicon Tower, Nr. Law Garden, Ellisbridge, Ahmedabad, 380006. |
| We, us, or our | Unless the context otherwise indicates or implies, refers to our Company. |
| Associate | The Associate of our Company. |
| Articles / Articles of Association/ AoA | Articles / Articles of Association of our Company, as amended from time to time |
| Audit Committee | The Committee of the Board of Directors constituted as our Company's audit committee in accordance with Regulation 18 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (**"SEBI Listing Regulations"**) and Section 177 of the Companies Act, 2013 |
| Auditor / Statutory Auditors | Statutory auditors of our Company, namely, K. M. Chauhan & Associates.<br><br>The term shall also include our previous statutory auditor's M/s Abhishek Kumar & Associates, Chartered Accountants, and M/s. Dharmesh Parikh & Co LLP who have audited the accounts of the Company for Fiscal Year 2023 & Fiscal Year 2022 respectively. |
| Board/Board of Directors | Board of Directors of our Company and shall include a duly constituted Committee thereof |
| COC | Committee of Creditors |
| CIRP | Corporate Insolvency Resolution Process |
| Chief Financial Officer / CFO | Mr. Rakesh Rajkumar Dutta is the Chief Financial Officer of our Company |

| Term | Description |
|---|---|
| Company Secretary and Compliance Officer | Ms. Vaidehi Bang, is the Company Secretary & Compliance Officer of our Company |
| Director(s) | The director(s) on the Board of our Company, unless otherwise specified |
| Equity Shareholder | A holder of Equity Shares |
| Equity Shares | Equity shares of our Company of face value of INR 1/- each |
| Executive Director/s | Mr. Rakesh Kumar Sharma, Mr. Vishal Chandubhai Kothiya and Mr. Avchalbhai Hemantabhai Chaudhary are the Executive Directors of our Company |
| Financial Statements | Collectively, the Audited Standalone & Consolidated Financial Statements for the financial years ended March 31, 2024, 2023 and 2022, prepared in accordance with the Indian Accounting Standard (referred to as "**Ind AS**"), as prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, as amended and other accounting principles generally accepted in India and other relevant provisions of the Companies Act, 2013 to the extent applicable, each comprising of the Balance Sheet, Statement of Profit and Loss, Statement of Cash Flow, Statement of Changes in Equity, read along with notes thereto (the "**Audited Standalone & Consolidated Financial statements")**<br>ii) the Limited Reviewed Un-Audited Standalone & Consolidated Financial Results of our Company as at and for the half yearly ended September 30, 2024 prepared in accordance with the principles laid down in Indian Accounting Standards 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 (the "**Limited Reviewed Unaudited Standalone & Consolidated Financial Results**") |
| Independent Director(s) | The Independent Director(s) of our Company, in terms of Section 2(47) and Section 149(6) of the Companies Act, 2013 |
| Key Managerial Personnel | Key Managerial Personnel of our Company in terms of the Companies Act, 2013 as described in the section titled "***Board of Directors and Key Managerial Personnel***" beginning on page 281 of this Placement Document |
| Materiality Policy | A policy adopted by our Company for identification of material litigation(s) for the purpose of disclosure of the same in this Placement Document |
| Memorandum of Association / MoA | Memorandum of Association of our Company, as amended from time to time. |
| NCLT | National Company Law Tribunal |
| Non-executive Directors | Non-executive Directors of our Company. |
| Non-Executive and Independent Director | Non-executive and independent directors of our Company, unless otherwise specified |
| Promoters | As on the date of filing of this Placement Document the Company does not have any promoter and promoter Group. |
| Promoter Group | Individuals and entities forming part of the promoter and promoter group in accordance with SEBI ICDR Regulations |
| Registered Office | The Registered Office of our Company is located at 404 - 4th floor, Samarth Co. Op. H. Soc., Nr. Silicon Tower, Nr. Law Garden, Ellisbridge, Ahmedabad, 380006. |

| Term | Description |
|---|---|
| Registrar of Companies/ ROC | Registrar of Companies, Gujarat situated at Registrar Of Companies, 3H64+48R, Harishchandra Park Society, Vijaynagar, Naranpura, Ahmedabad, Gujarat, 380013. |
| Shareholders/ Equity Shareholders | The Equity Shareholders of our Company, from time to time |
| Subsidiary | Subsidiaries of Our Company namely, GTL Gems DMCC and Gujarat Toolroom Zambia Limited |
| | |
| ***Issue related Terms*** | |
| **Term** | **Description** |
| Allocated/ Allocation | The allocation of Equity Shares by our Company, following the determination of the Issue Price to Eligible QIBs on the basis of Application Forms submitted by them, in consultation with the BRLM and in compliance with Chapter VI of the SEBI ICDR Regulations |
| Allot/ Allotment/ Allotted | Unless, the context otherwise requires, allotment of Equity Shares to be issued pursuant to the Issue. |
| Allottees | Eligible QIBs to whom Equity Shares are issued and allotted pursuant to the Issue |
| Application Amount | The aggregate amount determined by multiplying the price per Equity Share indicated in the Bid by the number of Equity Shares Bid for by Eligible QIBs and payable by the Eligible QIBs in the Issue on submission of the Application Form |
| Application Form | The form (including any revisions thereof) which will be submitted by an Eligible QIB for registering a Bid in the Issue during the Bid/ Issue Period An indicative format of such form is set forth in "***Sample Application Form***" on page 360 of this Placement Document |
| Bid(s) | Indication of an Eligible QIB's interest, including all revisions and modifications thereto, as provided in the Application Form, to subscribe for the Equity Shares, pursuant to the Issue. The term "Bidding" shall be construed accordingly |
| Bid/Issue Closing Date | December 20, 2024, the date after which our Company (or BRLM on behalf of our Company) shall cease acceptance of Application Forms and the Application Amount |
| Bid/Issue Opening Date | December 19, 2024, the date on which our Company (or the BRLM on behalf of our Company) shall commence acceptance of the Application Forms and the Application Amount |
| Bid/Issue Period | Period between the Bid/ Issue Opening Date and the Bid/ Issue Closing Date, inclusive of both days during which Eligible QIBs can submit their Bids including any revision and/or modifications thereof |
| Bidder(s) | Any prospective investor, being an Eligible QIB, who makes a Bid pursuant to the terms of the Preliminary Placement Document and the Application Form |
| Book Running Lead Manager/ BRLM | Intelligent Money Managers Private Limited |
| CAN / Confirmation of Allocation Note | Note or advice or intimation to successful Bidders confirming Allocation of Equity Shares to such successful Bidders after determination of the Issue Price and shall include details of amount to be refunded, if any, to |

| Term | Description |
|---|---|
| | such Bidders |
| Closing Date | December 20, 2024 |
| Designated Date | The date of credit of Equity Shares, pursuant to the Issue, to the Allottee's demat account, as applicable to the respective Allottee |
| Eligible FPIs | FPIs that are eligible to participate in the Issue in terms of applicable law, other than individuals, corporate bodies and family offices |
| Eligible QIBs | QIBs that are eligible to participate in the Issue and which are not excluded pursuant to Regulation 179(2)(b) of the SEBI ICDR Regulations and are not restricted from participating in the Issue under applicable law<br><br>In addition, Eligible QIBs are QIBs who are outside the United States, to whom Equity Shares are being offered in "offshore transactions", as defined in, and in reliance on Regulation S and the applicable laws of the jurisdiction where those offers, and sales are made |
| Escrow Agent/ Escrow Bank | Kotak Mahindra Bank Ltd |
| Escrow Agreement | Agreement dated November 28, 2024, entered into amongst our Company, the Escrow Agent and the BRLM for collection of the Application Amounts and for remitting refunds, if any, of the amounts collected, to the Bidders |
| Escrow Account | Special non-interest bearing, no-lien, escrow bank account without any cheques or overdraft facilities, opened with the Escrow Agent by our Company in the name and style of "GUJARAT TOOLROOM LIMITED - 2024 QIP ESCROW ACCOUNT" to the terms of the Escrow Agreement, into which the Application Amount shall be deposited by Eligible QIBs and from which refunds, if any, shall be remitted, as set out in the Application Form |
| Floor Price | The floor price of INR 13.98 per Equity Share, calculated in accordance with Chapter VI of the SEBI ICDR Regulations. Our Company may offer a discount of not more than 5% on the Floor Price in accordance with the approval of the Shareholders of our Company accorded through the Extra-Ordinary General Meeting on August 14, 2024, and in terms of Regulation 176(1) of the SEBI ICDR Regulations. |
| Issue | The offer, issue and allotment of 7,19,24,810 Equity Shares at a price of INR 13.30 per Equity Share, including a premium of INR 12.30 per Equity Share, aggregating INR 9,566 Lakhs to Eligible QIBs, pursuant to Chapter VI of the SEBI ICDR Regulations and the applicable provisions of Companies Act, 2013 and the rules made thereunder |
| Issue Price | INR 13.30 per Equity Share |
| Issue Size | The issue of 7,19,24,810 Equity Shares aggregating up to INR 9,566 Lakhs |
| Mutual Fund | A mutual fund registered with SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996. |
| Net Proceeds | The net proceeds from the Issue, after deducting fees, commissions, and expenses of the Issue |
| Placement Agreement | Agreement dated December 12, 2024 entered amongst our Company and |

| Term | Description |
|---|---|
| | the BRLM |
| Preliminary Placement Document | The Preliminary Placement Document dated December 18, 2024, issued by our Company in accordance with Chapter VI of the SEBI ICDR Regulations and other applicable provisions of the Companies Act, 2013 and rules made thereunder |
| Placement Document | This Placement Document cum application form dated December 20, 2024 issued in accordance with Chapter VI of the SEBI ICDR Regulations and other applicable provisions of the Companies Act, 2013 and rules made thereunder |
| QIBs or Qualified Institutional Buyers | Qualified Institutional Buyers as defined under Regulation 2(1) (ss) of the SEBI ICDR Regulations |
| QIP | Qualified Institutions Placement, being a Private Placement to Eligible QIBs under Chapter VI of the SEBI ICDR Regulations and other applicable sections of the Companies Act, 2013, read with applicable provisions of the Companies (Prospectus and Allotment of Securities) Rules, 2014 |
| Refund Amount | The aggregate amount to be returned to the Bidders who have not been Allocated Equity Shares for all, or part of the Application Amount submitted by such Bidder pursuant to the Issue |
| Refund Intimation | The letter from our Company to relevant Bidders intimating them of the Refund Amount, if any, to be refunded to their respective Bank accounts |
| Relevant Date | December 18, 2024, which is the date of the meeting of the QIP Committee of the Board, a committee duly authorized by our Board, deciding to open the Issue. |
| Stock Exchange/Recognized Stock Exchange | BSE Limited ('BSE') |
| Successful Bidders | The Bidders who have Bid at or above the Issue Price, duly paid the Application Amount along with the Application Form and who will be Allocated Equity Shares pursuant to the Issue |
| Wilful Defaulter | An entity or person categorized as a willful defaulter by any Bank or Financial institution or consortium thereof, in terms of Regulation 2(1)(lll) of the SEBI ICDR Regulations |
| Working Day | Any day other than second and fourth Saturday of the relevant month or a Sunday or a public holiday or a day on which scheduled commercial banks are authorized or obligated by law to remain closed in Mumbai, India or a trading day of the Stock Exchanges, as applicable |

**Business and Industry Related Terms**

| Term | Description |
|---|---|
| B2B | Business-to-Business |
| BOLT | Build-Own-Lease-Transfer |
| BOOT | Build Own-Operate-Transfer |
| BOT | Body on build-Operate-Transfer |
| CFCs | Common Facility Centres |

| Term | Description |
|---|---|
| CII | Confederation of Indian Industry |
| DIPP | Department of Industrial Policy and Promotion |
| GDP | Gross Domestic Product |
| GVA | Gross Value Added |
| ICEX | The Indian Commodity Exchange |
| IIDGR | Institute of Diamond Grading and Research |
| IIJS | India International Jewellery Show |
| IIP | Index of Industrial Production |
| IMF | The International Monetary Fund |
| ISO | International Organisation for Standardization |
| Kg/cm2 | Kilogram per Square Centimetre |
| Kt. | Karat |
| KV | Kilovolt |
| MSME | Micro, Small and Medium Enterprises |
| PCB | Printed Circuit Boards |
| QA | Quality Assurance |
| QC | Quality Control |
| RFID | Radio-frequency identification |
| USD | United States Dollar |
| WGC | WGC World Gold Council |

| Term | Description |
|---|---|
| One Billion | Ten Thousand Lakhs; |
| One Million | Ten Lakhs; |
| One Trillion | One Crore Lakhs; |
| Sq. ft. | Square Foot; |
| USA | United States of America; |
| USD | United States Dollar; |
| WEO | World Economic Outlook; |

**Conventional and General Terms/Abbreviations**

| Terms | Description |
|---|---|
| ₹ / Rs. / Re./ Rupees /INR | Indian Rupee |
| AGM | Annual General Meeting |
| AIF(s) | Alternative investment funds, as defined and registered with SEBI under the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012 |
| AS | Accounting Standards issued by the Institute of Chartered Accountants of India, as required under the Companies Act |

| | |
|---|---|
| BSE | BSE Limited |
| CAGR | Compounded Annual Growth Rate |
| CDSL | Central Depository Services (India) Limited |
| CIN | Corporate Identification Number |
| Civil Procedure Code | The Code of Civil Procedure, 1908, as amended |
| Companies Act, 1956 | The erstwhile Companies Act, 1956 along with the rules made thereunder |
| Companies Act / Companies Act, 2013 | Companies Act, 2013, as amended and the rules, regulations, circulars, modifications and clarifications thereunder, to the extent notified |
| Consolidated FDI Policy | The consolidated FDI Policy, issued by the Department of Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India, and any modifications thereto or substitutions thereof, issued from time to time |
| CSR | Corporate Social Responsibility |
| Depositories Act | The Depositories Act, 1996, as amended |
| Depository | A depository registered with SEBI under the Securities and Exchange Board of India (Depositories and Participant) Regulations, 2018, as amended |
| Depository Participant/ DP | A depository participant as defined under the Depositories Act |
| DIN | Director Identification Number |
| EBIT | Earnings Before Interest and Tax |
| EGM | Extraordinary General Meeting |
| EBITDA | Earnings Before Interest, Tax, Depreciation and Amortization less Other Income |
| ESG | Environment, Social and Governance |
| EPS | Earnings per share |
| FBIL | Financial Benchmark India Private Limited |
| FDI | Foreign Direct Investment |
| FEMA | The Foreign Exchange Management Act, 1999, as amended and the regulations issued thereunder |
| FEMA Non-Debt Rules/ FEMA Rules | The Foreign Exchange Management (Non-Debt Instruments) Rules, 2019, as amended and any notifications, circulars or clarifications issued thereunder |
| Financial Year /Fiscal Year / Fiscal / FY | Unless otherwise stated, the period of 12 months commencing on April 1 of a year and ending on March 31 of the next year |
| Form PAS-4 | Form PAS-4 as prescribed under the Companies (Prospectus and Allotment of Securities) Rules, 2014, as amended |
| FPI/ Foreign Portfolio Investor(s) | Foreign Portfolio Investors, as defined under the SEBI FPI Regulations and includes a person who has been registered under the SEBI FPI Regulations. |
| FPI Operational Guidelines | SEBI circular dated November 5, 2019, which issued the operational guidelines for FPIs |
| Fugitive Economic Offender | An individual who is declared a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018, as amended |
| FVCI | Foreign venture capital investors as defined and registered with SEBI under the Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000, as amended |
| GAAP | Generally accepted accounting principles |
| GBP | Great Britain Pound Sterling |
| GDP | Gross Domestic Product |
| GoI / Government | Government of India, unless otherwise specified |

| | |
|---|---|
| GST | Goods and Services Tax |
| HUF | Hindu Undivided Family |
| IBC | Insolvency and Bankruptcy Code, 2016 |
| ICAI | The Institute of Chartered Accountants of India |
| IFRS | International Financial Reporting Standards of the International Accounting Standards Board |
| Ind AS | Indian accounting standards as notified by the MCA pursuant to Section 133 of the Companies Act read with the Ind AS Rules |
| Ind AS Rules / IAS Rules | The Companies (India Accounting Standards) Rules, 2015 |
| Indian GAAP | Generally accepted accounting principles in India |
| Income Tax Act/IT Act | The Income Tax Act, 1961 |
| Lakh/ Lac | Lakh |
| MCA | Ministry of Corporate Affairs |
| MoU | Memorandum of Understanding |
| Mn/ mn | Million |
| N.A./ NA | Not Applicable |
| NAV | Net Asset Value |
| NCLT | National Company Law Tribunal |
| NR/ Non-resident | A person resident outside India, as defined under the FEMA and includes an NRI |
| Non-Resident Indian(s) / NRI | A person resident outside India who is a citizen of India as defined under the Foreign Exchange Management (Deposit) Regulations, 2016 or is an 'Overseas Citizen of India' cardholder within the meaning of section 7(A) of the Citizenship Act, 1955, as amended |
| NRO | Non-Resident Ordinary account |
| NSDL | National Securities Depository Limited |
| p.a. | Per annum |
| P/E Ratio | Price/Earnings Ratio |
| PAN | Permanent Account Number |
| PAT | Profit after tax / profit for the respective period / year |
| PBT | Profit before tax |
| PAS Rules | Companies (Prospectus and Allotment of Securities) Rules,2014, as amended |
| RBI | The Reserve Bank of India |
| RBI Act | The Reserve Bank of India Act, 1934 |
| SCRA | Securities Contracts (Regulation) Act, 1956, as amended |
| SCRR | Securities Contracts (Regulation) Rules, 1957, as amended |
| SEBI | Securities and Exchange Board of India |
| SEBI Act | The Securities and Exchange Board of India Act, 1992, as amended |
| SEBI AIF Regulations | The Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012 |
| SEBI ESOP Regulations | Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity), Regulations 2021 |
| SEBI FPI Regulations | The Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019, as amended |
| SEBI Insider Trading Regulations | The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended |

| | |
|---|---|
| SEBI ICDR Regulations | The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended |
| SEBI Listing Regulations | The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended |
| SEBI Takeover Regulations | The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended |
| SENSEX | Index of 30 stocks traded on the BSE representing a sample of large and liquid listed companies |
| STT | Securities Transaction Tax |
| TDS | Tax Deducted at Source |
| USA or U.S. or United States | United States of America |
| U.S. GAAP | Generally accepted accounting principles in the United States of America |
| $/ U.S.$ / USD / U.S. Dollar | United States Dollar, the legal currency of the United States of America |
| U.S. Securities Act / Securities Act | The United States Securities Act of 1933, as amended |
| VCF | Venture capital fund as defined and registered with SEBI under the Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996 or the SEBI AIF Regulations, as the case may be |
| Year/Calendar Year | Unless otherwise stated, shall refer to the twelve-month period ending December 31. |

## SUMMARY OF BUSINESS

Our company was originally incorporated as private limited Company under the Companies Act, 1956 as Pirnmatic Engineering Private Limited vide certificate of incorporation dated March 25, 1983 issued by Registrar of Companies, Gujarat. Subsequently, a fresh certificate of incorporation dated December 31, 1990 was issued by Registrar of Companies, Gujarat, pursuant to change of name of our Company from Pirnmatic Engineering Private Limited to Kunal Fabricators Private Limited. Subsequently, a fresh certificate of incorporation dated September 11, 1991, was issued by Registrar of Companies, Gujarat, pursuant to change of name of our Company from Kunal Fabricators Private Limited to Gujarat Toolroom Private Limited. Subsequently, the name of the company was changed to Gujarat Toolroom Limited pursuant to conversion into a public company vide shareholder's approval dated 5th September 1991 and vide fresh certificate of incorporation dated September 11, 1991, issued by Registrar of Companies, Gujarat. Our Company successfully launched its IPO and get listed in BSE w.e.f. May 28, 1992. The equity shares of our Company were listed on BSE, bearing Scrip symbol 'GUJTLRM' and ISIN 'INE145J01032'.

Started in 1983 as a precision toolroom the company was having technical collaboration with Schober AG Switzerland with the object of bringing world class injection mould technology to India. Stamag Ag. Thun Switzerlanda Company engaged in manufacturing of injection moulds was acquired in 1995 by Gujarat Toolroom Limited. The Control of the Management of the Company was changed w.e.f. June 30, 2011 in favour of Mr. Mukesh N. Shah and Mr. Suresh (Suryakant) H. Parikh and Associates with the approval of the shareholders of the Company as per the Regulation 12 of SEBI (Substantial Acquisition of Shares and Takeovers) Regulation 1997. During the year 2015-16 the Scheme of Capital Reduction of the Company was confirmed by the Hon'ble High Court of Gujarat vide its Order dated January 11, 2016 and pursuant to the same with the filing of said Order on January 25, 2016 the Scheme became effective from April 01, 2015 (Appointed date). Currently there is no identified promoter / promoter group in the Company.

In the year 2023-24, we started trading of Silver Conductive Ink and subsequently also started trading of Agriculture Commodities and Construction Materials.

### BUSINESS OF THE COMPANY

Our company is engaged in a diversified trading business, dealing in a wide range of products including Agriculture Commodities, Construction Materials and Silver Conductive Ink. Each segment of our trading operations is managed with a focus on quality, market demand, and efficient logistics, ensuring we maintain a competitive edge in the industry.

### AGRICULTURAL COMMODITY

The company has established its presence in agro commodity trading business. The trading of agriculture commodities is one of the areas of our business. Our operations in this segment are supported by a deep understanding of market trends, seasonal variations, and global demand-supply dynamics. We leverage our network of suppliers and buyers to execute large-scale transactions, ensuring that we can offer competitive prices and timely deliveries. The company places a strong emphasis on quality control and sustainability, ensuring that the commodities we trade meet domestic standards.

The company deal into various agricultural products in various millets like bajra, castor seeds, sorghum etc. The company received bulk order from the traders and wholesalers, which is fulfilled by the orders placed to our dealers.

**CONSTRUCTION MATERIALS**

In the construction materials segment, we trade in a wide range of products including steel, In the construction materials segment, we trade in a wide range of products including steel, various range of TMT bars, and other building materials. Our focus in this area is on providing high-quality materials that meet the rigorous demands of the construction industry. The company has established partnerships with suppliers to ensure a steady supply of materials at competitive prices.

**SILVER CONDUCTIVE INK**

Our Company is engaged in the business of trading of Silver Conductive Ink. Our business in purely depends on the demand and supply of Silver Ink in the markets and we Import it from Hong Kong. Presently, we are dealing with single supplier of this Silver Ink. We procure our inks from suppliers based in the international market. Our 100% sales in domestic market and in order to compete in the Conductive Ink market, we are in the process of creating and maintaining independent sales and distribution network for our products within the domestic market.

The trading of these products is influenced by various factors such as global market trends, and demand and supply.

**GEMS AND JEWELLERY**

The Company deals in Gems and Jewellery through its wholly owned subsidiaries.

Our Company has incorporated two a wholly owned subsidiary company one named as GTL GEMS DMCC in the region of United Arab of Emirates. The company will be engaged in the trading of diamond in UAE. Our aim is to provide excellent customer service. The second wholly owned subsidiary company named GUJARAT TOOLROOM ZAMBIA LIMITED in the region of Zambia. It aspires to become a leading export-focused company in gold exploration, mining, extraction, and jewellery processing, adhering to responsible and environmentally friendly practices. We will endeavor to maintain close relationships with our suppliers and customers, which allows us to provide efficient and reliable services. We also stay up-to-date with market trends and developments, which helps us make informed decisions and stay ahead of the competition.

The range of diamonds we trade in purely depends on the demand and supply of diamonds in the markets.

## SUMMARY OF THE ISSUE

The following is a general summary of the terms of the Issue. This summary should be read in conjunction with, and is qualified in its entirety by, more detailed information appearing elsewhere in this Placement Document, including the sections entitled ***"Risk Factors"***, ***"Use of Proceeds"***, ***"Placement"***, ***"Issue Procedure"*** and ***"Description of the Equity Shares"*** on pages 60, 81, 313, 293 and 337 respectively.

| | |
|---|---|
| **Issuer** | Gujarat Toolroom Limited |
| **Face Value** | INR 1/- per equity share of the Company |
| **Issue Price** | INR 13.30 per Equity Share (including a premium of INR 12.30 per Equity Share) |
| **Floor Price** | INR 13.98/- per equity Share, which been calculated on the basis of Regulation 176 of the SEBI ICDR Regulations. In terms of the SEBI ICDR Regulations, the Issue Price cannot be lower than the Floor Price.<br><br>However, our Company may offer a discount of not more than 5% on the Floor Price in accordance with the approval of the Shareholders granted at the Extra Ordinary General Meeting held on August 14, 2024, and in terms of Regulation 176(1) of the SEBI ICDR Regulations. The Floor Price, net of discount of 4.85% is INR 13.30. |
| **Issue Size** | Up to 7,19,24,810 Equity Shares aggregating up to INR 9,566 lakhs.<br><br>A minimum of 10% of the Issue Size or atleast 71,92,481 Equity Shares, shall be available for Allocation to Mutual Funds only and the balance 6,47,32,329 Equity Shares shall be available for Allocation to all QIBs, including Mutual Funds. In case of under-subscription in the portion available for Allocation to Mutual Funds, such undersubscribed portion may be Allotted to other Eligible QIBs. |
| **Date of Board Resolution authorizing the Issue** | July 22, 2024 |
| **Date of Shareholders' Resolution authorizing the Issue** | August 14, 2024 |
| **Eligible Investors** | Eligible QIBs, to whom the Preliminary Placement Document and the Application Form are delivered and who are eligible to bid and participate in the Issue.<br><br>For further details, see ***"Issue Procedure"***, ***"Selling Restrictions"*** and ***"Transfer Restrictions and Purchaser Representation"*** on pages 293, 316 and 330 of this Placement Document, respectively. The list of Eligible QIBs to whom the Preliminary Placement |

| | |
|---|---|
| | Document and Application Form is delivered has been determined by our Company in consultation with the BRLM. |
| **Dividend** | Please see "***Description of the Equity Shares***", ***"Statement of Possible Special Tax Benefits"*** and "***Dividends***" on pages 337, 341 and 90, respectively. |
| **Taxation** | See ***"Statement of Possible Tax Benefits"*** on page 341. |
| **Equity Shares issued and outstanding immediately prior to the Issue** | **Fully paid up Equity Shares:** 16,01,40,820 Equity Shares of Face Value of INR 1/- each.<br><br>**Partly paid up Equity Shares:** NIL |
| **Equity Shares issued and outstanding immediately after the Issue** | 23,20,65,630 Equity Shares of Face Value of INR 1/- each. |
| **Issue Procedure** | This Issue is being made only to Eligible QIBs in reliance on Section 42 of the Companies Act, read with Rule 14 of the PAS Rules, and all other applicable provisions of the Companies Act and Chapter VI of the SEBI ICDR Regulations. For further details, please see the section entitled "***Issue Procedure***" on page 293. |
| **Listing and trading** | Our Company has obtained in-principle approval dated December 16, 2024, in terms of Regulation 28(1)(a) of the SEBI Listing Regulations, from BSE, for listing of the Equity Shares to be issued pursuant to the Issue.<br>Our Company will make application to the Stock Exchange after Allotment and credit of Equity Shares to the beneficiary account with Depository Participants to obtain final listing and trading approval for the Equity Shares. |
| **Lock - up** | For details of the lock-up, see ***"Placement"*** on page 313. |
| **Transferability Restrictions** | The Equity Shares to be issued pursuant to this Issue shall not be sold for a period of one year from the date of Allotment, except on the floor of the Stock Exchange. Allotments made to VCFs, and AIFs in the Issue are subject to the rules and regulations that are applicable to each of them respectively, including in relation to lock-in requirement.<br>See the ***"Issue Procedure"***, ***"Selling Restrictions"*** and ***"Transfer Restrictions and Purchaser Representation"*** on pages 293, 316 and 330 of this Placement Document. |
| **Use of proceeds** | The gross proceeds from the Issue will be approximately INR 9,566 lakhs. The net proceeds from the Issue, after deducting fees, commissions and expenses of the Issue, will be approximately INR 9,466 lakhs.<br>Please see "***Use of Proceeds***" on page 81 for additional information regarding the use of net proceeds from the Issue. |
| **Risk factors** | See the section entitled "***Risk Factors***" on page 60 for a discussion of risks you should consider before participating in the Issue. |
| **Pay-In Date** | Last date specified in the CAN sent to the QIBs for payment of application money for Equity Shares issued pursuant to the Issue. |

| | | |
|---|---|---|
| **Closing Date** | December 20, 2024 | |
| **Status & Ranking** | The Equity Shares to be issued pursuant to the Issue shall be subject to the provisions of the Memorandum of Association and Articles of Association and shall rank *pari passu* in all respects with the existing Equity Shares of our Company, including in respect of voting rights and dividends.<br>The holders of Equity Shares (as on the record date) will be entitled to participate in dividends and other corporate benefits, if any, declared by our Company after the Closing Date, in compliance with the Companies Act, the SEBI Listing Regulations and other applicable laws and regulations. Equity shareholders may attend and vote in shareholders' meetings in accordance with the provisions of the Companies Act. For further details, please see the sections entitled "***Dividends***" and "***Description of the Equity Shares***" on pages 90 and 337, respectively. | |
| **Security codes for the Equity Shares** | **ISIN** | INE145J01032 |
| | **BSE Code** | 513337 |

## SELECTED FINANCIAL INFORMATION

The following tables set out selected financial information extracted from our Financial Statements, prepared in accordance with the applicable Accounting Standards (Ind AS), Companies Act and the requirements of SEBI Listing Regulations, as applicable, and presented in ***"Financial Information"*** on page 91. Please see the sections entitled ***"Management's Discussion and Analysis of Financial Condition and Results of Operations"*** and ***"Financial Information,"*** on pages 229 and 91 of this Placement Document, respectively, for further details.

K M Chauhan & Associates
Chartered Accountants
Mo. 94080 05110
bhavdip.poriya@gmail.com

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

**To**
**The Board of Directors**
**Gujarat Toolroom Limited**

We have reviewed the accompanying statement of unaudited standalone financial results of **GUJARAT TOOLROOM LIMITED** ('the Company') for the quarter ended **30th September, 2024** being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended). Our responsibility is to issue a report on the financial statement based on our review.

This Statement, which is the responsibility of the Company's Management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013, and rules thereunder, requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.

We conducted our review of the Statement in accordance with the Standard on Review Engagement (SRE) 2410 "Review of Interim Consolidated Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of



204, Krishna Con-Arch, Near Post Office, University Road, Rajkot - 360005

Mo. 94080 05110
bhavdip.poriya@gmail.com

India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of Company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement prepared in accordance with applicable accounting standards i.e. Ind AS prescribed under section 133 of the act read with relevant rules issued there under and other recognized accounting practice and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), including the manner in which it is to be disclosed, or that it contains any material misstatement

Thanking you

**FOR, K M CHAUHAN AND ASSOCIATES**
CHARTERED ACCOUNTANTS
FRN 125924W

KISHORSINH
MAYURSINH
CHAUHAN

**Kishorsinh M. Chauhan**
Partner
Membership No. 118326

**Date : 11/11/2024**
**Place : Ahmedabad**
**UDIN : 24118326BKHJWS3333**



204, Krishna Con-Arch, Near Post Office, University Road, Rajkot - 360005

**GUJARAT TOOLROOM LIMITED**
CIN - L45208GJ1983PLC006056

404 - 4th FLOOR, SAMARTH CO.OP.H.SOC. NR. SILICON TOWER, NR. LAW GARDEN
ELLISHBRIDGE, AHMEDABAD 380006

**Standalone Assets & Liabilities Result for the quarter ended on September 30, 2024**

(Amount in Rs Lakhs)

| Particulars | Note No. | Quarter Ended | | | Year Till date | |
|---|---|---|---|---|---|---|
| | | 30.09.2024 | 30.06.2024 | 30.09.2023 | 30.09.2024 | 30.09.2023 |
| | | Unaudited | Unaudited | Unaudited | Unaudited | Unaudited |
| **I. ASSETS** | | | | | | |
| **Non-Current Assets** | | | | | | |
| (1) (a) Property, Plant and Equipment and Intangible Assets | 10 | | | | | |
| (i) Property, Plant and Equipment | | 111.43 | 120.67 | 3.71 | 111.43 | 3.71 |
| (ii) Intangible Assets | | - | - | - | - | - |
| (iii) Capital Work-in-Progress | | - | - | - | - | - |
| (iv) Intangible Assets Under Development | | - | - | - | - | - |
| (b) Non-Current Investments | 11 | 67.25 | 67.25 | - | 67.25 | - |
| (c) Deferred Tax Assets (Net) | | 0.81 | - | - | 0.81 | - |
| (d) Long-term Loans and Advances | 12 | - | - | - | - | - |
| (e) Other Non-Current Assets | 13 | - | - | 2.48 | - | 2.48 |
| **2 Current Assets** | | | | | | |
| (a) Current Investments | 14 | - | - | - | - | - |
| (b) Inventories | 15 | 169.76 | 1,287.73 | 208.78 | 169.76 | 208.78 |
| (c) Trade Receivables | 16 | 5,527.14 | - | 0.22 | 5,527.14 | 0.22 |
| (d) Cash and Cash Equivalents | 17 | 103.97 | 428.07 | 1,140.36 | 103.97 | 1,140.36 |
| (e) Short-Term Loans and Advances | 18 | 24,019.20 | 23,494.69 | 2,316.93 | 24,019.20 | 2,316.93 |
| (f) Other Current Assets | 19 | 34.38 | 121.31 | 0.10 | 34.38 | 0.10 |
| **Total Assets** | | **30,033.95** | **25,519.73** | **3,672.57** | **30,033.95** | **3,672.57** |
| **II. EQUITY AND LIABILITIES** | | | | | | |
| **(1) Shareholder's Funds** | | | | | | |
| (a) Share Capital | 1 | 1,166.63 | 555.54 | 555.54 | 1,166.63 | 555.54 |
| (b) Reserves and Surplus | 2 | 5,950.20 | 1,057.68 | 423.46 | 5,950.20 | 423.46 |
| (c) Money received against Share Warrants | | | | | | |
| **(2) Share Application Money Pending Allotment** | | - | - | - | - | - |
| **(3) Non-Current Liabilities** | | | | | | |
| (a) Long-Term Borrowings | 3 | - | - | - | - | - |
| (b) Deferred Tax Liabilities (Net) | | - | 0.44 | - | - | - |
| (c) Other Long Term Liabilities | 4 | - | - | - | - | - |
| (d) Long-Term Provisions | 5 | - | - | - | - | - |
| **(4) Current Liabilities** | | | | | | |
| (a) Short-Term Borrowings | 6 | 19.48 | - | - | 19.48 | - |
| (b) Trade Payables | 7 | | | | | |
| (A) Total outstanding dues of micro enterprises and small enterprises | | 20,354.76 | 20,438.49 | 2,613.24 | 20,354.76 | 2,613.24 |
| (B) Total outstanding dues Other Than micro enterprises and small enterprises | | - | - | - | - | - |
| (c) Other Current Liabilities | 8 | 2,047.90 | 2,884.63 | - | 2,047.90 | - |
| (d) Short-Term Provisions | 9 | 494.98 | 582.96 | 80.34 | 494.98 | 80.34 |
| **Total Equity and Liabilities** | | **30,033.95** | **25,519.73** | **3,672.57** | **30,033.95** | **3,672.57** |

AVCHALBHAI HEMTABHAI CHAUDHARY

Vaidehi Bang

Place: Ahmedabad
Date : 11/11/2024

**AVCHALBHAI HEMTABHAI CHOUDHARY**
Director
10049028

**VAIDEHI BANG**
Company Secretary
CDLPB4593H

Rakesh Dutta

**RAKESH RAJKUMAR DUTTA**
CFO
ACCPD6588J

RAKESH KUMAR SHARMA

**RAKESH KUMAR SHARMA**
Managing Director
10703752

**GUJARAT TOOLROOM LIMITED**
CIN - L45208GJ1983PLC006056

404 - 4th FLOOR, SAMARTH CO.OP.H.SOC. NR. SILICON TOWER, NR. LAW GARDEN
ELLISHBRIDGE, AHMEDABAD 380006

**Standalone Financial Results of the quarter and year ended on September 30,2024**

**(Amount in Rs Lakhs)**

| | Particulars | Quarter Ended | | | Year Till date | | Year Ended |
|---|---|---|---|---|---|---|---|
| | | 30.09.2024 | 30.06.2024 | 30.09.2023 | 30.09.2024 | 30.09.2023 | 31.03.2024 |
| | | Unaudited | Audited | Unaudited | Unaudited | Unaudited | Audited |
| I | Revenue From Operations | 8,033.01 | 6,584.50 | 15,668.16 | 14,617.51 | 15,777.84 | 20,590.29 |
| II | Other Income | 8.72 | 0.45 | 0.00 | 0.11 | 0.00 | 152.28 |
| III | **Total Income (I+II)** | **8,041.73** | **6,584.95** | **15,668.17** | **14,617.62** | **15,777.84** | **20,742.57** |
| IV | EXPENSES: | | | | | | |
| | Cost of Materials Consumed | - | - | - | - | - | - |
| | Purchase of Stock-in-Trade | 6,029.69 | 1,204.05 | 15,273.00 | 7,233.74 | 15,354.59 | 24,851.79 |
| | Change in Inventory of finished goods, work-in-progress and Stock-in-Trade | 1,117.98 | 4,891.29 | 41.46 | 6,009.27 | (40.13) | (6,010.38) |
| | Employee Benefits Expenses | 9.16 | 8.60 | 1.84 | 17.76 | 2.14 | 28.26 |
| | Finance costs | 0.08 | 4.13 | - | 4.20 | - | - |
| | Depreciation and amortization expenses | 9.51 | 10.30 | - | 19.81 | - | 3.23 |
| | Other Expenses | 46.86 | 101.33 | 31.49 | 139.13 | 37.47 | 121.68 |
| | **Total expenses (IV)** | **7,213.28** | **6,219.69** | **15,347.79** | **13,423.91** | **15,354.07** | **18,994.59** |
| V | Profit/(Loss) before exceptional items and tax | 828.45 | 365.26 | 320.38 | 1,193.71 | 423.77 | 1,747.98 |
| VI | Exceptional Items | - | - | - | - | - | - |
| VII | Profit before extraordinary items and tax | 828.45 | 365.26 | 320.38 | 1,193.71 | 423.77 | 1,747.98 |
| VIII | Extraordinary Items | - | - | - | | - | - |
| **IX** | **Profit/(Loss) before tax** | **828.45** | **365.26** | **320.38** | **1,193.71** | **423.77** | **1,747.98** |
| **X** | **Tax expense: -** | | | | | | |
| | (1) Current Tax | 214.81 | 94.97 | 80.09 | 309.78 | 105.94 | 484.40 |
| | (2) MAT Credit Entitlement | - | - | - | - | - | - |
| | (3) Deferred Tax | (1.25) | (1.48) | - | (2.73) | - | 1.92 |
| XI | Profit/(Loss) for the period from continuing operation | 614.89 | 271.78 | 240.28 | 886.67 | 317.83 | 1,261.65 |
| XII | Profit/(Loss) for discontinued operation | - | - | - | - | - | - |
| XIII | Tax expenses of discontinued operations | - | - | - | - | - | - |
| XIV | Profit/(Loss) form Discontinued operation (after tax) | - | - | - | - | - | - |
| XV | Profit/(Loss) for the period | 614.89 | 271.78 | 240.28 | 886.67 | 317.83 | 1,261.65 |
| XVI | Earnings per equity share: | | | | | | |
| | (1) Basic | 1.11 | 0.49 | 0.43 | 1.60 | 0.57 | 2.27 |
| | (2) Diluted | 1.11 | 0.49 | 0.43 | 1.60 | 0.57 | 2.27 |

Place: Ahmedabad
Date : 11/11/2024

**AVCHALBHAI HEMTABHAI CHOUDHARY**
Director
10049028

**VAIDEHI BANG**
Company Secretary
CDLPB4593H

**RAKESH RAJKUMAR DUTTA**
CFO
ACCPD6588J

**RAKESH KUMAR SHARMA**
Managing Director
10703752

**GUJARAT TOOLROOM LIMITED**
CIN - L45208GJ1983PLC006056
404 - 4th FLOOR, SAMARTH CO.OP.H.SOC. NR. SILICON TOWER, NR. LAW GARDEN
ELLISHBRIDGE, AHMEDABAD 380006

**Cash Flow Statement as on 30/09/2024**

| Particulars | Amount in Lakhs 30.09.2024 | | Amount in Lakhs 30.09.2023 | |
|---|---|---|---|---|
| | Rs | Rs | Rs | Rs |
| **A CASH FLOW FROM OPERATING ACTIVITIES** | | | | |
| **Net Profit Before Tax** | | 1,193.71 | | 423.77 |
| Add Back: - | | | | |
| Depreciation | 19.81 | | - | |
| Deferred Revenue Expenditure | - | | - | |
| Loss on sale of Assets | - | | - | |
| Interest expense | 4.20 | | - | |
| Others if any | - | 24.01 | - | - |
| Deduct: - | | | | |
| Interest income | - | | - | |
| Profit on sale of Assets | - | | - | |
| Others if any | 0.11 | 0.11 | 0.00 | 0.00 |
| **Operating profit before working capital changes** | | 1,217.61 | | 423.77 |
| **Adjustments for:** | | | | |
| Decrease/(Increase) in Receivables | (5,259.77) | | 226.07 | |
| Decrease/(Increase) in Inventories | 6,009.27 | | (40.13) | |
| Increase/(Decrease) in Payables | 12,777.42 | 13,526.92 | 2,613.24 | 2,799.17 |
| **Cash generated from operations** | | 14,744.53 | | 3,222.94 |
| Income Tax Adjustment | | 303.15 | | 30.90 |
| **Cash flow before extraordinary item** | | 14,441.39 | | 3,192.04 |
| Proceeds from extraordinary item | | 0.11 | | 0.00 |
| **Net Cash flow from Operating activities** | | **14,441.50** | | **3,192.05** |
| **B CASH FLOW FROM INVESTING ACTIVITIES** | | | | |
| Purchase of Fixed Assets | (12.50) | | (3.71) | |
| Sale of Fixed Assets | - | | - | |
| Increase in Long & Short Term Advances & Investment | - | | - | |
| Increase in other Current & NON Current Assets | (21,454.54) | | (1,960.47) | |
| Interest income | - | | - | |
| **Net Cash used in Investing activities** | | **(21,467.04)** | | **(1,964.18)** |
| **C CASH FLOW FROM FINANCING ACTIVITIES** | | | | |
| Proceeds from issuance of share capital | 4,888.72 | | - | |
| Proceeds from Long term Borrowings | - | | - | |
| Proceeds from Short term Borrowings | 2,015.12 | | (94.31) | |
| Dividend Payable | (555.54) | | - | |
| Interest paid | (4.20) | | - | |
| **Net Cash used in financing activities** | | **6,344.10** | | **(94.31)** |
| **Net increase in cash & Cash Equivalents** | | **(681.43)** | | **1,133.56** |
| Cash and Cash equivalents as at | 31.03.2024 | 785.40 | 31.03.2023 | 6.80 |
| Cash and Cash equivalents as at | 30.09.2024 | 103.97 | 30.09.2023 | 1,140.36 |

AVCHALBHAI HEMTABHAI CHAUDHARY Vaidehi Bang

**Place: Ahmedabad**
**Date : 11/11/2024**

**AVCHALBHAI HEMTABHAI CHOUDHARY**
Director
10049028

**VAIDEHI BANG**
Company Secretary
CDLPB4593H

Rakesh Dutta

**RAKESH RAJKUMAR DUTTA**
CFO
ACCPD6588J

RAKESH KUMAR SHARMA

**RAKESH KUMAR SHARMA**
Managing Director
10703752

**GUJARAT TOOLROOM LIMITED**
CIN - L45208GJ1983PLC006056

404 - 4th FLOOR, SAMARTH CO.OP.H.SOC. NR. SILICON TOWER, NR. LAW GARDEN
ELLISHBRIDGE, AHMEDABAD 380006

**SEGMENT WISE REVENUE, RESULTS, ASSETS AND LIABILITIES**

(Amount in Rs Lakhs)

| | Particulars | Note No. | Quarter Ended | | | Year To Date | |
|---|---|---|---|---|---|---|---|
| | | | 30.09.2024 | 30.06.2024 | 30.09.2023 | 30.09.2024 | 30.09.2023 |
| I. | **Segment Revenue (Sales and Other operating income)** | | | | | | |
| | - Construction Material | | 1329.12 | 1516.37 | 52.06 | 2845.49 | 52.06 |
| | - Rough Diamonds | | 441.18 | 742.57 | 0.00 | 1183.74 | 0.00 |
| | - Agricultural Products | | 6262.72 | 3984.95 | 0.00 | 10247.67 | 0.00 |
| | - Others (Fabrics, Shares Trading, etc.) | | 0.00 | 340.60 | 15616.08 | 340.60 | 15725.75 |
| | **Total Segment Revenue** | | 8033.02 | 6584.49 | 15668.14 | 14617.50 | 15777.81 |
| II. | **Segment Results** | | | | | | |
| | - Construction Material | | 290.28 | 27.44 | 0.00 | 317.72 | 0.00 |
| | - Rough Diamonds | | 16.38 | 0.00 | 0.00 | 16.38 | 0.00 |
| | - Agricultural Products | | 578.67 | 260.69 | 0.00 | 839.36 | 0.00 |
| | - Others (Fabrics, Shares Trading, etc.) | | 0.00 | 201.03 | 353.57 | 201.03 | 463.06 |
| | - Unallocable Income (Net of Unallocable Expense) | 1 | -270.45 | -217.38 | -113.28 | -487.83 | -145.23 |
| | **Total Segment Results** | | 614.89 | 271.78 | 240.29 | 886.67 | 317.83 |
| III. | **Segment Assets** | | | | | | |
| | - Construction Material | | 160.11 | 963.53 | 0.00 | 136.68 | 0.00 |
| | - Rough Diamonds | | 0.00 | 424.79 | 0.00 | 0.00 | 0.00 |
| | - Agricultural Products | | 5497.68 | 0.00 | 226.50 | 5497.68 | 226.50 |
| | - Others (Fabrics, Shares Trading, etc.) | | 989.71 | 980.45 | 208.96 | 989.71 | 208.96 |
| | - Unallocable Corporate Assets | 2 | 24274.45 | 24275.97 | 3501.01 | 24274.45 | 3501.01 |
| | **Total Segment Assets** | | 30921.96 | 26644.74 | 3936.47 | 30898.53 | 3936.47 |
| IV. | **Segment Liabilities** | | | | | | |
| | - Construction Material | | 3104.23 | 4583.96 | 0.00 | 3104.23 | 0.00 |
| | - Rough Diamonds | | 1088.95 | 1621.12 | 0.00 | 1088.95 | 0.00 |
| | - Agricultural Products | | 17017.35 | 12447.35 | 0.00 | 17017.35 | 0.00 |
| | - Others (Fabrics, Shares Trading, etc.) | | 121.74 | 4.99 | 2489.91 | 462.34 | 2489.91 |
| | - Unallocable Corporate Liabilities | 3 | 2472.97 | 6421.53 | 138.68 | 2472.97 | 138.68 |
| | **Total Segment Liabilities** | | 23805.24 | 25078.95 | 2628.59 | 24145.84 | 2628.59 |

**Notes on Segment Information:**

1. Segment Revenue, Results, Assets and Liabilities represent amounts identifiable to each of the segments. Other "unallocable income net of unallocable expenditure" mainly includes incomes and expenses on common services not directly identifiable to individual segments, corporate expenses and unallocable exceptional items.

Segment Assets and Segment Liabilities are as at 30th September 2024, 30th June 2024 and 30th September 2023. Unallocable corporate assets less Unallocable corporate liabilities mainly represent investment of surplus funds and cash and bank.

2. Previous period figures have been re-grouped / re-classified wherever necessary, to conform to this period's classification.

Place: Ahmedabad
Date : 11/11/2024

AVCHALBHAI HEMTABHAI CHAUDHARY
**AVCHALBHAI HEMTABHAI CHOUDHARY**
Director
10048028

Vaidehi Bang
**VAIDEHI BANG**
Company Secretary
CDLP84593H

Rakesh Dutta
**RAKESH RAJKUMAR DUTTA**
CFO
ACCP06588J

RAKESH KUMAR SHARMA
**RAKESH KUMAR SHARMA**
Managing Director
10703752

Mo. 94080 05110
bhavdip.poriya@gmail.com

**Independent Auditor's Review Report On Consolidated Unaudited Quarterly and Year to date Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.**

**To**
**The Board of Directors**
**Gujarat Toolroom Limited**

1. We have reviewed the accompanying Statement of Consolidated Unaudited Financial Results of **Gujarat Toolroom Limited** ("the Parent") and its subsidiaries (the Parent and its subsidiaries together referred to as "the Group"), and its share of the net profit/(loss) after tax and total comprehensive income/loss of its associates and joint ventures for the quarter ended September 30, 2024 and for the period from July 01, 2024 to September 30, 2024 ("the Statement"), being submitted by the Parent pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended. Attention is drawn to the fact that the consolidated figures for the corresponding quarter ended and the corresponding period from July 01, 2024 to September 30, 2024, as reported in these financial results have been approved by the Parent's Board of Directors, but have not been subjected to review.

2. This Statement, which is the responsibility of the Parent's Management and approved by the Parent's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013, and rules thereunder, requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.


204, Krishna Con-Arch, Near Post Office, University Road, Rajkot - 360005

Mo. 94080 05110
bhavdip.poriya@gmail.com

3. 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 financial statements are free of material misstatement. A review is limited primarily to inquiries of Company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

   We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33 (8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable.

4. The Statement includes the results of the following entities:
   (i) GTL GEMS DMCC (Wholly owned subsidiary)
   (ii) GTL ZAMBIA LIMITED (Wholly owned subsidiary)

5. Based on our review conducted and procedures performed as stated in paragraph 3 above and based on the consideration of the review reports of the branch auditors and other auditors referred to in paragraph 7 below, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.


204, Krishna Con-Arch, Near Post Office, University Road, Rajkot - 360005

6. The consolidated unaudited financial results include the interim financial statements of one subsidiary which have not been reviewed/audited by their auditors, whose interim financial statements reflect total assets of Rs. 48,136.26 Lacks as at September 30, 2024 and total revenue of Rs. 19,063.49 Lacks and total net profit after tax of Rs. 2,063.87 Lacks for the quarter ended September 30, 2024 and for the period from July 01, 2024 to September 30, 2024 respectively, and cash flows (net) of Rs. 97.70 Lacks for the period from July 01, 2024 to September 30, 2024, as considered in the consolidated unaudited financial results. According to the information and explanations given to us by the Management, these interim financial statements/ financial information / financial results are not material to the Group.

Thanking you

**FOR, K M CHAUHAN AND ASSOCIATES**
CHARTERED ACCOUNTANS
FRN 125924W

KISHORSINH
MAYURSINH
CHAUHAN

**Kishorsinh M. Chauhan**
Partner
Membership No. 118326
**Date :** 11/11/2024
**Place :** Ahmedabad
**UDIN : 24118326BKHJWR8722**

**GUJARAT TOOLROOM LIMITED**
CIN - L45208GJ1983PLC006056

404 - 4th FLOOR, SAMARTH CO.OP.H.SOC. NR. SILICON TOWER, NR. LAW GARDEN
ELLISHBRIDGE, AHMEDABAD 380006

**Consolidated Assets & Liabilities Statement for the quarter and year ended on September 30,2024**

**(Amount in Rs Lakhs)**

| Particulars | Quarter Ended | | | Year Till date | |
|---|---|---|---|---|---|
| | 30.09.2024 | 30.06.2024 | 30.09.2023 | 30.09.2024 | 30.09.2023 |
| | Unaudited | Unaudited | Unaudited | Unaudited | Unaudited |
| **I. ASSETS** | | | | | |
| **Non-Current Assets** | | | | | |
| (1) (a) Property, Plant and Equipment and Intangible Assets | | | | | |
| (i) Property, Plant and Equipment | 111.43 | 120.67 | 3.71 | 111.43 | 3.71 |
| (ii) Intangible Assets | - | - | - | - | - |
| (iii) Capital Work-in-Progress | - | - | - | - | - |
| (iv) Intangible Assets Under Development | - | - | - | - | - |
| (b) Non-Current Investments | - | - | - | - | - |
| (c) Deferred Tax Assets (Net) | 0.81 | - | - | 0.81 | - |
| (d) Long-term Loans and Advances | - | - | - | - | - |
| (e) Other Non-Current Assets | - | - | 2.48 | - | 2.48 |
| **2 Current Assets** | | | | | |
| (a) Current Investments | - | - | - | - | - |
| (b) Inventories | 3,266.45 | 8,146.15 | 208.78 | 3,266.45 | 208.78 |
| (c) Trade Receivables | 50,415.63 | 36,348.75 | 0.22 | 50,415.63 | 0.22 |
| (d) Cash and Cash Equivalents | 246.18 | 572.17 | 1,140.36 | 246.18 | 1,140.36 |
| (e) Short-Term Loans and Advances | 23,957.56 | 23,487.40 | 2,316.93 | 23,957.56 | 2,316.93 |
| (f) Other Current Assets | 36.37 | 157.34 | 0.10 | 36.37 | 0.10 |
| | - | - | - | - | - |
| **Total Assets** | **78,034.43** | **68,832.49** | **3,672.57** | **78,034.43** | **3,672.57** |
| **II. EQUITY AND LIABILITIES** | | | | | |
| **(1) Shareholder's Funds** | | | | | |
| (a) Share Capital | 1,166.63 | 555.53 | 555.54 | 1,166.63 | 555.54 |
| (b) Reserves and Surplus | 16,081.62 | 9,122.25 | 423.46 | 16,081.62 | 423.46 |
| (c) Money received against Share Warrants | - | - | - | - | - |
| **(2) Foreign Currency Translation Reserve** | - | - | - | - | - |
| **(3) Non-Current Liabilities** | | | | | |
| (a) Long-Term Borrowings | - | - | - | - | - |
| (b) Deferred Tax Liabilities (Net) | - | 0.44 | - | - | - |
| (c) Other Long Term Liabilities | - | - | - | - | - |
| (d) Long-Term Provisions | - | - | - | - | - |
| **(4) Current Liabilities** | | | | | |
| (a) Short-Term Borrowings | 39.44 | 19.85 | - | 39.44 | - |
| (b) Trade Payables | | | | | |
| (A) Total outstanding dues of micro enterprises and small enterprises | 20,354.76 | 20,438.49 | 2,613.24 | 20,354.76 | 2,613.24 |
| (B) Total outstanding dues Other Than micro enterprises and small enterprises | 37,829.72 | 35,275.14 | - | 37,829.72 | - |
| (c) Other Current Liabilities | 2,010.21 | 2,837.83 | - | 2,010.21 | - |
| (d) Short-Term Provisions | 552.05 | 582.96 | 80.34 | 552.05 | 80.34 |
| **Total Equity and Liabilities** | **78,034.43** | **68,832.49** | **3,672.57** | **78,034.43** | **3,672.57** |

AVCHALBHAI HEMTABHAI CHAUDHARY

Vaidehi Bang

Place: Ahmedabad
Date : 11/11/2024

**AVCHALBHAI HEMTABHAI CHOUDHARY**
Director
10049028

**VAIDEHI BANG**
Company Secretary
CDLPB4593H

Rakesh Dutta

**RAKESH RAJKUMAR DUTTA**
CFO
ACCPD6588J

**RAKESH KUMAR SHARMA**
RAKESH KUMAR SHARMA
Managing Director
10703752

**GUJARAT TOOLROOM LIMITED**
CIN - L45208GJ1983PLC006056

404 - 4th FLOOR, SAMARTH CO.OP.H.SOC. NR. SILICON TOWER, NR. LAW GARDEN
ELLISHBRIDGE, AHMEDABAD 380006

**Consolidated Financial Results for the quarter and year ended on September 30,2024**

(Amount in Rs Lakhs)

| | Particulars | Quarter Ended | | | Year Till date | | Year Ended |
|---|---|---|---|---|---|---|---|
| | | 30.09.2024 | 30.06.2024 | 30.09.2023 | 30.09.2024 | 30.09.2023 | 31.03.2024 |
| | | Unaudited | Unaudited | Unaudited | Unaudited | Unaudited | Audited |
| I | Revenue From Operations | 27,050.76 | 26,434.76 | 15,668.16 | 53,538.50 | 15,777.84 | 55,543.36 |
| II | Other Income | 54.46 | 0.47 | 0.00 | 0.20 | 0.00 | 249.00 |
| III | **Total Income (I+II)** | **27,105.22** | **26,435.22** | **15,668.17** | **53,538.69** | **15,777.84** | **55,792.36** |
| IV | EXPENSES: | | | | | | |
| | Cost of Materials Consumed | 16,747.69 | 17,756.42 | - | 34,551.52 | - | 28,944.27 |
| | Purchase of Stock-in-Trade | 6,029.69 | 1,205.52 | 15,273.00 | 7,233.74 | 15,354.59 | 24,851.79 |
| | Change in inventory of finished goods, work-in-progress and Stock-in-Trade | 1,117.98 | 4,891.29 | 41.46 | 6,009.27 | (40.13) | (6,010.38) |
| | Employee Benefits Expenses | 9.16 | 8.60 | 1.84 | 17.76 | 2.14 | 28.26 |
| | Finance costs | 0.08 | 4.13 | - | 4.20 | - | - |
| | Depreciation and amortization expenses | 9.51 | 10.30 | - | 19.81 | - | 3.23 |
| | Other Expenses | 298.78 | 192.26 | 31.49 | 482.12 | 37.47 | 176.71 |
| | **Total expenses (IV)** | **24,212.89** | **24,068.52** | **15,347.79** | **48,318.43** | **15,354.07** | **47,993.89** |
| V | Profit/(Loss) before exceptional items and tax | 2,892.32 | 2,366.71 | 320.38 | 5,220.27 | 423.77 | 7,798.47 |
| VI | Exceptional Items | - | - | - | - | - | - |
| VII | Profit before extraordinary items and tax | 2,892.32 | 2,366.71 | 320.38 | 5,220.27 | 423.77 | 7,798.47 |
| VIII | Extraordinary Items | - | - | - | | - | - |
| IX | **Profit/(Loss) before tax** | **2,892.32** | **2,366.71** | **320.38** | **5,220.27** | **423.77** | **7,798.47** |
| X | **Tax expense: -** | | | | | | |
| | (1) Current Tax | 214.81 | 94.97 | 80.09 | 309.78 | 105.94 | 484.40 |
| | (2) MAT Credit Entitlement | - | - | - | - | - | - |
| | (3) Deferred Tax | (1.25) | (1.48) | - | (2.73) | - | 1.92 |
| XI | Profit/(Loss) for the period from continuing operation | 2,678.76 | 2,273.22 | 240.28 | 4,913.22 | 317.83 | 7,312.14 |
| XII | Profit/(Loss) for discontinued operation | - | - | - | - | - | - |
| XIII | Tax expenses of discontinued operations | - | - | - | - | - | - |
| XIV | Profit/(Loss) form Discontinued operation (after tax) | - | - | - | - | - | - |
| XV | Profit/(Loss) for the period | 2,678.76 | 2,273.22 | 240.28 | 4,913.22 | 317.83 | 7,312.14 |
| XVI | Earnings per equity share: | | | | | | |
| | (1) Basic | 4.82 | 4.09 | 0.43 | 8.84 | 0.57 | 13.16 |
| | (2) Diluted | 4.82 | 4.09 | 0.43 | 8.84 | 0.57 | 13.16 |

Place: Ahmedabad
Date : 11/11/2024

**AVCHALBHAI HEMTABHAI CHOUDHARY**
Director
10049028

**VAIDEHI BANG**
Company Secretary
CDLPB4593H

**RAKESH RAJKUMAR DUTTA**
CFO
ACCPD6588J

**RAKESH KUMAR SHARMA**
Managing Director
10703752

Note:

| Conversion Rate used for GTL GEMS DMCC | | | | | | |
|---|---|---|---|---|---|---|
| Opening Rate | 83.4413 | 83.4322 | - | 83.4322 | - | 83.0351 |
| Closing Rate | 83.8263 | 83.3724 | - | 83.8263 | - | 83.3828 |
| Avg. Rate | 83.6338 | 83.4023 | - | 83.6293 | - | 83.2090 |

**GUJARAT TOOLROOM LIMITED**
CIN - L45208GJ1983PLC006056
404 - 4th FLOOR, SAMARTH CO.OP.H.SOC. NR. SILICON TOWER, NR. LAW GARDEN
ELLISHBRIDGE, AHMEDABAD 380006

**Consolidated Cash Flow Statement as on 30/09/2024**

| Particulars | Amount in Lakhs 30.09.2024 | | Amount in Lakhs 30.09.2023 | |
|---|---|---|---|---|
| | Rs | Rs | Rs | Rs |
| **A CASH FLOW FROM OPERATING ACTIVITIES** | | | | |
| **Net Profit Before Tax** | | 5,220.27 | | 423.77 |
| Add Back: - | | | | |
| Depreciation | 19.81 | | - | |
| Deferred Revenue Expenditure | - | | - | |
| Loss on sale of Assets | - | | - | |
| Interest expense | 4.20 | | - | |
| Others if any | - | 24.01 | - | - |
| Deduct: - | | | | |
| Interest Income | - | | - | |
| Profit on sale of Assets | - | | - | |
| Others if any | 0.20 | 0.20 | 0.00 | 0.00 |
| **Operating profit before working capital changes** | | 5,244.08 | | 423.77 |
| **Adjustments for:** | | | | |
| Decrease/(Increase) in Receivables | (20,145.72) | | 226.07 | |
| Decrease/(Increase) in Inventories | 12,065.53 | | (40.13) | |
| Increase/(Decrease) in Payables | 17,517.58 | 9,437.39 | 2,613.24 | 2,799.17 |
| **Cash generated from operations** | | 14,681.47 | | 3,222.94 |
| Income Tax paid | | 303.15 | | 30.90 |
| **Cash flow before extraordinary item** | | 14,378.32 | | 3,192.04 |
| Proceeds from extraordinary item | | 0.20 | | 0.00 |
| **Net Cash flow from Operating activities** | | **14,378.52** | | **3,192.05** |
| **B CASH FLOW FROM INVESTING ACTIVITIES** | | | | |
| Purchase of Fixed Assets | (12.50) | | (3.71) | |
| Sale of Fixed Assets | - | | - | |
| Increase in Long & Short Term Advances & Investment | - | | - | |
| Increase in other Current & NON Current Assets | (21,401.88) | | (1,960.47) | |
| Interest Income | - | | - | |
| **Net Cash used in Investing activities** | | **(21,414.37)** | | **(1,964.18)** |
| **C CASH FLOW FROM FINANCING ACTIVITIES** | | | | |
| Proceeds from Issuance of share capital | 4,888.72 | | - | |
| Proceeds from Long term Borrowings | - | | - | |
| Proceeds from Short term Borrowings | 2,081.41 | | (94.31) | |
| Dividend Payable | (555.54) | | - | |
| Interest paid | (4.20) | | - | |
| **Net Cash used in financing activities** | | **6,410.39** | | **(94.31)** |
| **Effect of exchange rates on cash and cash equivalents** | | (41.74) | | - |
| **Net increase in cash & Cash Equivalents** | | **(667.20)** | | **1,133.56** |
| Cash and Cash equivalents as at | 31.03.2024 | 829.91 | 31.03.2023 | 6.80 |
| Cash and Cash equivalents as at | 30.09.2024 | 246.18 | 30.09.2023 | 1,140.36 |

**Place: Ahmedabad**
**Date : 11/11/2024**

**AVCHALBHAI HEMTABHAI CHOUDHARY**
Director
10049028

**VAIDEHI BANG**
Company Secretary
CDLPB4593H

**RAKESH RAJKUMAR DUTTA**
CFO
ACCPD6588J

**RAKESH KUMAR SHARMA**
Managing Director
10703752

| BALANCE SHEET | | | *(INR in Lakhs)* |
|---|---|---|---|
| **Particulars** | **Consolidated** | **Standalone** | **Standalone** |
| | **Audited** | **Audited** | **Audited** |
| **ASSETS** | **As at 31st March, 2024** | **As at 31st March 2023** | **As at 31st March 2022** |
| **(1) Non-Current Assets** | 118.74 | | |
| **Total Non-Current Assets** | **118.74** | - | - |
| **(2) Current Assets** | | | |
| (a) Inventories | 15,331.99 | 168.65 | - |
| (b) Financial Assets | | | |
| - Trade Receivables | 30,269.90 | 226.29 | - |
| - Cash and Cash Equivalents | 829.91 | 6.80 | 7.94 |
| - Short Term Loans & Advances | 2,454.32 | 359.53 | 37.40 |
| - Other Current Assets | 137.73 | 0.10 | - |
| **Total Current Assets** | **49,023.86** | **761.37** | **45.34** |
| | | | |
| **TOTAL ASSETS** | **49,142.60** | **761.37** | **45.34** |
| | | | |
| **EQUITY AND LIABILITIES** | **As at 31st March, 2024** | **As at 31st March 2023** | **As at 31st March, 2022** |
| **(1) Equity** | | | |
| (a) Equity Share Capital | 555.54 | 555.54 | 69.54 |
| (b) Other Equity | 7,404.57 | 79.78 | (58.96) |
| **Total Equity** | **7,960.11** | **635.32** | **10.58** |
| | | | |
| **Liabilities** | | | |
| **(2) Non-Current Liabilities** | - | - | - |
| **Total Non-Current Liabilities** | - | - | - |
| **(3) Current Liabilities** | | | |
| (a) Financial Liabilities | | | |
| - Borrowings | 19.86 | 94.49 | 33.47 |
| - Trade payables | 40,666.91 | - | 1.29 |
| - Deferred Tax Liabilities (Net) | 1.92 | - | |
| - Provisions | 488.35 | 31.74 | - |
| Other Current Liabilities | 5.46 | (0.17) | |
| **Total Current Liabilities** | **41,182.49** | **126.06** | **34.76** |
| **TOTAL EQUITIES AND LIABILITIES** | **49,142.60** | **761.37** | **45.34** |

| STATEMENT OF PROFIT AND LOSS | | | *(INR in Lakhs)* |
|---|---|---|---|
| **Particulars** | **Consolidated** | **Standalone** | **Standalone** |
| | **Audited** | **Audited** | **Audited** |
| | **For the Year Ended 31st March 2024** | **For the Year Ended 31st March 2023** | **For the Year Ended 31st March 2022** |
| **Revenue** | | | |
| - Revenue from Operations | **55,543.36** | 240.86 | **-** |
| - Other income | 249.00 | 1.14 | 0.84 |
| **Total Revenue** | **55,792.36** | **242.00** | **0.84** |
| | | | |
| **Expenses** | | | |
| - Cost of Materials Consumed | 28,944.27 | - | - |
| - Purchase of Stock in Trade | **24851.79** | 220.53 | **-** |
| - Changes in Inventories of Stock – in - Trade | **(6010.38)** | (168.65) | **-** |
| - Employee Benefits Expense | 28.26 | 2.12 | 0.91 |
| - Finance Costs | - | - | 0.12 |
| - Depreciation and Amortisation Expense | 3.23 | - | - |
| - Other Expenses | 176.71 | 19.25 | 15.86 |
| **Total Expenses** | **47,993.89** | **73.25** | **16.89** |
| | | | |
| **Profit/ (Loss) before exceptional items and tax** | **7,798.47** | **168.75** | **(16.05)** |
| | | | |
| Exceptional Items | **-** | **-** | **-** |
| | | | |
| **Profit/ (Loss) after exceptional items and before tax** | **7,798.47** | **168.75** | **(16.05)** |
| | | | |
| **Tax Expense** | | | |
| Current Tax | **484.40** | **30.00** | - |
| Deferred tax | **1.92** | **-** | **-** |
| | | | |
| **Profit/ (Loss) for the Year** | **7,312.14** | **138.75** | **(16.05)** |
| | | | |
| **Other comprehensive income** | | | |
| - Items that will not be reclassified to Profit & Loss | **-** | **-** | **-** |
| - Income tax relating to items that will not be reclassified to profit or loss | **-** | **-** | **-** |
| - Item that will be reclassified to Profit & Loss | **-** | **-** | **-** |
| - Income tax relating to items that will be reclassified to Profit or Loss | **-** | **-** | **-** |
| **Total Other Comprehensive Income for the year** | **-** | **-** | - |
| | | | |
| **Total Income/ (Loss) for the year** | **7,312.14** | **138.75** | **(16.05)** |
| | | | |
| **Earnings per equity share (Face Value of INR 10 each)** | | | |
| (a) Basic (In INR) | 2.27 | 0.56 | (2.31) |
| (b) Diluted (In INR) | 2.27 | 0.56 | (2.31) |

| CASH FLOW STATEMENT | | | (INR in Lakhs) |
|---|---|---|---|
| **Particulars** | **For the Year Ended 31st March, 2024** | **For the Year Ended 31st March, 2023** | **For the Year Ended 31st March, 2022** |
| | **Audited (Consolidated)** | **Audited (Standalone)** | **Audited (Standalone)** |
| **A. Cash flow from operating activities** | | | |
| Net Profit / (Loss) before tax | 7798.47 | 168.75 | (16.05) |
| *Adjustments on account for:* | | | |
| *Add Back:* | | | |
| Depreciation | 3.23 | - | - |
| Finance costs | - | - | 0.12 |
| *Deduct* | | | |
| Others if Any | 249.00 | 1.14 | - |
| **Operating Profit / (Loss) before working capital changes** | **7,552.70** | **167.61** | **(15.93)** |
| *Movements in working capital:* | | | |
| Increase/ (Decrease) in Trade Receivables | (30,043.62) | (226.29) | - |
| Increase/ (Decrease) in Inventories | (15,163.34) | (168.65) | - |
| Increase in Trade Payables | 40,666.91 | - | (0.30) |
| Increase in Other Current Liabilities | - | - | (0.30) |
| **Cash Generated from/ (Used in) Operating Activities** | **3,012.66** | **(227.33)** | **(16.53)** |
| Less: Direct Taxed Paid | 27.79 | (1.39) | - |
| **Cash flow before extraordinary item** | **2984.87** | **(225.94)** | (16.53) |
| Add: Proceeds from extraordinary item | 249.00 | 1.14 | - |
| **Net Cash Generated From/ (Used In) Operating Activities** | **3,233.86** | **(224.80)** | **(16.53)** |
| **B. Cash flow from investing activities** | | | |
| Purchase of Fixed Assets | (121.98) | - | - |
| Sale of Fixed Assets | - | - | - |
| Increase in Long and short term advances and investments | - | - | - |
| Increase in other Current & Non Current Assets | (2,232.42) | (322.23) | - |
| Interest Income | - | - | - |
| **Net Cash Used in Investing Activities** | **(2,354.40)** | **(322.23)** | **-** |
| | | | |
| **C. Cash flow from financing activities** | | | |
| Proceeds from Issue of Equity Share Capital | - | 486.00 | - |
| Proceeds from Long Term Borrowings | - | - | - |
| Proceeds from Short Term Borrowings | (69.00) | 59.89 | 19.56 |
| Subsidy | - | - | - |
| Interest Cost paid | - | - | (0.12) |
| **Net Cast Generated from Financing Activities** | **(69.00)** | **545.89** | **19.44** |
| **Effects if Exchange Rates on Cash and Cash Equivalents** | **12.64** | **-** | **-** |
| **Net increase / (decrease) in Cash and cash equivalents (A+B+C)** | **823.11** | **(1.14)** | **2.91** |
| **Cash and cash equivalents at the beginning of the year** | **6.80** | 7.94 | 5.03 |
| **Cash and cash equivalents at the end of the year** | **829.91** | **6.80** | **7.94** |

## RELATED PARTY TRANSACTIONS

For details of the related party transactions during (i) the Financial Year ended March 31, 2022; (ii) the Financial Year ended March 31, 2023; and (iii) the Financial Year ended March 31, 2024, as per the requirements under Ind AS, please see the section titled ***"Financial Information"***, on page **91** for the above-mentioned fiscal years respectively.

# RISK FACTORS

*An investment in our Equity Shares involves a high degree of risk. You should carefully consider each of the following risk factors and all other information set forth in this Placement Document, including in "Our Business", "Industry Overview", "Management's Discussion and Analysis of Financial Condition and Results of Operations", "Selected Financial Information" and "Financial Statements" before making an investment in our Equity Shares.*

*The risks and uncertainties described below are not the only risks that we currently face. Additional risks and uncertainties not presently known to us or that we currently believe to be immaterial may also adversely affect our business, financial condition, results of operations and cash flows. If any or some combination of the following risks, or other risks that are not currently known or believed to be adverse, actually occur, our business, financial condition and results of operations could suffer, the trading price of, and the value of your investment in, our Equity Shares could decline, and you may lose all or part of your investment. In making an investment decision with respect to this Issue, you must rely on your own examination of our Company and the terms of this Issue, including the merits and risks involved. You should consult your tax, financial and legal advisors about the consequences of an investment in our Equity Shares and its impact on you.*

*This Placement Document also contains forward-looking statements that involve risks and uncertainties. Our results could differ materially from such forward-looking statements as a result of certain factors, including the considerations described below and elsewhere in this Placement Document.*

*Unless specified or quantified in the relevant risk factors below, we are not in a position to quantify the financial or other implications of any of the risks described in this section. Unless the context otherwise requires, in this section, reference to "we", "us" "our" refers to our Company.*

## INTERNAL RISK FACTORS

### *BUSINESS RELATED RISKS*

1. ***Our Company does not own the premises where its registered and corporate office is situated, and leave & license agreement have been executed for the same. Any termination or dispute in relation to this lease/ rental agreement may have an adverse effect on our business operations and results thereof.***

   Our Registered office situated at 404 - 4th floor, Samarth Co. Op. H. Soc., Nr. Silicon Tower, Nr. Law Garden, Ellisbridge, Ahmedabad 380006, Gujarat, India is a leased premises. The said property is owned by third party, namely Bhalodia Vikrant Our Company has entered into an agreement with them for leasing the same premises for a period of 11 month 29 days w.e.f. 14th September 2024. Our business operations are also conducted from the said premises. As per the lease agreement if there are any non-compliance by us in relation to any term of lease, lease fee and any other terms and conditions, the lease may result in the termination of the lease agreement and consequently we have to vacate the said premises. We also cannot assure you that the lessor will not terminate the lease agreement, which would require us to locate to another premises and may have an adverse effect on our conducting our business operations.

2. ***Some of our corporate records, including forms filed in the registrar of companies prior to 2006 are not traceable.***

We are unable to trace certain corporate and other documents in relation to our Company such as roc forms prior to the year 2006. We cannot assure you that the filings were made in a timely manner and that we shall not be subject to penalties on this account. Further online filing of Roc Documents was initiated in the year 2006 and all forms prior to the said year were physically filed, hence certain of these forms could not be retrieved from Ministry of Corporate Affairs (MCA) portal. We cannot further assure you that we will not be penalized by the relevant supervisory and regulatory authorities in India for not maintaining secretarial records before 2006.

3. ***There is Income Tax Demand Notice against Our Company in few Assessment Years, and the Company is yet to make the payment according to such Demand Notice.***

Our Company has some outstanding demand for Income Tax, the details of demands in relation to direct tax matters against our Company have been set out below.

**Outstanding demand against our Company: -**

| Nature of Litigation | Number of Cases Outstanding | Section No. | Amount Involved (in ₹) |
|---|---|---|---|
| Taxation Liabilities (Direct Tax) | ITBA/AST/S/156/2021-22/1041283961(1) | Section 156 | 57,47,400/- |
| | Dated – 22 March 2022 | Section 156 | 10,000/- |
| | ITBA/PNL/S/156/2022-23/1045358149(1) | Section 156 | 5,000/- |
| | Dated – 9 September 2022 | Section 156 | 18,54,000/- |
| | 2009200651042463535C Dated – March 31,2007 | Section 271(1)(c) | 1,28,988/- |
| | 2018201540400468854C Dated – June 26,2018 | Section 271(1)(c) | 4,30,890/- |
| | 2019201837048213375C | Section 154 | 1,000/- |
| | TDS/2324/26Q/D/100055012626 Dated-September11,2024 | Section 154 read with section 200A/206CB | 12,280/- |
| | TDS/1415/26Q/D/100055012610 Dated –September 11, 2024 | Section 154 read with section 200A/206CB | 9,170/- |
| | TDS/1516/26Q/D/100055012581 Dated –September 11, 2024 | Section 154 read with section 200A/206CB | 280/- |
| | TDS/2425/26Q/D/100054382069 Dated – 2 August 2024 | Section 154 read with section 200A/206CB | 10,210/- |
| | **Total** | | **82,09,218** |

Further Assessment Order No. ITBA/AST/S/147/2021-22/1041283856(1) dated 22 March 2022 was passed by the Office of Income Tax Officer Ward 2(1)(1), Ahmedabad under section 147 read with section 144 of the Income Tax Act, 1961

issuing penalty notice under section 271F of the Income Tax act, 1961 for failure to furnish Return of Income for Assessment Year 2013-14 and failure to comply with the earlier notices served in this regard on the Company. Aggrieved by this order, an appeal was filed by Company on 15 May 2024 before the Commissioner of Income Tax (A) NFAC, Delhi, challenging the said order on the grounds that the Assessing Officer has erred in law and on facts in making the addition of ₹60,00,000/- in Total Income of the Company as unexplained cash credit under section 68 of the Income Tax Act, 1961 on the basis of findings/observations given in the assessment order. Also, initiation of the re-assessment proceedings under Section 147 of the Act has been challenged. The appeal is currently at pre-admission stage and shall be heard on a date to be notified.

For further details, see ***'Legal Proceedings'*** beginning on page 344.

4. ***Due to Inadvertence, the Company took new Permanent Account Number (PAN) AAGCG9686L even though the Company was holding its original PAN - AAACG5585F. The Company has processed for surrender of duplicate PAN - AAGCG9686L.***

Our Company originally incorporated in the name and style of "Pirnmatic Engineering Private Limited" on 25th March 1983 and thereafter its name changed to Kunal Fabricators Private Limited. It is to be noted that thereafter again name of the Company changed to Kunal Fabricators Private Limited and also changed its registered office multiple times during 2006 and 2023 and hence the original PAN Card of the Company misplaced. In the FY 2017-18, the Company planned to apply for issue of duplicate PAN CARD from Income Tax Department, but inadvertently applied for new PAN in place of application of duplicate PAN Card and accordingly a new PAN AAGCG9689L was allotted to the Company in FY 2017-18 in its present name. The Company regularly filling all its Income Tax Returns and other applicable filing with IT in old PAN i.e. AAACG5585F and getting all its Assessment Orders in that PAN only. This matter came to notice of company about holding of two (2) different PAN and hence immediately started the process of surrender of PAN AAGCG9586L, which till date, the Company has not used in Income Tax fillings. The cancellation of PAN AAGCG9586L may take some time with Income Tax authority and our Company may receive any show cause notice form IT Authority of such duplication and presently we cannot anticipate the financial and/or other implication of any action form IT Authority. Our Company may like to clarify that such an error was inadvertent with no mala fide intention.

5. ***Our Company has not entered into any long-term contracts with our customers and we typically operate on the basis of orders received on hand. The inability to maintain regular order flow would adversely impact on our revenues and profitability.***

We have not entered into any fixed contracts with our customers, and we cater to them on an order-by-order basis. As a result, our customers can terminate their relationships with us without any prior notice and, without consequence, which could materially and adversely impact our business. Consequently, our revenue may be subject to variability because of fluctuations in demand for our products. Our Company's customers have no obligation to place order with us and may either cancel, reduce or delay orders. The orders placed by our Company's customers are dependent on factors such as customer satisfaction, quality consistency, fluctuation in demand for our Company's products and customer's inventory management. Although we place a strong emphasis on quality, pricing and

timely delivery of our products, personal interaction by the top management with the customers, etc., in the absence of contracts, any sudden change in the buying pattern of buyers could adversely affect the business and the profitability of our Company.

6. ***Macroeconomic factors impacting agricultural sector may also impact business of our company:***

The agricultural sector's expansion is coupled with various initiatives aimed at augmenting agricultural production nationwide. The company has witnessed significant progress in terms of market penetration. Our commitment to quality and continuous improvement has helped us gain customer trust and loyalty. Looking ahead, we aim to expand our distribution network, explore new product categories and sustainability. The Indian economy has displayed resilience amidst global uncertainties and internal challenges. The government's focus on infrastructure development, ease of doing business, and reforms in the agricultural sector has positively impacted our industry. However, macroeconomic factors such as inflation, exchange rate fluctuations, and policy changes need to be closely monitored.

7. ***Agricultural products are dependent on many government policies and other external factors.***

The sector faces challenges such as fluctuating prices, supply chain complexities, and dependence on imports for meeting domestic requirements. The Indian government has implemented various policies and initiatives to boost domestic production, reduce reliance on imports, and promote self-sufficiency in agricultural products. Key factors influencing the agricultural products in India include population growth, rising per capita incomes, urbanization, changing dietary preferences, and government policies. The government's focus on improving agricultural productivity, promoting agricultural cultivation, and enhancing processing capabilities are creating opportunities for growth within the sector.

8. ***Our Company is engaged into trading of building and construction materials. However, our future success largely depends on our ability to cater real estate projects. Our inability to effectively cater to new construction projects would affect our business.***

We are engaged in the business of trading of building and construction materials, specifically TMT Bars, HR Sheets of different sizes. Our operations consists of supply of certain construction materials. We cannot assure you that our Company will successfully get projects which have requirement for materials sold by us.

9. ***The Silver Conducive Ink, the product in which our Company trades is an imported material and hence the Import Policy of Government of India will affect the business of our Company.***

Our Company commenced the trading business of Silver Conducive Ink in the FY 2023-2024. The 100% purchase of the Company is from Hong Kong and hence it falls under imported material. Presently there is no restriction on value and or/quantity of Import by a single party, but, if the Government of India changes any policy relating to Import of Silver Conducive Ink in India may affect the business of the Company in terms of volume and/or profit.

10. ***A decrease in the availability or an increase in the price of inks may make it difficult for us to procure enough silver inks at competitive prices to supply our customers.***

Timely procurement of materials such as Silver –Conducive Ink, as well as the quality and the price at which they are procured, play an important role in the successful operation of our business. A sudden fall in the market price of Silver –Conducive Ink, may affect our ability to recover our procurement costs. Conversely, an increase in the price of Silver –Conducive Ink could lead to a decrease in demand for a particular item and/or a decrease in our profit margins. The prices and supply of these and other materials depend on factors beyond our control, including general economic conditions, competition, production levels and regulatory factors such as import duties. We cannot assure you that we will be able to procure quality materials at competitive prices or at all. Further, any rise in prices of products used by us may cause customers to delay their purchases, thereby adversely affecting our business, operations, and financial condition.

11. ***Our Company is dependent on third party transportation providers for the delivery of our goods and any disruption in their operations or a decrease in the quality of their services could affect our Company's reputation and the results of operations.***

Our Company uses third-party transportation providers for the delivery of our goods. Though our business has not experienced any disruptions due to transportation strikes in the past, any future transportation strikes may have an adverse effect on our business. In addition, goods may be lost or damaged in transit for various reasons including occurrence of accidents or natural disasters. There may also be delay in delivery of products which may also affect our business and results of operation negatively. An increase in the freight costs or unavailability of freight for transportation of our raw materials may have an adverse effect on our business and results of operations. Further, disruptions of transportation services due to weather-related problems, strikes, lock-outs, inadequacies in the road and water infrastructure, or other events could impair ability to procure silver ink on time. Any such disruptions could materially and adversely affect our business, financial condition, and results of operations.

12. ***The immovable properties used by us are leased. If we are unable to renew existing leases or relocate operations on commercially reasonable terms, there may be an effect on our business, results of operations and prospects.***

We do not own registered office premises from where we operate. We entered into a rent agreement, which is renewable based on the terms of the agreement. Typically for a short-term lease, the lease is required to be renewed every year. Periodic renewals of short-term leases may increase our costs, since they are subject to rent escalation. Further, if we are required to relocate our registered office because of any termination or non-renewal of our leases, we may incur additional costs because of such relocation. If we are unable to renew the agreements pursuant to which we occupy the premises on terms and conditions acceptable to us, or at all, we may have to relocate to other places.

Any failure or difficulty faced by us in renewing leases, or disputes or other problems that we or our business partners may face in the future with lessees may affect our business and prospects. For further details of our Properties, please refer to section titled **"Our Business"** beginning on Page 264.

13. ***The present line of Business commenced in the FY 2023-24, and it is first year of operation and covers trading in Construction material, Agricultural products, Silver Conductive Ink, etc and non-experience may cause adverse effect on our business operations and results thereof.***

    Our Company commenced the trading of Construction material, Agricultural products, Silver Conductive Ink in the FY 2023-24 and has never dealt with in this business before that and hence our Company is very new to this business with almost Nil year of experience. We have appointed the experienced manpower to this trade but nonexperience of our management in this business segment may cause inconstancy and/or financial uncertainty.

14. ***There are no long-term supply agreements with our suppliers.***

    We do not have any long-term agreements with our suppliers; we operate on a purchase order system. In the absence of any formal contract with our suppliers, we are exposed to the risks of irregular supplies or no supplies at all or delayed supplies or price variation which would materially affect the results of operations. In the event of any disruption in the product supply or the non-availability of products in the required quantity and quality from alternate sources, it may be adversely affected impacting the sales and profitability of the Company.

15. ***Our revenues are significantly dependent upon sales of the product.***

    Our business presently consists of trading in Construction material, Agricultural products, Silver Conducive Ink, etc. Our continued reliance on sales of above product, being significant portion of our revenue exposes us to risks, including increased competition from domestic and international manufacturers; the invention of superior and cost-effective technology; fluctuations in the price and availability of the raw materials; changes in regulations and import duties; and the cyclical nature of our customers' businesses.

16. ***Certain legal proceedings involving the company and potential involvement of directors of the company in future which will adversely affect our business and the results of operations.***

    Our Company and the Directors may, from time to time, be involved in legal proceedings. For instance, our Company is currently involved in one Criminal case filed by ROC against the Company and one Direct tax matter against which an appeal has been filed. Our directors are currently not involved in any legal proceedings. The current and potential legal proceedings in future at different levels of adjudication before various courts and tribunals may affect the business operations of the Company.

    Decisions in any of the aforesaid proceedings adverse to our interests may have a material adverse effect on our business, results of operations, financial condition and prospects. If the courts or tribunals rule against our Company and/or our directors, we may face monetary and/or reputational losses and may have to make provisions in our financial statements, which could increase our expenses and our liabilities. For further details, please refer to the section titled '**Legal Proceedings**' beginning on page 344.

***17. Investment in Shares of its Wholly Owned Subsidiary, namely GTL Gems DMCC.***

Our Company has invested in the shares of our wholly owned subsidiary i.e. GTL Gems DMCC (WOS), incorporated in the region of United Arab of Emirates (UAE). The funds were invested out of funds raised through Right Issue done in July 2024. The WOS of the Company is engaged in the trading of diamond in UAE. Diamond is the only product in which our subsidiary Company will trade. Prices of diamonds are volatile in nature, although, there has been an increased investment demand for diamonds globally. Fluctuations in diamond prices may affect consumer demand as well as operating costs of our Company. A continuous and significant increase in the prices of diamonds or a negative outlook on future diamond prices could, in the short term, result in reduced income as the sales volumes may be adversely affected or may also be reduced during such periods. Any such fluctuation in the price of diamond may materially and adversely affect the revenue from operations and profitability.

***18. Our Company requires a significant amount of working capital for continuing growth. Our inability to meet our working capital requirements may adversely affect the results of operations.***

Our Business is working capital intensive, and the growth of business depends upon the Inventory maintained by the Company. Our working capital requirements and growth strategy requires continued access to significant amounts of capital on acceptable terms. We cannot assure you that market conditions and other factors will permit future financings on terms acceptable to us. Our ability to arrange financing and the costs of such financing are dependent on numerous factors, including general economic and capital market conditions, credit availability from financial institutions, the amount and terms of our existing indebtedness, investor confidence, etc. Our attempts to consummate future financing may not be successful or be on terms favorable to us. In addition, our ability to raise funds, either through equity or debt, may be limited by certain restrictions imposed under Indian law or judicial order.

***19. We may be required to obtain various licenses and permits for our business in future.***

Our business is subject to applicable government regulations and legislations and we require certain statutory and regulatory approvals, licenses, registrations, and permissions for operating our business. These permits, licenses and approvals may also be tied to numerous conditions and terms, obtaining some of which may be time consuming and may incur high cost. We cannot assure you that we will be able to continuously meet such conditions or be able to prove compliance with such conditions to statutory authorities, which may lead to cancellation, revocation or suspension of relevant permits, licenses, registrations and approvals. There is no assurance in the future that the permits, licenses, registrations and approvals applied for or held by us will be issued, approved or renewed in a prompt manner, or at all, under applicable laws. Further, applications for approvals, licenses, registrations and permissions for operating our business need to be made within certain timeframes and are often subject to the discretion of relevant authorities. If we are unable to make applications or renew or obtain necessary permits, licenses and approvals on acceptable terms, in a timely manner, at a reasonable cost, or at all or in the event we fail to comply with the terms and conditions therein, it could materially and adversely affect our financial condition and results of operations, including cancellation, revocation or suspension of relevant permits, licenses, registrations and approvals and the imposition of penalties by relevant authorities.

20. ***Our Company had negative cash flow during recent fiscal years; details of which are given below. Sustained negative cash flow could adversely impact our business, financial condition and results of operations.***

*(Amount in ₹ Lakhs)*

| Particulars | 2023-24 | 2022-23 | 2021-22 |
|---|---|---|---|
| Net Cash from (used in) Operating activities | 3,233.86 | (224.80) | (16.53) |
| Net Cash from (used in) Investing activities | (2,354.40) | (322.23) | 0.00 |
| Net Cash from (used in) Financing activities | (69.00) | 545.89 | 19.44 |
| Effect of Exchange Rate fluctuation on Cash and Cash Equivalents | 12.64 | 0.00 | 0.00 |
| **Total** | **823.11** | **(1.14)** | **2.91** |

Cash flow of a company is a key indicator to show the extent of cash generated from operations to meet its capital expenditure, repay loans, and make new investments without raising finance from external resources. If we are not able to generate sufficient cash flow, it may adversely affect our business and financial operations.

For further details please refer to the section titled ***'Financial Information'*** and ***'Management's Discussion and Analysis of Financial Condition and Results of Operations***' beginning on pages 91 and 229.

21. ***The erstwhile promoters of the Company ie. Bhavin Suryakantbhai Parikh HUF, Bhavik Suryakantbhai Parikh HUF, Mrs. Purvi Bhavin Parikh, Mr. Vishal Mukeshkumar Shah and Mr. Mittal Mukeshkumar Shah are reclassified from 'Promoter and Promoter Group Category' to 'Public Category' and now the Company is a professionally managed Company and does not have any identifiable promoter.***

Mr. Bhavin Suryakantbhai Parikh, Bhavik Suryakantbhai Parikh HUF, Mrs. Purvi Bhavin Parikh, Mr. Vishal Mukeshkumar Shah and Mr. Mittal Mukeshkumar Shah were 'Promoters' of the Company and were holding 2,03,000 equity shares which is 0.37% of the total shareholding of the Company.

The Promoters requested reclassification from the promoter and promoter group category to the public category via their request letter dated November 11, 2023, citing the reason that the outgoing promoters are neither engaged in the management nor the day-to-day affairs of the Company. They also do not have the right to appoint any Director of the Company or the ability to control the management or policy decisions of the Company in any manner whatsoever. None of their actions would influence the decisions taken by the Company. In the Board meeting of the Company held on November 13, 2023, the Board considered and approved the requests received, subject to necessary approvals.

The Company received an Approval Letter dated January 12, 2024, from BSE Limited for the reclassification of Mr. Bhavin Suryakantbhai Parikh, Bhavik Suryakantbhai Parikh HUF, Mrs. Purvi Bhavin Parikh, Mr. Vishal Mukeshkumar Shah, and Mr. Mittal Mukeshkumar Shah from 'Promoter

and Promoter Group Category' to 'Public Category'. Hence, now the Company is a professionally managed company and does not have any identifiable promoter.

22. ***We may not be successful in implementing our business strategies. The success of our business depends substantially on our ability to implement our business strategies effectively or at all.***

Even though we have successfully executed our business strategies in the past, there is no guarantee that we can implement the same on time and within the estimated budget going forward, or that we will be able to meet the expectations of our targeted customers. Changes in regulations applicable to us may also make it difficult to implement our business strategies. Failure to implement our business strategies would have a material adverse effect on our business and the results of operations.

23. ***We have not registered the trademarks used by us for our business and our inability to obtain or maintain these registrations may adversely affect our competitive business position. Our inability to protect or use our intellectual property rights may adversely affect our business.***

We have not applied for the registration of our logo "". The registration of any trademark is a time-consuming process, and there can be no assurance that any such registration will be granted as and when applied. In the absence of such registration, competitors or other companies may challenge the validity or scope of our intellectual property. These trademarks are integral to our business, and the loss of any of these intellectual property rights could have a material adverse effect on our business. Further, if any of our unregistered trademarks are registered in favour of a third party, we may not be able to claim ownership or make use of such trademarks and consequently, we may be unable to seek remedies for infringement of those trademarks by third parties other than relief against passing off by other entities. Our inability to obtain or maintain these registrations may adversely affect our competitive business position. This may affect our brand value and consequently our business.

24. ***If we are unable to collect our receivables from our clients, our results of operations and cash flows could be adversely affected.***

Recovery of our receivables and timely collection of client balances depends on our ability to complete our commitments and bill and collect our contracted revenues. If we are unable to meet our requirements, we might experience delays in collection of and/or be unable to collect our client balances, and if this occurs, our results of operations and cash flows could be adversely affected. In addition, if we experience an increase in the time to bill and collect for our services, our cash flows could be adversely affected.

We may be subject to working capital shortages due to delays or defaults in payments by clients. If clients default in their payments in due time to which we have devoted significant resources it could have a material adverse effect on our business, financial condition and results of operations and could cause the price of our Equity Shares to decline.

***25. Summary of all outstanding litigations and other matters disclosed in the section titled 'Outstanding Litigations and Material Developments' in a tabular format along with amount involved, where quantifiable. The Issuer shall also separately highlight any criminal, regulatory or taxation matters which may have any material adverse effect on the Issuer.***

There are no outstanding legal proceedings involving our Company, Promoter, Promoter Group, Directors which are currently outstanding. Please see the section titled ***'Legal Proceedings'*** beginning on page 344.

A Summary of material outstanding legal proceedings involving our Company, Promoter, Promoter Group, Directors as on date of this Placement Document, including the approximate amount involved to the extent ascertainable, is set out below:

| Name of Entity | Civil Proceedings | Criminal Proceedings | Tax Proceedings | Actions by Regulatory Authority | Amount Involved * (₹) |
|---|---|---|---|---|---|
| **COMPANY** | | | | | |
| By the Company | 1 | 0 | 0 | 0 | 0 |
| Against the Company | 0 | 1 | 28 | 0 | 0 |
| **GROUP COMPANIES/ENTITIES** | | | | | |
| By the Company | 0 | 0 | 0 | 0 | 0 |
| Against the Company | 0 | 0 | 0 | 0 | 0 |
| **DIRECTORS OTHER THAN PROMOTERS** | | | | | |
| By the Company | 0 | 0 | 0 | 0 | 0 |
| Against the Company | 0 | 0 | 0 | 0 | 0 |

There can be no assurance that these proceedings or other legal proceedings which we may get involved in, in the future, will be decided in our favor or in favor of our Company, our directors (as the case may be). In addition, we cannot assure you that no additional liability will arise out of these proceedings that could divert our management's time and attention and consume financial resources. Any adverse order or direction in these cases by the concerned authorities even though not quantifiable, may have an adverse effect on our business, results of operations and financial condition.

Further, we cannot assure you that the outcome of any outstanding legal proceedings will not have an adverse effect on our business, results of operations and financial condition.

***26. Our Company has entered into certain related party transactions in the past and may continue to do so in the future.***

The related party transaction (RPT) is in the nature of Loan as reported in the Financial Statements and details are reproduced herein:

Statement showing details of related party outstanding balances:

*(₹ in Lakhs)*

| No. | Particular | Nature of Transaction | As at 31st March, 2024 | As at 31st March, 2023 | As at 31st March, 2022 |
|---|---|---|---|---|---|
| 1 | Shitalnath Buildcon Private Limited | Loan Repaid | - | 3.90 | - |

Furthermore, it is likely that we may enter into related party transactions in the future. We cannot assure you that such transactions, individually or in the aggregate, will always be in the best interests of our minority shareholders and will not have an adverse effect on our business, results of operations, cash flows and financial condition. For details, please refer 'section titled ***'Financial Information'*** on Page 91.

***27. We may not be successful in implementing our business strategies.***

The success of our business depends substantially on our ability to implement our business strategies effectively or at all. Even though we have successfully executed our business strategies in the past, there is no guarantee that we can implement the same on time and within the estimated budget going forward, or that we will be able to meet the expectations of our targeted customers. Changes in regulations applicable to us may also make it difficult to implement our business strategies. Failure to implement our business strategies would have a material adverse effect on our business and the results of operations.

***28. We could be harmed by employee misconduct or errors that are difficult to detect and any such incidence could adversely affect our financial condition, results of operations and reputation.***

Employee misconduct or errors could expose us to business risks or losses, including regulatory sanctions and serious harm to our reputation. There can be no assurance that we will be able to detect or deter such misconduct. Moreover, the precautions we take to prevent and detect such activity may not be effective in all cases. Our employees and agents may also commit errors that could subject us to claims and proceedings for alleged negligence, as well as regulatory actions on account of which our business, financial condition, results of operations and goodwill could be adversely affected.

***29. Termination of agreements/arrangements with Customers could negatively impact our revenues and profitability.***

Our customers typically retain us on a non-exclusive basis. Many of our client contracts can be terminated with or without cause by providing notice and without termination-related penalties. Additionally, most clients carry no commitment to a specific volume of business or future work. Our business is dependent on the decisions and actions of our customers, and there are a number of factors relating to our clients that are outside our control that might result in the termination of an assignment or the loss of a client, including a demand for price reductions. Therefore, our business may be adversely affected if any of our contracts are terminated by our customers.

30. ***The price of Equity Shares may be highly volatile after the Issue.***

The price of the Equity Shares on the Indian stock exchange may fluctuate after this Issue as a result of several factors including volatility in the Indian and global securities market, our operations and performance, performance of our competitors and perception in the market about investments in the our industry, adverse media reports on us or the industry, changes in the estimates of our performance or recommendations by financial analysts, significant developments in India's economic liberalization and deregulation policies and significant developments in India's fiscal and environmental regulations. There can be no assurance that the prices at which the Equity Shares are initially traded will correspond to the prices at which the Equity Shares will trade in the market subsequently.

31. ***During the Financial Year ending March 31, 2024, the secretarial auditor has noted out certain qualifications with respect to non-compliances with certain provisions of the laws and regulations.***

The Company has not complied with the following disclosures with the relevant applicable provisions of the various laws and regulations, which are specifically mentioned hereinafter:

1. Website of the Company is not updated.
Reply: Company will ensure to make compliance as per of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

2. Audit report of the company should be signed by CS and CFO of the company.
Reply: Company will ensure to make compliance as per Section 134 of Companies Act, 2013.

3. As per Audit Report Company has few Income tax Dues relating to the AY 2006, 2015 and 2018.
Reply: Company will ensure to pay the Income tax Dues relating to the AY 2006, 2015 and 2018

We cannot assure you that our Secretarial Auditor's observations for any future Financial Years will not contain similar remarks, emphasis of matters or other matters, will not form part of our financial statements for the future fiscal periods and that such matters will not otherwise affect our results of operations.

32. ***Currently we don't have insurance coverage which imposes a risk against certain operating risks and this may have an adverse effect on the results of our business.***

We could face liabilities or otherwise suffer losses should any unforeseen incident such as fire, flood and accidents.

33. ***Orders placed by customers may be delayed, modified, cancelled or not fully paid for by our customers, which may have an adverse effect on our business, financial condition and results of operations.***

We may encounter problems in executing the orders in relation to our imported and exported products or executing it on a timely basis. Moreover, factors beyond our control or the control of our customers, including delays or failure to obtain necessary permits, authorizations, permissions and other types of difficulties or obstructions, may result in the postponement of the delivery of products or cause its cancellation. Further, even though we execute orders with our customers, the order could

be cancelled or there could be changes in scope and / or scheduled delivery of the products. Accordingly, it is difficult to predict with certainty if, when, and to what extent the delivery of the orders placed will be made. Failure to deliver products on time could lead to customers delaying or refusing to pay the amount, in part or full, which may adversely affect our business.

34. ***As the Equity Shares of our Company are listed on the Stock Exchange, our Company is subject to certain obligations and reporting requirements under the SEBI (LODR) Regulations and comply with other SEBI Regulations. Any non-compliances/delay in complying with such obligations and reporting requirements may render us liable to prosecution and/or penalties.***

    The Equity Shares of our Company are listed on Stock Exchange, therefore we are subject to the obligations and reporting requirements prescribed under the SEBI (LODR) Regulations, to the extent applicable, and must adhere to and comply with other applicable Regulations framed by SEBI. Our Company endeavors to comply with all such obligations and reporting requirements, any non-compliance which might have been committed by us, may result into Stock Exchange and/or SEBI imposing penalties, issuing warnings and show cause notices against us and/or taking actions as provided under the SEBI Act and the rules and regulations made there under and applicable SEBI Circulars. Any such adverse regulatory action or development could affect our business reputation, divert management attention, and result in a material adverse effect on our business prospects and financial performance and on the trading price of the Equity Shares.

35. ***Our funding requirements and proposed deployment of the Net Proceeds are based on management estimates and have not been independently appraised and may be subject to change based on various factors, some of which are beyond our control.***

    Our funding requirements and deployment of the Net Proceeds are based on internal management estimates based on current market conditions and have not been appraised by any bank or financial institution or another independent agency. Furthermore, in the absence of such independent appraisal, our funding requirements may be subject to change based on various factors which are beyond our control.

36. ***We have not commissioned an industry report for the disclosures made in the chapter titled "Industry Overview" and made disclosures on the basis of the data available on the internet and such data has not been independently verified by us.***

    We have neither commissioned an industry report nor sought consent from the quoted website source for the disclosures which need to be made in the chapter titled "Industry Overview".

    We have made disclosures in the said chapter on the basis of the relevant industry-related data available online for which relevant consents have not been obtained. We have not independently verified such data.

    Further, the industry data mentioned in this Placement Document or sources from which the data has been collected are not recommendations to invest in our Company. Accordingly, investors should read the industry-related disclosure in this Placement Document in this context.

***37. Our ability to pay dividends in the future may be affected by any material adverse effect on our future earnings, financial condition or cash flows.***

Our ability to pay dividends in future will depend on our earnings, financial condition and capital requirements. We may be unable to pay dividends in the near or medium term, and our future dividend policy will depend on our capital requirements and financing arrangements in respect of our operations, financial condition and results of operations.

***38. We could face customer complaints or negative publicity about our customer service.***

Customer complaints or negative publicity about our customer service could diminish consumer confidence in, and the attractiveness of, our Company and brand and effect our sales and growth. We believe in providing quality services to our customers at all times. However, we have in the past experienced customer complaints, which we endeavor to resolve through prompt and effective customer service methods in a timely manner and satisfy the customer's needs and grievances. Any inability by us to properly manage or train our sales staff, employees and managerial personnel who handle customer complaints and disputes could compromise our ability to handle customer complaints effectively in the future. If we do not handle customer complaints effectively, our reputation may suffer, and we may lose our customers' confidence, which could have a material adverse effect on our business, financial condition and results of operations.

***ISSUE SPECIFIC RISKS***

***39. Any further issuance of Equity Shares by Our Company or sales of Equity Shares by any significant shareholders may adversely affect the trading price of the Equity Shares.***

Any future issuance of Equity Shares by our Company could dilute the investor's shareholding. Any such future issuance of Equity Shares or sales of Equity Shares by any of our significant shareholders may also adversely affect the trading price of the Equity Shares and could impact our ability to raise capital through an offering of securities. In addition, any perception by investors that such issuances or sales might occur could also affect the trading price of the Equity Shares.

***40. Investors may be subject to Indian taxes arising out of capital gains on the sale of the Equity Shares.***

Under current Indian tax laws, unless specifically exempted, capital gains arising from the sale of equity shares in an Indian company are generally taxable in India. Any gain realized on the sale of listed equity shares on a stock exchange held for more than 12 months will not be subject to capital gains tax in India if STT has been paid on the transaction. STT will be levied on and collected by a domestic stock exchange on which the equity shares are sold. It is pertinent to note that pursuant to the Finance Bill, 2017, it has been proposed, that with effect from April 1, 2017, this exemption would only be available if the original acquisition of equity shares was chargeable to STT. The Central Government is expected to, however, notify the transactions which would be exempt from the application of this new amendment. Any gain realized on the sale of equity shares held for more than 12 months, which are sold other than on a recognized stock exchange and on which no STT has been paid, will be subject to long term capital gains tax in India. Further, any gain realized on the sale of listed equity shares held for a period of 12 months or less will be subject to applicable short-

term capital gains tax in India. Capital gains arising from the sale of the equity shares will be exempt from taxation in India in cases where the exemption is provided under a treaty between India and the country of which the seller is resident, subject to the availability of certain documents. Generally, Indian tax treaties do not limit India 's ability to impose tax on capital gains. As a result, residents of other countries may be liable for tax in India as well as in their own jurisdiction on a gain upon the sale of the Equity Shares. For more details, please refer to ***'Statement of Possible Special Tax Benefits***' beginning on page 341 of this Placement Document.

***41. There is no guarantee that our Equity Shares will be listed in a timely manner or at all which may adversely affect the trading price of our Equity Shares.***

In accordance with Indian law and practice, final approval for listing and trading of the Equity Shares will not be granted by the Stock Exchange until after those Equity Shares have been issued and allotted. Approval will require all relevant documents authorizing the issuing of Equity Shares to be submitted. There could be a failure or delay in listing the Equity Shares on Stock Exchange. Any failure or delay in obtaining the approval would restrict your ability to dispose of your Equity Shares. Further, historical trading prices, therefore, may not be indicative of the prices at which the Equity Shares will trade in the future which may adversely impact the ability of our shareholders to sell the Equity Shares or the price at which shareholders may be able to sell their Equity Shares at that point of time.

***42. Rights of shareholders under Indian laws may be more limited than under the laws of other jurisdictions.***

Indian legal principles related to corporate procedures, directors' fiduciary duties and liabilities, and shareholders' rights may differ from those that would apply to a company in another jurisdiction. Shareholders' rights including in relation to class actions, under Indian law may not be as extensive as shareholders' rights under the laws of other countries or jurisdictions. Investors may have more difficulty in asserting their rights as shareholder in an Indian company than as shareholder of a corporation in another jurisdiction.

***43. In the event there is any delay in the completion of the Issue, there would be a corresponding delay in the completion of the objects / schedule of implementation of this Issue which would in turn affect our revenues and results of operations.***

The funds that we receive would be utilized for the Objects of the Issue as has been stated in the section titled ***'Use of Proceeds'*** beginning on page 81. The proposed schedule of implementation of the objects of the Issue is based on our management's estimates. If the schedule of implementation is delayed for any other reason whatsoever, including any delay in the completion of the Issue, we may have to revise our business, development and working capital plans resulting in unprecedented financial mismatch and this may adversely affect our revenues and results of operations.

***44. Investors will be subject to market risks until the Issue Shares credited to their demat accounts are listed and permitted to trade.***

Investors can start trading the Issue Shares allotted to them only after they are listed and permitted to trade. Since the Equity Shares are currently traded on the Stock Exchange, investors will be subject

to market risk from the date they pay for the Issue Shares to the date when trading approval is granted for them. Further, we cannot assure you that the Issue Shares allocated to an Investor will be credited to the Investor's demat account or that trading in the Equity Shares will commence in a timely manner.

***EXTERNAL RISK FACTORS***

***45. Significant differences exist between Ind-AS and other accounting principles, such as U.S. GAAP and IFRS, which may be material to the financial statements prepared and presented in accordance with Ind-AS contained in this Placement Document***

Our summary Statements of Assets and Liabilities, Statements of Profit and Loss (including other comprehensive income), Cash Flows and Changes in Equity for the Fiscals 2024, 2023 and 2022 have been prepared in accordance with the Indian Accounting Standards notified under Section 133 of the Companies Act, read with the Ind AS Rules and in accordance with the SEBI ICDR Regulations, the SEBI Circulars and the prospectus Guidance Note.

We have not attempted to quantify the impact of US GAAP, IFRS or any other system of accounting principles on the financial data included in this Placement Document, nor do we provide a reconciliation of our financial statements to those of US GAAP, IFRS or any other accounting principles. US GAAP and IFRS differ in significant respects from Ind AS and Indian GAAP. Accordingly, the degree to which the Financial Information included in this Placement Document will provide meaningful information is entirely dependent on the reader's level of familiarity with Ind AS, Indian GAAP and the SEBI ICDR Regulations. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Placement Document should accordingly be limited.

***46. Political, economic or other factors that are beyond our control may have adversely affect our business and results of operations.***

The Indian economy is influenced by economic developments in other countries. These factors could depress economic activity, which could have an adverse effect on our business, financial condition and results of operations. Any financial disruption could have an adverse effect on our business and future financial performance.

We are dependent on domestic, regional and global economic and market conditions. Our performance, growth and market price of our Equity Shares are and will be dependent to a large extent on the health of the economy in which we operate. There have been periods of slowdown in the economic growth of India. Demand for our products may be adversely affected by an economic downturn in domestic, regional and global economies.

Economic growth is affected by various factors including domestic consumption and savings, balance of trade movements, namely export demand and movements in key imports, global economic uncertainty and liquidity crisis and volatility in exchange currency rates.

Consequently, any future slowdown in the Indian economy could harm our business, results of operations and financial condition. Also, a change in the government or a change in the economic

and deregulation policies could adversely affect economic conditions prevalent in the areas in which we operate in general and our business in particular and high rates of inflation in India could increase our costs without proportionately increasing our revenues, and as such decrease our operating margins.

***47. Changing laws, rules and regulations and legal uncertainties, including adverse application of corporate and tax laws, may adversely affect our business, prospects and results of operations.***

The regulatory and policy environment in which we operate is evolving and subject to change. Such changes may adversely affect our business, results of operations and prospects, to the extent that we are unable to suitably respond to and comply with any such changes in applicable law and policy.

In addition, unfavorable changes in or interpretations of existing, or the promulgation of new laws, rules and regulations including Foreign Investment laws governing our business, operations and group structure could result in us being deemed to be in contravention of such laws or may require us to apply for additional approvals. We may incur increased costs and other burdens relating to compliance with such new requirements, which may also require significant management time and other resources, and any failure to comply may adversely affect our business, results of operations and prospects. Uncertainty in the applicability, interpretation or implementation of any amendment to, or change in, governing law, regulation or policy, including by reason of an absence, or a limited body, of administrative or judicial precedent may be time consuming as well as costly for us to resolve and may affect the viability of our current business or restrict our ability to grow our business in the future.

Any increase in taxes and levies, or the imposition of new taxes and levies in the future, could increase the cost of production and operating expenses. Taxes and other levies imposed by the Central or State governments in India that affect our industry include customs duties, excise duties, sales tax, income tax and other taxes, duties or surcharges introduced on a permanent or temporary basis from time to time. The Central and State tax scheme in India is extensive and subject to change from time to time. Any adverse changes in any of the taxes levied by the Central or State governments may adversely affect our competitive position and profitability.

***48. Financial instability in both Indian and International financial markets could adversely affect our results of operations and financial condition.***

The Indian financial market and the Indian economy are influenced by economic and market conditions in other countries, particularly in emerging markets. Financial turmoil in Asia, Europe, the United States and elsewhere in the World in recent years has affected the Indian economy. Although economic conditions are different in each country, investors' reactions to developments in one country can have an adverse effect on the securities of companies in other countries. A loss in investor confidence in the financial systems of other emerging markets may cause increased volatility in the Indian economy in general. Any global financial instability, including further deterioration of credit conditions in the U.S. market, could also have a negative impact on the Indian economy. Financial disruptions may occur again and could harm our results of operations and financial condition.

***49. Inflation in India could have an adverse effect on our profitability and if significant, on our financial condition.***

Inflation rates in India have been volatile in recent years, and such volatility may continue in the future. India has experienced high inflation in the recent past. Increased inflation can contribute to an increase in interest rates and increased costs to our business, including increased costs of salaries and other expenses relevant to our business.

High fluctuations in inflation rates may make it more difficult for us to accurately estimate or control our costs. Any increase in inflation in India can increase our expenses, which we may not be able to pass on to our customers, whether entirely or in part, and the same may adversely affect our business and financial condition. In particular, we might not be able to reduce our costs or increase our rates to pass the increase in costs on to our customers. In such case, our business, results of operations, cash flows and financial condition may be adversely affected.

***50. Foreign investors are subject to foreign investment restrictions under Indian law that limits our ability to attract foreign investors, which may adversely impact the market price of the Equity Shares.***

As an Indian Company, we are subject to exchange controls that regulate borrowing in foreign currencies, including those specified under FEMA. Such regulatory restrictions limit our financing sources for our business and hence could constrain our ability to obtain financing on competitive terms and refinance existing indebtedness. In addition, we cannot assure you that the required approvals will be granted to us without onerous conditions, or at all. Limitations on foreign debt may adversely affect our business growth, results of operations and financial condition.

Further, under the foreign exchange regulations currently in force in India, transfers of shares between non- residents and residents are freely permitted (subject to certain exceptions) if they comply with the pricing guidelines and reporting requirements specified by the RBI. If the transfer of shares, which are sought to be transferred, is not in compliance with such pricing guidelines or reporting requirements or fall under any of the exceptions referred to above, then prior approval of the RBI will be required. Additionally, shareholders who seek to convert the Rupee proceeds from a sale of shares in India into foreign currency and repatriate that foreign currency from India will require a no objection/ tax clearance certificate from the Income Tax authority. There can be no assurance that any approval required from the RBI, or any other government agency, can be obtained on any particular terms or at all.

***51. Any downgrading of India's credit rating by an independent agency may harm our ability to raise financing.***

Any adverse revisions to India's credit ratings by international rating agencies may adversely affect our ability to raise overseas financing and the interest rates and other commercial terms at which such financing is available. This could have an adverse effect on our ability to fund our growth on favourable terms or at all, and consequently adversely affect our business and financial performance and the price of our Equity Shares.

52. ***The occurrence of natural or man-made disasters could adversely affect our results of operations, cash flows and financial condition. Hostilities, terrorist attacks, civil unrest and other acts of violence could adversely affect the financial markets and our business.***

The occurrence of natural disasters, including cyclones, storms, floods, earthquakes, tsunamis, tornadoes, fires, explosions, pandemic disease and man-made disasters, including acts of terrorism and military actions, could adversely affect our results of operations, cash flows or financial condition. In addition, any deterioration in international relations, especially between India and its neighboring countries, may result in investor concern regarding regional stability which could adversely affect the price of the Equity Shares. In addition, India has witnessed local civil disturbances in the past years, and it is possible that future civil unrest as well as other adverse social, economic or political events in India could have an adverse effect on our business. Recent developments in the ongoing conflict between Russia and Ukraine has resulted in and may continue to result in a period of sustained instability across global financial markets, induce volatility in commodity prices, adversely impact availability of natural gas, increase in supply chain, logistics times and costs, increase borrowing costs, cause outflow of capital from emerging markets and may lead to overall slowdown in economic activity in India. Such incidents could also create a greater perception that investment in Indian Companies involves a higher degree of risk and could have an adverse effect on our business and the market price of the Equity Shares.

## MARKET PRICE INFORMATION

As on the date of this Placement Document, 16,01,40,820 (Sixteen Crores One Lakh Forty Thousand Eight Hundred Twenty) Equity Shares of Face Value INR 1/- each have been issued, subscribed and paid up. Equity Shares have been listed on BSE since 1992. The Equity Shares are listed and traded on BSE under the symbol 'GUJTLRM' and the Scrip Code '513337'.

On December 18, 2024 the closing price of the Equity Shares on BSE was INR 13.89 per Equity Share. Since Equity Shares are available for trading on BSE, the market price and other information for BSE has been given separately.

***A. The following tables set forth the reported high, low and average market prices and the trading volumes of the Equity Shares on the Stock Exchange on the dates on which such high and low prices were recorded for the Financial Years ended March 31, 2024, March 31, 2023, and March 31, 2022:***

**BSE**

| FY | High (INR) | Date of High | Number of Equity Shares Traded on The Date of High | Total Turnover of the Equity Shares Traded on The Date of High (INR) | Low (INR) | Date of Low | Number of Equity Shares Traded on The Date of Low | Total Turnover of the Equity Shares Traded on The Date of Low (INR) | Average Price for the Year (INR) |
|---|---|---|---|---|---|---|---|---|---|
| 2024 | 62.97 | 11-Mar-24 | 531039 | 3,31,70,701 | 8.92 | 06-Apr-23 | 2,81,025 | 27,52,851 | 44.675 |
| 2023 | 183.10 | 28-Dec-22 | 5,245 | 9,42,413 | 9.05 | 21-Mar-23 | 3,23,134 | 32,00,466 | 38.359 |
| 2022 | 16.30 | 21-Mar-22 | 10 | 163 | 4.52 | 22-Apr-21 | 500 | 2,398 | 9.382 |

*Source: www.bseindia.com*

***B. The following tables set forth the reported high, low and average market prices and the trading volumes of the Equity Shares on the Stock Exchange on the dates on which such high and low prices were recorded during each of the last six months:***

| Month | High (INR) | Date of High | Number of Equity Shares Traded on The Date of High | Total Turnover of the Equity Shares Traded on The Date of High (INR) | Low (INR) | Date of Low | Number of Equity Shares Traded on The Date of Low | Total Turnover of the Equity Shares Traded on The Date of Low (INR) | Average Price for the Month (INR) |
|---|---|---|---|---|---|---|---|---|---|
| 3rd and 4th Jun 2024* | 19.18 | 03-Jun-24 | 47,45,613 | 8,58,69,935 | 16.53 | 04-Jun-24 | 17,68,942 | 2,95,14,112 | 17.711 |
| 5th to 30th Jun 2024* | 15.99 | 13-Jun-24 | 1,67,584 | 26,79,668 | 12.67 | 05-Jun-24 | 3,60,011 | 45,61,339 | 14.842 |
| Jul 2024 | 15.60 | 25-Jul-24 | 5,45,515 | 85,10,034 | 12.72 | 31-Jul-24 | 10,75,631 | 1,36,82,026 | 14.286 |
| Aug 2024 | 15.49 | 27-Aug-24 | 39,70,682 | 6,04,63,354 | 10.75 | 14-Aug-24 | 9,27,471 | 1,03,91,074 | 12.98 |
| Sept 2024 | 13.78 | 2-Sept-24 | 3,96,766 | 54,67,435 | 11.00 | 30-Sept-24 | 15,57,785 | 1,86,60,145 | 12.38 |
| Oct 2024 | 14.38 | 15-Oct-24 | 1,47,32,561 | 21,08,45,886 | 11.00 | 8-Oct-24 | 4,69,942 | 53,63,143 | 13.39 |
| Nov 2024 | 14.61 | 27-Nov-24 | 86,25,936 | 12,07,13,366 | 11.70 | 08-Nov-24 | 21,89,641 | 2,56,79,851 | 13.06 |

*Source: www.bseindia.com* || **** The shares became ex-right wef 05-Jun-2024.***

***C. The following table set forth the details of the number of Equity Shares traded and the turnover during the last six months and the Financial Years ended March 31, 2024, 2023 and 2022 on the Stock Exchanges:***

| Period | Number of Equity Shares Traded | Turnover (In INR) |
|---|---|---|
| FY 2024 | 21,62,55,556 | 5,57,60,45,411 |
| FY 2023 | 72,81,166 | 14,75,56,045 |
| FY 2022 | 1,41,341 | 1,37,45,720 |
| 3rd and 4th Jun 2024* | 65,14,555 | 11,53,84,047 |
| 5th to 30th Jun 2024* | 86,16,600 | 12,78,93,833 |
| June 2024 | 15,13,31,155 | 24,32,77,880 |
| Jul 2024 | 1,32,23,368 | 18,89,12,824 |
| Aug 2024 | 5,11,59,446 | 66,39,08,191 |
| Sept 2024 | 1,22,79,597 | 15,19,71,554 |
| Oct 2024 | 4,46,47,571 | 59,76,65,970 |
| Nov 2024 | 6,00,22,865 | 78,39,87,381 |

***Source: www.bseindia.com || * The shares became ex-right wef 05-Jun-2024.***

*The Company has undertaken rights issue in June 2024 and the ex-rights date for the same was June 05, 2024. Accordingly, the market data for the month of June 2024 has been dissected to provide a correct picture of the stock market data.*

***D. The following table sets forth the market prices on the Stock Exchanges on July 23, 2024, the first working day following the approval of our Board of Directors for the Issue on July 22, 2024:***

| Exchange | High (INR) | Low (INR) | Close (INR) | Number of equity shares traded | Volume (INR) |
|---|---|---|---|---|---|
| BSE | 15.54 | 14.09 | 14.16 | 9,65,623 | 1,40,55,171 |

## USE OF PROCEEDS

The Gross Proceeds from the Issue aggregate to ₹9,566 Lakhs. Subject to compliance with applicable laws, the net proceeds from the Issue, after deducting fees, commissions, and the estimated expenses of the Issue of approximately ₹100 Lakhs, shall be approximately ₹9,466 Lakhs (the "Net Proceeds").

**Objects of the Issue**

Subject to compliance with applicable laws, our Company intends to use the Net Proceeds towards funding the following objects:

1) Funding working capital requirements of our Company; and
2) General corporate purposes (collectively, "Objects")

The objects clause and matters in furtherance of the objects, as set out in the memorandum of association of our Company enable us to undertake (i) existing business activities and (ii) the activities proposed to be funded from the Net Proceeds.

**Utilisation of Net Proceeds**

The Net Proceeds are proposed to be utilised in the manner set forth below:

(Rs. In Lakhs)

| Sr. No. | Particulars | Amount |
|---|---|---|
| 1. | Funding working capital requirements of our Company | 7,100.00 |
| 2. | General Corporate Purpose (1)(2) | 2,366.00 |
| | **Total Net Proceeds (2)** | **9,466.00** |

*(1) The amount utilised for general corporate purposes shall not exceed 25% of the Gross Proceeds.*

*(2) To be determined upon finalisation of the Issue Price and updated in the Placement Document.*

In the event of a change in the final Issue size, the amounts shown in the table above against each of the use of proceeds specified therein shall be modified in proportion to the change in the final Issue size in the Placement Document.

**Proposed schedule of implementation and deployment of Net Proceeds**

*The Net Proceeds are currently expected to be deployed in accordance with the schedule set forth below:* (Rs. In Lakhs)

| Sr. No. | Particulars | Amount to be funded from Net Proceeds | Proposed schedule for deployment of the Net Proceeds |
|---|---|---|---|
| | | | **FY 2024-25** |
| 1. | Funding working capital requirements of our Company | 7,100.00 | 7,100.00 |
| 2. | General Corporate Purpose (1)(2) | 2,366.00 | 2,366.00 |
| | **Total Proceeds (2)** | **9,466.00** | **9,466.00** |

*(1) The amount utilised for general corporate purposes shall not exceed 25% of the Gross Proceeds.*
*(2) To be determined upon finalisation of the Issue Price and updated in the Placement Document.*

The above-stated funding requirements, deployment of funds and the intended use of Net Proceeds indicated above is based on management estimates, current circumstances of our business, our existing business plans, the prevailing market conditions and other commercial and technical factors. Given the nature of our business, we may have to revise our funding requirements and intended deployment schedule on account of a variety of factors such as our financial condition, business and growth strategy, and external factors such as market conditions, competitive environment, price fluctuations and interest or exchange rate fluctuations and other external factors which may not be within the control of our management. Depending upon such factors, we may have to reduce or extend the deployment period for the stated objects. This may entail rescheduling or revising the planned expenditure, implementation schedule and funding requirements, including the expenditure for a particular purpose, at the discretion of our management, subject to compliance with the applicable laws. If the actual utilisation towards the objects is lower than the proposed deployment, such balance will be used for general corporate purposes to the extent that the total amount to be utilized towards general corporate purposes will not exceed 25% of the Gross Proceeds. In case of a shortfall in raising requisite capital from the Net Proceeds, business considerations may require us to explore a range of options including utilising our internal accruals and seeking additional debt from existing and future lenders. We believe that such alternate arrangements would be available to fund any such shortfalls. Further, in case of variations in the actual utilization of funds earmarked for the purposes set forth above, increased fund requirements for a particular purpose may be financed by surplus funds, if any, available in respect of the other purposes for which funds are being raised in the Issue, subject to compliance with applicable laws.

**Details of the Objects**

**1. Funding working capital requirements of our Company**

We propose to utilize Rs. 7,100 Lakhs from the Net Proceeds to fund the working capital requirements of our Company in Fiscal 2025. We have significant working capital requirements in the ordinary course of business, which we typically fund through internal accruals. The deployment of net proceeds shall be on a need basis over the course of the Fiscal 2025, in accordance with the working capital requirements of our Company.

Set forth below is the working capital and holding period of our Company, on a standalone basis, as at financial year ended March 31, 2024, and for the financial years ended March 31, 2023, March 31, 2022, and source of funding, as certified by M/s K M Chauhan, Chartered Accountants, through their certificate dated December 11, 2024.

| Sr. No. | Particulars | 31.03.2022 | 31.03.2023 | 31.03.2024 | 31.03.2025 |
|---|---|---|---|---|---|
| | | Audited | Audited | Audited | Estimated |
| **A.** | **Current Assets** | | | | |
| | Inventories | - | 168.65 | 6,179.03 | 9,043.08 |
| | Trade Receivable | - | 226.30 | 267.37 | 7,161.80 |
| | Short Term Loans & Advances and Other Current Assets | 45.34 | 367.00 | 3,384.43 | 4,378.40 |
| | **Total Current Assets** | **45.34** | **761.55** | **9,830.84** | **20,583.27** |
| **B.** | **Current Liabilities** | | | | |
| | Trade payable | 1.29 | - | 7,577.34 | 3,992.45 |
| | Other current liabilities | 33.47 | 94.49 | - | 142.46 |
| | Short Term Provisions | - | 31.74 | 540.60 | 479.81 |
| | **Total Current Liabilities** | **34.76** | **126.23** | **8,117.94** | **4,614.27** |
| **C.** | **Working Capital Gap (A-B)** | 10.58 | 635.32 | 1712.90 | 15,968.55 |
| **D.** | **Owned Funds /Internal Accruals & Debt** | 10.58 | 635.32 | 1712.90 | 520.48 |
| **E.** | **Working Capital funding through Issue Proceeds** | **-** | **-** | **-** | **7,100.00** |

**Assumption for Working Capital Requirement**

Assumptions for holding level (Days)

| Particulars | March 31, 2022 | March 31, 2023 | March 31, 2024 | March 31, 2025 |
|---|---|---|---|---|
| Inventory | - | 128 | 56 | 89 |
| Trade Receivable | - | 171 | 4 | 43 |
| Trade Payable | - | 5 | 73 | 73 |

**Justification of Holding Level of last 3 years and estimated for FY 2025:**

| Sr. No. | Particulars | Assumptions |
|---|---|---|
| **Current Assets** | | |
| 1 | Inventories: | The company operates across diverse business sectors, including Construction materials, Rough Diamonds, Agriculture, Fabrics. During the FY 2023-24, the company holds an existing inventory valued at ₹6,179.03 lakhs. Looking ahead, with a planned injection of adequate working capital during FY 2024-25, the company projects its inventory holding to rise to ₹8,793.08 lakhs. The company aims to hold a higher inventory compared to the previous year as part of its strategy to explore new markets and establish a strong market presence. By maintaining higher inventory, the company seeks to meet increased demand promptly, enhance customer satisfaction, and position itself as a reliable supplier. This approach will not only support its growth objectives but also create a positive impression among new and existing customers, fostering long-term business relationships. This increase will be achieved through effective inventory |

| | | |
|---|---|---|
| | | management practices, ensuring optimal utilization of resources to support growth across its business verticals. |
| 2 | Trade receivables | With the planned injection of working capital funds, the company has decided to allocate necessary resources to trade receivables to drive revenue growth. The company recorded an average holding period of 88 days in FY 2023-24 and FY 2022-23. For the upcoming year, the company aims to maintain a holding period of 43 days, which is higher than typical industry standards, this strategic decision is taken in order to foster stronger relationships with customers in the upcoming years. |
| 3 | Short Term Loans and Advances & Other Current Assets | Due to inefficient management in the previous years, the turnover period for these loans and advances peaked, resulting in suboptimal financial performance. As the company transitions to a more balanced approach, it aims to regularize this by gradually reducing its investments in short-term loans and advances. The reallocated funds will be directed toward inventory, trade receivables and trade payables, ensuring better alignment with long-term goals and enhancing financial efficiency. |
| **Current Liabilities** | | |
| 5 | Trade payables | Historically, significant fluctuations in the trade payable credit period were noticed. However, moving forward, the company has decided to address this issue by properly managing the trade payable cycle, aiming to reduce fluctuations and establish a more consistent and efficient payment process. The company aims to address this issue by maintaining the same trade payable credit period in the FY 2024-25 as FY 2023-24, to meet its working capital requirements. This strategic decision is expected to improve financial stability and supplier relationships. The Company has estimated period of 73 days in FY 2024-25. |
| 6 | Other current liabilities | Other current liabilities mainly comprise of advances and statutory payables. |

**Justification for utilization of Working Capital requirement for financial year 2024-25:**

We have estimated Rs. 31,235.02 Lacs turnover during the Financial Year 2024-2025. We have calculated the Working capital requirement as per standard holding levels of the industry and the Company. Accordingly, we need additional working capital funds for expansion of business.

Our Company proposes to utilize Rs.7,100 Lakhs from the Net Proceeds towards funding our working capital requirements in the Financial Year 2024-2025.

**2. General Corporate Purposes**

Our Company intends to deploy ₹2,366 Lakhs from the Net Proceeds towards general corporate purposes and the business requirements of our Company, as approved by our management, from time to time, subject to such utilization for general corporate purposes not exceeding 25% of the Gross Proceeds. Such general corporate purposes may include, but are not restricted to meeting fund requirements which our Company may face in the ordinary

course of business, any capital expenditure, repayment or pre-payment of our borrowings, strategic initiatives, partnerships, tie-ups, joint ventures or acquisitions, investment in our Subsidiaries/associates, meeting expenses incurred in the ordinary course of business, and any other purpose as may be approved by our Board or a duly appointed committee from time to time, subject to compliance with applicable law, including the necessary provisions of the Companies Act, 2013. The allocation or quantum of utilization of funds towards the specific purposes described above will be determined by our Board, based on our business requirements and other relevant considerations, from time to time. Our Company's management shall have flexibility in utilising surplus amounts, if any, in accordance with applicable law.

**Interim use of Net Proceeds**

Pending utilisation of the Net Proceeds towards the purposes described in this section, our Company shall deposit the Net Proceeds in a separate bank account with a scheduled commercial bank included in the Second Schedule of the Reserve Bank of India Act, 1934 or to temporarily invest the funds in creditworthy instruments, including money market / mutual funds, as approved by the Board and/or a duly authorized committee of the Board, from time to time, and in accordance with applicable laws.

In accordance with applicable laws, we undertake to not utilize proceeds from the Issue unless Allotment is made and the corresponding return of Allotment is filed with the ROC, and the final listing and trading approvals are received from each of the Stock Exchanges, whichever is later.

**Monitoring of utilisation of funds**

As the issue size does not exceeds Rs. 10,000 Lakhs in terms of Regulation 173A of the SEBI ICDR Regulations, 2018 our Company is not required to appoint a monitoring agency for the purposes of this Issue. Our Board and Audit Committee shall monitor the utilization of the Net Proceeds.

**Other confirmations**

As permissible under applicable laws, our Company's management will have flexibility in deploying the Net Proceeds. The amounts and timing of any expenditure will depend on, among other factors, the amount of cash generated by our operations, competitive and market developments and the availability of acquisition or investment opportunities on terms acceptable to us.

Neither of our Promoters, members of the Promoter Group or Directors are making any contribution either as part of the Issue or separately in furtherance of the Objects. None of our Promoters, members of the Promoter Group or our Directors shall receive any proceedings from the Issue, whether directly or indirectly. Since the Issue is only made to Eligible QIBs, our Promoters, Directors, Key Managerial Personnel or members of Senior Management are not eligible to subscribe in the Issue.

Further, since the Net Proceeds of the Issue are proposed to be utilised towards the purposes set forth above, and not for implementing any specific project, the following disclosure requirements under Schedule VII of the SEBI ICDR Regulations are not applicable: (i) break-up of cost of the project, (ii) means of financing such project, and (iii) proposed deployment status of the proceeds at each stage of the project.

There are no material existing or anticipated transactions in relation to the utilisation of the Net Proceeds entered into or to be entered into by our Company with our Promoters, Promoter Group, Directors, Key Managerial Personnel and/or Senior Management.

## CAPITALISATION STATEMENT

The following table sets forth our Company's capitalization and total borrowings as at October 31, 2024, which is derived from our Limited Reviewed Unaudited Standalone Financial Results and on the basis and as adjusted to give effect to the receipt of the gross proceeds. This table should be read in conjunction with the sections "***Management's Discussion and Analysis of Financial Condition and Results of Operations***" and "***Financial Information***" on pages 229 and 91 of this Placement Document, respectively.

(***INR in Lakhs***)

| No. | Particulars | Pre Issue As on October 31, 2024 (Refer Note-1 below) | Post Issue Amount after considering the Issue (Refer Note-1 & 2 below) |
|---|---|---|---|
| 1 | **Borrowings** | | |
| | Short term Borrowing | 19.48 | 19.48 |
| | Long term Borrowing | 0.00 | 0.00 |
| | **Total borrowings (a)** | 19.48 | 19.48 |
| 2 | **Shareholder's Fund** | | |
| | Share capital | 1,601.41 | 2,320.66 |
| | Other equity (including securities premium) | 10,541.78 | 19,388.53 |
| 3 | **Total funds (excluding borrowings) (b)** | 12,143.19 | **21,709.19** |
| **Total capitalization (a + b)** | | 12,162.67 | **21,728.67** |

**Notes:**

1. The figures included under Post Issue column relating to the Shareholder's fund are derived after considering the impact due to the issue of the Equity Shares only through the QIP assuming that the Issue will be fully subscribed and does not include any other transactions or movements/ issue related expenses.
2. The column will be finalized upon determination of Issue Price.

## CAPITAL STRUCTURE

The Share capital of our Company as on the date of this Placement Document is set forth below:

*(in INR in Lakhs except number of Equity Share)*

| No. | Particulars | Amount |
|---|---|---|
| A | **AUTHORISED SHARE CAPITAL**<br>100,00,00,000 Equity Shares of INR 1/- each | 10,000.00 |
| B | **ISSUED SUBSCRIBED AND PAID-UP CAPITAL BEFORE THE ISSUE**<br>16,01,40,820 Equity Shares of INR 1/- each | 1,601.41 |
| C | **PRESENT ISSUE IN TERMS OF THIS PLACEMENT DOCUMENT**<br>Up to 7,19,24,810 Equity Shares at a premium of INR 12.30, i.e. at a price per Equity Share of INR 13.30 aggregating to INR 9,566 Lakhs [(1)] | 719.25 |
| D | **ISSUED SUBSCRIBED AND PAID-UP CAPITAL AFTER THE ISSUE**<br>**23,20,65,630** Equity Shares | 2,320.66 |
| E | **SECURITIES PREMIUM ACCOUNT**<br>Before the Issue [(2)] | 8,842.85 |
| | After the Issue [(3)(4)] | 17,689.60 |

1. *The Issue was approved pursuant to the resolution passed by our Board of Directors on July 22, 2024, and by our Shareholders, pursuant to their Resolution passed by way of remote e-voting dated August 14, 2024.*
2. *As on October 4, 2024.*
3. *The Securities Premium account after the Issue is calculated on the basis of gross proceeds of the Issue.*
4. *To be determined upon finalization of the Issue Price*

**Proposed Allottees in the Issue**

In compliance with the requirements of Chapter VI of the SEBI ICDR Regulations, Allotment shall be made by our Company, in consultation with the BRLM, to Eligible QIBs only, on a discretionary basis.

The names of the proposed Allottees, assuming that the Equity Shares are Allotted to them pursuant to the Issue, and the percentage of post-Issue share capital that may be held by them is set forth in ***"Proposed Allottees"*** on page 355.

**Pre-Issue and post-Issue shareholding pattern of Company**

The Pre-Issue shareholding pattern of our Company as on October 4, 2024, and the post-Issue shareholding pattern of our Company is set forth below:

| **Category** | **Pre-Issue as of October 04, 2024** | | **Post Issue** | |
|---|---|---|---|---|
| | **No of Equity Shares** | **% of Share holding** | **No of Equity Shares** | **% of share holding** |
| **(A)Promoters holding*** | | | | |
| Individual/ Hindu Undivided Family | -- | -- | -- | -- |
| Bodies Corporate | -- | -- | -- | -- |
| Person Acting in concert | -- | -- | -- | -- |
| **Sub Total (A)** | **--** | **--** | -- | -- |
| **(B)Non-Promoter Holding** | | | | |
| Institutions (Domestic) | 1,55,000 | 0.10 | 1,55,000 | 0.07 |
| Indian Resident | 10,21,42,010 | 63.78 | 10,21,42,010 | 44.01 |
| Non-resident Indians | 22,23,712 | 1.39 | 22,23,712 | 0.96 |
| Foreign Portfolio Investor | 4,34,78,260 | 27.15 | 11,54,03,070 | 49.73 |
| Body Corporates | 71,38,187 | 4.46 | 71,38,187 | 3.08 |
| Others | 50,03,651 | 3.13 | 50,03,651 | 2.16 |
| **Sub Total (B)** | **16,01,40,820** | **100.00** | **23,20,65,630** | **100.00** |
| **Grand Total (A+B)** | **16,01,40,820** | **100.00** | **23,20,65,630** | **100.00** |

** This includes the shareholding of the members of our Promoter Group.*

## DIVIDENDS

The declaration and payment of dividends by our Company, if any, will be recommended by our Board and approved by our Shareholders at their discretion, subject to the provisions of the Articles of Association, the Companies Act and other applicable laws. Our Board may also, from time to time, declare interim dividends.

Our Company has paid interim dividend of INR 1 per Equity Share in Fiscal Year 2024-25. The Company has not paid dividends in the Fiscal Years 2023, 2022 and 2021.

The amounts paid as dividend is not necessarily indicative of the payment of dividend amounts, if any, in the future. There is no guarantee that any dividends will be declared or paid in the future or that the amount thereof will not be decreased. The form, frequency and number of future dividends declared by our Company will depend on a number of internal and external factors and such other factors that the Board may deem relevant in its discretion, subject to the approval of our Shareholders.

**The Equity Shares to be issued in connection with this Issue shall qualify for any dividend, including interim dividend, if any, that is declared in respect of the Fiscal in which they have been allotted. For further information, please see the section entitled *"Description of the Equity Shares"* on page 337. For a summary of some of the restrictions that may inhibit our ability to declare or pay dividends, see *"Risk Factors – Our ability to pay dividends in the future may be affected by any material adverse effect on our future earnings, financial condition or cash flows"* on page 72 of this Placement Document.**

## FINANCIAL INFORMATION


| No. | Financial Statements and Financial Results | Page |
|---|---|---|
| 1 | Unaudited Standalone and Consolidated Financial Results as at and for the Half Yearly ended September 30, 2024 | [92] |
| 2 | Audited Standalone and Consolidated Financial Statements for Fiscal 2024 | [105] |
| 3 | Audited Financial Statements for Fiscal 2023 | [169] |
| 4 | Audited Financial Statements for Fiscal 2022 | [200] |

**Unaudited Financial Results as at and for the Half Yearly ended September 30, 2024**

K M Chauhan & Associates
Chartered Accountants
Mo. 94080 05110
bhavdip.poriya@gmail.com

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

**To**
**The Board of Directors**
**Gujarat Toolroom Limited**

We have reviewed the accompanying statement of unaudited standalone financial results of **GUJARAT TOOLROOM LIMITED** ('the Company') for the quarter ended **30th September, 2024** being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended). Our responsibility is to issue a report on the financial statement based on our review.

This Statement, which is the responsibility of the Company's Management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013, and rules thereunder, requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.

We conducted our review of the Statement in accordance with the Standard on Review Engagement (SRE) 2410 "Review of Interim Consolidated Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of



204, Krishna Con-Arch, Near Post Office, University Road, Rajkot - 360005

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bhavdip.poriya@gmail.com

India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of Company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement prepared in accordance with applicable accounting standards i.e. Ind AS prescribed under section 133 of the act read with relevant rules issued there under and other recognized accounting practice and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), including the manner in which it is to be disclosed, or that it contains any material misstatement

Thanking you

**FOR, K M CHAUHAN AND ASSOCIATES**
CHARTERED ACCOUNTANTS
FRN 125924W

KISHORSINH
MAYURSINH
CHAUHAN

**Kishorsinh M. Chauhan**
Partner
Membership No. 118326

**Date : 11/11/2024**
**Place : Ahmedabad**
**UDIN : 24118326BKHJWS3333**



204, Krishna Con-Arch, Near Post Office, University Road, Rajkot - 360005

**GUJARAT TOOLROOM LIMITED**
CIN - L45208GJ1983PLC006056

404 - 4th FLOOR, SAMARTH CO.OP.H.SOC. NR. SILICON TOWER, NR. LAW GARDEN
ELLISHBRIDGE, AHMEDABAD 380006

**Standalone Assets & Liabilities Result for the quarter ended on September 30, 2024**

(Amount in Rs Lakhs)

| Particulars | Note No. | Quarter Ended | | | Year Till date | |
|---|---|---|---|---|---|---|
| | | 30.09.2024 | 30.06.2024 | 30.09.2023 | 30.09.2024 | 30.09.2023 |
| | | Unaudited | Unaudited | Unaudited | Unaudited | Unaudited |
| **I. ASSETS** | | | | | | |
| **Non-Current Assets** | | | | | | |
| (1) (a) Property, Plant and Equipment and Intangible Assets | 10 | | | | | |
| (i) Property, Plant and Equipment | | 111.43 | 120.67 | 3.71 | 111.43 | 3.71 |
| (ii) Intangible Assets | | - | - | - | - | - |
| (iii) Capital Work-in-Progress | | - | - | - | - | - |
| (iv) Intangible Assets Under Development | | - | - | - | - | - |
| (b) Non-Current Investments | 11 | 67.25 | 67.25 | - | 67.25 | - |
| (c) Deferred Tax Assets (Net) | | 0.81 | - | - | 0.81 | - |
| (d) Long-term Loans and Advances | 12 | - | - | - | - | - |
| (e) Other Non-Current Assets | 13 | - | - | 2.48 | - | 2.48 |
| **2 Current Assets** | | | | | | |
| (a) Current Investments | 14 | - | - | - | - | - |
| (b) Inventories | 15 | 169.76 | 1,287.73 | 208.78 | 169.76 | 208.78 |
| (c) Trade Receivables | 16 | 5,527.14 | - | 0.22 | 5,527.14 | 0.22 |
| (d) Cash and Cash Equivalents | 17 | 103.97 | 428.07 | 1,140.36 | 103.97 | 1,140.36 |
| (e) Short-Term Loans and Advances | 18 | 24,019.20 | 23,494.69 | 2,316.93 | 24,019.20 | 2,316.93 |
| (f) Other Current Assets | 19 | 34.38 | 121.31 | 0.10 | 34.38 | 0.10 |
| **Total Assets** | | **30,033.95** | **25,519.73** | **3,672.57** | **30,033.95** | **3,672.57** |
| **II. EQUITY AND LIABILITIES** | | | | | | |
| **(1) Shareholder's Funds** | | | | | | |
| (a) Share Capital | 1 | 1,166.63 | 555.54 | 555.54 | 1,166.63 | 555.54 |
| (b) Reserves and Surplus | 2 | 5,950.20 | 1,057.68 | 423.46 | 5,950.20 | 423.46 |
| (c) Money received against Share Warrants | | | | | | |
| **(2) Share Application Money Pending Allotment** | | - | - | - | - | - |
| **(3) Non-Current Liabilities** | | | | | | |
| (a) Long-Term Borrowings | 3 | - | - | - | - | - |
| (b) Deferred Tax Liabilities (Net) | | - | 0.44 | - | - | - |
| (c) Other Long Term Liabilities | 4 | - | - | - | - | - |
| (d) Long-Term Provisions | 5 | - | - | - | - | - |
| **(4) Current Liabilities** | | | | | | |
| (a) Short-Term Borrowings | 6 | 19.48 | - | - | 19.48 | - |
| (b) Trade Payables | 7 | | | | | |
| (A) Total outstanding dues of micro enterprises and small enterprises | | 20,354.76 | 20,438.49 | 2,613.24 | 20,354.76 | 2,613.24 |
| (B) Total outstanding dues Other Than micro enterprises and small enterprises | | - | - | - | - | - |
| (c) Other Current Liabilities | 8 | 2,047.90 | 2,884.63 | - | 2,047.90 | - |
| (d) Short-Term Provisions | 9 | 494.98 | 582.96 | 80.34 | 494.98 | 80.34 |
| **Total Equity and Liabilities** | | **30,033.95** | **25,519.73** | **3,672.57** | **30,033.95** | **3,672.57** |

AVCHALBHAI HEMTABHAI CHAUDHARY

Vaidehi Bang

Place: Ahmedabad
Date : 11/11/2024

**AVCHALBHAI HEMTABHAI CHOUDHARY**
Director
10049028

**VAIDEHI BANG**
Company Secretary
CDLPB4593H

Rakesh Dutta

**RAKESH RAJKUMAR DUTTA**
CFO
ACCPD6588J

RAKESH KUMAR SHARMA

**RAKESH KUMAR SHARMA**
Managing Director
10703752

**GUJARAT TOOLROOM LIMITED**
CIN - L45208GJ1983PLC006056

404 - 4th FLOOR, SAMARTH CO.OP.H.SOC. NR. SILICON TOWER, NR. LAW GARDEN
ELLISHBRIDGE, AHMEDABAD 380006

**Standalone Financial Results of the quarter and year ended on September 30,2024**

**(Amount in Rs Lakhs)**

| | Particulars | Quarter Ended | | | Year Till date | | Year Ended |
|---|---|---|---|---|---|---|---|
| | | 30.09.2024 | 30.06.2024 | 30.09.2023 | 30.09.2024 | 30.09.2023 | 31.03.2024 |
| | | Unaudited | Audited | Unaudited | Unaudited | Unaudited | Audited |
| I | Revenue From Operations | 8,033.01 | 6,584.50 | 15,668.16 | 14,617.51 | 15,777.84 | 20,590.29 |
| II | Other Income | 8.72 | 0.45 | 0.00 | 0.11 | 0.00 | 152.28 |
| III | **Total Income (I+II)** | **8,041.73** | **6,584.95** | **15,668.17** | **14,617.62** | **15,777.84** | **20,742.57** |
| IV | EXPENSES: | | | | | | |
| | Cost of Materials Consumed | - | - | - | - | - | - |
| | Purchase of Stock-in-Trade | 6,029.69 | 1,204.05 | 15,273.00 | 7,233.74 | 15,354.59 | 24,851.79 |
| | Change in Inventory of finished goods, work-in-progress and Stock-in-Trade | 1,117.98 | 4,891.29 | 41.46 | 6,009.27 | (40.13) | (6,010.38) |
| | Employee Benefits Expenses | 9.16 | 8.60 | 1.84 | 17.76 | 2.14 | 28.26 |
| | Finance costs | 0.08 | 4.13 | - | 4.20 | - | - |
| | Depreciation and amortization expenses | 9.51 | 10.30 | - | 19.81 | - | 3.23 |
| | Other Expenses | 46.86 | 101.33 | 31.49 | 139.13 | 37.47 | 121.68 |
| | **Total expenses (IV)** | **7,213.28** | **6,219.69** | **15,347.79** | **13,423.91** | **15,354.07** | **18,994.59** |
| V | Profit/(Loss) before exceptional items and tax | 828.45 | 365.26 | 320.38 | 1,193.71 | 423.77 | 1,747.98 |
| VI | Exceptional Items | - | - | - | - | - | - |
| VII | Profit before extraordinary items and tax | 828.45 | 365.26 | 320.38 | 1,193.71 | 423.77 | 1,747.98 |
| VIII | Extraordinary Items | - | - | - | | - | - |
| **IX** | **Profit/(Loss) before tax** | **828.45** | **365.26** | **320.38** | **1,193.71** | **423.77** | **1,747.98** |
| **X** | **Tax expense: -** | | | | | | |
| | (1) Current Tax | 214.81 | 94.97 | 80.09 | 309.78 | 105.94 | 484.40 |
| | (2) MAT Credit Entitlement | - | - | - | - | - | - |
| | (3) Deferred Tax | (1.25) | (1.48) | - | (2.73) | - | 1.92 |
| XI | Profit/(Loss) for the period from continuing operation | 614.89 | 271.78 | 240.28 | 886.67 | 317.83 | 1,261.65 |
| XII | Profit/(Loss) for discontinued operation | - | - | - | - | - | - |
| XIII | Tax expenses of discontinued operations | - | - | - | - | - | - |
| XIV | Profit/(Loss) form Discontinued operation (after tax) | - | - | - | - | - | - |
| XV | Profit/(Loss) for the period | 614.89 | 271.78 | 240.28 | 886.67 | 317.83 | 1,261.65 |
| XVI | Earnings per equity share: | | | | | | |
| | (1) Basic | 1.11 | 0.49 | 0.43 | 1.60 | 0.57 | 2.27 |
| | (2) Diluted | 1.11 | 0.49 | 0.43 | 1.60 | 0.57 | 2.27 |

Place: Ahmedabad
Date : 11/11/2024

**AVCHALBHAI HEMTABHAI CHOUDHARY**
Director
10049028

**VAIDEHI BANG**
Company Secretary
CDLPB4593H

**RAKESH RAJKUMAR DUTTA**
CFO
ACCPD6588J

**RAKESH KUMAR SHARMA**
Managing Director
10703752

**GUJARAT TOOLROOM LIMITED**
CIN - L45208GJ1983PLC006056

404 - 4th FLOOR, SAMARTH CO.OP.H.SOC. NR. SILICON TOWER, NR. LAW GARDEN
ELLISHBRIDGE, AHMEDABAD 380006

**SEGMENT WISE REVENUE, RESULTS, ASSETS AND LIABILITIES**

(Amount in Rs Lakhs)

| | Particulars | Note No. | Quarter Ended | | | Year To Date | |
|---|---|---|---|---|---|---|---|
| | | | 30.09.2024 | 30.06.2024 | 30.09.2023 | 30.09.2024 | 30.09.2023 |
| I. | **Segment Revenue (Sales and Other operating income)** | | | | | | |
| | - Construction Material | | 1329.12 | 1516.37 | 52.06 | 2845.49 | 52.06 |
| | - Rough Diamonds | | 441.18 | 742.57 | 0.00 | 1183.74 | 0.00 |
| | - Agricultural Products | | 6262.72 | 3984.95 | 0.00 | 10247.67 | 0.00 |
| | - Others (Fabrics, Shares Trading, etc.) | | 0.00 | 340.60 | 15616.08 | 340.60 | 15725.75 |
| | **Total Segment Revenue** | | 8033.02 | 6584.49 | 15668.14 | 14617.50 | 15777.81 |
| II. | **Segment Results** | | | | | | |
| | - Construction Material | | 290.28 | 27.44 | 0.00 | 317.72 | 0.00 |
| | - Rough Diamonds | | 16.38 | 0.00 | 0.00 | 16.38 | 0.00 |
| | - Agricultural Products | | 578.67 | 260.69 | 0.00 | 839.36 | 0.00 |
| | - Others (Fabrics, Shares Trading, etc.) | | 0.00 | 201.03 | 353.57 | 201.03 | 463.06 |
| | - Unallocable Income (Net of Unallocable Expense) | 1 | -270.45 | -217.38 | -113.28 | -487.83 | -145.23 |
| | **Total Segment Results** | | 614.89 | 271.78 | 240.29 | 886.67 | 317.83 |
| III. | **Segment Assets** | | | | | | |
| | - Construction Material | | 160.11 | 963.53 | 0.00 | 136.68 | 0.00 |
| | - Rough Diamonds | | 0.00 | 424.79 | 0.00 | 0.00 | 0.00 |
| | - Agricultural Products | | 5497.68 | 0.00 | 226.50 | 5497.68 | 226.50 |
| | - Others (Fabrics, Shares Trading, etc.) | | 989.71 | 980.45 | 208.96 | 989.71 | 208.96 |
| | - Unallocable Corporate Assets | 2 | 24274.45 | 24275.97 | 3501.01 | 24274.45 | 3501.01 |
| | **Total Segment Assets** | | 30921.96 | 26644.74 | 3936.47 | 30898.53 | 3936.47 |
| IV. | **Segment Liabilities** | | | | | | |
| | - Construction Material | | 3104.23 | 4583.96 | 0.00 | 3104.23 | 0.00 |
| | - Rough Diamonds | | 1088.95 | 1621.12 | 0.00 | 1088.95 | 0.00 |
| | - Agricultural Products | | 17017.35 | 12447.35 | 0.00 | 17017.35 | 0.00 |
| | - Others (Fabrics, Shares Trading, etc.) | | 121.74 | 4.99 | 2489.91 | 462.34 | 2489.91 |
| | - Unallocable Corporate Liabilities | 3 | 2472.97 | 6421.53 | 138.68 | 2472.97 | 138.68 |
| | **Total Segment Liabilities** | | 23805.24 | 25078.95 | 2628.59 | 24145.84 | 2628.59 |

**Notes on Segment Information:**

1. Segment Revenue, Results, Assets and Liabilities represent amounts identifiable to each of the segments. Other "unallocable income net of unallocable expenditure" mainly includes incomes and expenses on common services not directly identifiable to individual segments, corporate expenses and unallocable exceptional items.

Segment Assets and Segment Liabilities are as at 30th September 2024, 30th June 2024 and 30th September 2023. Unallocable corporate assets less Unallocable corporate liabilities mainly represent investment of surplus funds and cash and bank.

2. Previous period figures have been re-grouped / re-classified wherever necessary, to conform to this period's classification.

Place: Ahmedabad
Date : 11/11/2024

AVCHALBHAI HEMTABHAI CHAUDHARY
**AVCHALBHAI HEMTABHAI CHOUDHARY**
Director
10048028

Vaidehi Bang
**VAIDEHI BANG**
Company Secretary
CDLP84593H

Rakesh Dutta
**RAKESH RAJKUMAR DUTTA**
CFO
ACCP06588J

RAKESH KUMAR SHARMA
**RAKESH KUMAR SHARMA**
Managing Director
10703752

**GUJARAT TOOLROOM LIMITED**
CIN - L45208GJ1983PLC006056
404 - 4th FLOOR, SAMARTH CO.OP.H.SOC. NR. SILICON TOWER, NR. LAW GARDEN
ELLISHBRIDGE, AHMEDABAD 380006

**Standalone Cash Flow Statement as on 30/09/24**

| Particulars | Amount in Lakhs 30.09.2024 | | Amount in Lakhs 30.09.2023 | |
|---|---|---|---|---|
| | Rs | Rs | Rs | Rs |
| **A CASH FLOW FROM OPERATING ACTIVITIES** | | | | |
| **Net Profit Before Tax** | | 1,193.71 | | 423.77 |
| Add Back: - | | | | |
| Depreciation | 19.81 | | - | |
| Deferred Revenue Expenditure | - | | - | |
| Loss on sale of Assets | - | | - | |
| Interest expense | 4.20 | | - | |
| Others if any | - | 24.01 | - | - |
| Deduct: - | | | | |
| Interest income | - | | - | |
| Profit on sale of Assets | - | | - | |
| Others if any | 0.11 | 0.11 | 0.00 | 0.00 |
| **Operating profit before working capital changes** | | 1,217.61 | | 423.77 |
| **Adjustments for:** | | | | |
| Decrease/(Increase) in Receivables | (5,259.77) | | 226.07 | |
| Decrease/(Increase) in Inventories | 6,009.27 | | (40.13) | |
| Increase/(Decrease) in Payables | 12,777.42 | 13,526.92 | 2,613.24 | 2,799.17 |
| **Cash generated from operations** | | 14,744.53 | | 3,222.94 |
| Income Tax Adjustement | | 303.15 | | 30.90 |
| **Cash flow before extraordinary item** | | 14,441.39 | | 3,192.04 |
| Proceeds from extraordinary item | | 0.11 | | 0.00 |
| **Net Cash flow from Operating activities** | | **14,441.50** | | **3,192.05** |
| **B CASH FLOW FROM INVESTING ACTIVITIES** | | | | |
| Purchase of Fixed Assets | (12.50) | | (3.71) | |
| Sale of Fixed Assets | - | | - | |
| Increase in Long & Short Term Advances & Investment | - | | - | |
| Increase in other Current & NON Current Assets | (21,454.54) | | (1,960.47) | |
| Interest income | - | | - | |
| **Net Cash used in Investing activities** | | **(21,467.04)** | | **(1,964.18)** |
| **C CASH FLOW FROM FINANCING ACTIVITIES** | | | | |
| Proceeds from issuance of share capital | 4,888.72 | | - | |
| Proceeds from Long term Borrowings | - | | - | |
| Proceeds from Short term Borrowings | 2,015.12 | | (94.31) | |
| Dividend Payable | (555.54) | | - | |
| Interest paid | (4.20) | | - | |
| **Net Cash used in financing activities** | | **6,344.10** | | **(94.31)** |
| **Net increase in cash & Cash Equivalents** | | **(681.43)** | | **1,133.56** |
| Cash and Cash equivalents as at | 31.03.2024 | 785.40 | 31.03.2023 | 6.80 |
| Cash and Cash equivalents as at | 30.09.2024 | 103.97 | 30.09.2023 | 1,140.36 |

**Place: Ahmedabad**
**Date : 11/11/2024**

**AVCHALBHAI HEMTABHAI CHOUDHARY**
Director
10049028

**VAIDEHI BANG**
Company Secretary
CDLPB4593H

**RAKESH RAJKUMAR DUTTA**
CFO
ACCPD6588J

**RAKESH KUMAR SHARMA**
Managing Director
10703752

Mo. 94080 05110
bhavdip.poriya@gmail.com

**Independent Auditor's Review Report On Consolidated Unaudited Quarterly and Year to date Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.**

**To**
**The Board of Directors**
**Gujarat Toolroom Limited**

1. We have reviewed the accompanying Statement of Consolidated Unaudited Financial Results of **Gujarat Toolroom Limited** ("the Parent") and its subsidiaries (the Parent and its subsidiaries together referred to as "the Group"), and its share of the net profit/(loss) after tax and total comprehensive income/loss of its associates and joint ventures for the quarter ended September 30, 2024 and for the period from July 01, 2024 to September 30, 2024 ("the Statement"), being submitted by the Parent pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended. Attention is drawn to the fact that the consolidated figures for the corresponding quarter ended and the corresponding period from July 01, 2024 to September 30, 2024, as reported in these financial results have been approved by the Parent's Board of Directors, but have not been subjected to review.

2. This Statement, which is the responsibility of the Parent's Management and approved by the Parent's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013, and rules thereunder, requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.


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3. 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 financial statements are free of material misstatement. A review is limited primarily to inquiries of Company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

   We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33 (8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable.

4. The Statement includes the results of the following entities:
   (i) GTL GEMS DMCC (Wholly owned subsidiary)
   (ii) GTL ZAMBIA LIMITED (Wholly owned subsidiary)

5. Based on our review conducted and procedures performed as stated in paragraph 3 above and based on the consideration of the review reports of the branch auditors and other auditors referred to in paragraph 7 below, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.


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6. The consolidated unaudited financial results include the interim financial statements of one subsidiary which have not been reviewed/audited by their auditors, whose interim financial statements reflect total assets of Rs. 48,136.26 Lacks as at September 30, 2024 and total revenue of Rs. 19,063.49 Lacks and total net profit after tax of Rs. 2,063.87 Lacks for the quarter ended September 30, 2024 and for the period from July 01, 2024 to September 30, 2024 respectively, and cash flows (net) of Rs. 97.70 Lacks for the period from July 01, 2024 to September 30, 2024, as considered in the consolidated unaudited financial results. According to the information and explanations given to us by the Management, these interim financial statements/ financial information / financial results are not material to the Group.

Thanking you

**FOR, K M CHAUHAN AND ASSOCIATES**
CHARTERED ACCOUNTANS
FRN 125924W

KISHORSINH
MAYURSINH
CHAUHAN

**Kishorsinh M. Chauhan**
Partner
Membership No. 118326
**Date :** 11/11/2024
**Place :** Ahmedabad
**UDIN : 24118326BKHJWR8722**


204, Krishna Con-Arch, Near Post Office, University Road, Rajkot - 360005

**GUJARAT TOOLROOM LIMITED**
CIN - L45208GJ1983PLC006056

404 - 4th FLOOR, SAMARTH CO.OP.H.SOC. NR. SILICON TOWER, NR. LAW GARDEN
ELLISHBRIDGE, AHMEDABAD 380006

**Consolidated Assets & Liabilities Statement for the quarter and year ended on September 30,2024**

**(Amount in Rs Lakhs)**

| Particulars | Quarter Ended | | | Year Till date | |
|---|---|---|---|---|---|
| | 30.09.2024 | 30.06.2024 | 30.09.2023 | 30.09.2024 | 30.09.2023 |
| | Unaudited | Unaudited | Unaudited | Unaudited | Unaudited |
| **I. ASSETS** | | | | | |
| **Non-Current Assets** | | | | | |
| (1) (a) Property, Plant and Equipment and Intangible Assets | | | | | |
| (i) Property, Plant and Equipment | 111.43 | 120.67 | 3.71 | 111.43 | 3.71 |
| (ii) Intangible Assets | - | - | - | - | - |
| (iii) Capital Work-in-Progress | - | - | - | - | - |
| (iv) Intangible Assets Under Development | - | - | - | - | - |
| (b) Non-Current Investments | - | - | - | - | - |
| (c) Deferred Tax Assets (Net) | 0.81 | - | - | 0.81 | - |
| (d) Long-term Loans and Advances | - | - | - | - | - |
| (e) Other Non-Current Assets | - | - | 2.48 | - | 2.48 |
| **2 Current Assets** | | | | | |
| (a) Current Investments | - | - | - | - | - |
| (b) Inventories | 3,266.45 | 8,146.15 | 208.78 | 3,266.45 | 208.78 |
| (c) Trade Receivables | 50,415.63 | 36,348.75 | 0.22 | 50,415.63 | 0.22 |
| (d) Cash and Cash Equivalents | 246.18 | 572.17 | 1,140.36 | 246.18 | 1,140.36 |
| (e) Short-Term Loans and Advances | 23,957.56 | 23,487.40 | 2,316.93 | 23,957.56 | 2,316.93 |
| (f) Other Current Assets | 36.37 | 157.34 | 0.10 | 36.37 | 0.10 |
| | - | - | - | - | - |
| **Total Assets** | **78,034.43** | **68,832.49** | **3,672.57** | **78,034.43** | **3,672.57** |
| **II. EQUITY AND LIABILITIES** | | | | | |
| **(1) Shareholder's Funds** | | | | | |
| (a) Share Capital | 1,166.63 | 555.53 | 555.54 | 1,166.63 | 555.54 |
| (b) Reserves and Surplus | 16,081.62 | 9,122.25 | 423.46 | 16,081.62 | 423.46 |
| (c) Money received against Share Warrants | - | - | - | - | - |
| **(2) Foreign Currency Translation Reserve** | - | - | - | - | - |
| **(3) Non-Current Liabilities** | | | | | |
| (a) Long-Term Borrowings | - | - | - | - | - |
| (b) Deferred Tax Liabilities (Net) | - | 0.44 | - | - | - |
| (c) Other Long Term Liabilities | - | - | - | - | - |
| (d) Long-Term Provisions | - | - | - | - | - |
| **(4) Current Liabilities** | | | | | |
| (a) Short-Term Borrowings | 39.44 | 19.85 | - | 39.44 | - |
| (b) Trade Payables | | | | | |
| (A) Total outstanding dues of micro enterprises and small enterprises | 20,354.76 | 20,438.49 | 2,613.24 | 20,354.76 | 2,613.24 |
| (B) Total outstanding dues Other Than micro enterprises and small enterprises | 37,829.72 | 35,275.14 | - | 37,829.72 | - |
| (c) Other Current Liabilities | 2,010.21 | 2,837.83 | - | 2,010.21 | - |
| (d) Short-Term Provisions | 552.05 | 582.96 | 80.34 | 552.05 | 80.34 |
| **Total Equity and Liabilities** | **78,034.43** | **68,832.49** | **3,672.57** | **78,034.43** | **3,672.57** |

AVCHALBHAI HEMTABHAI CHAUDHARY

Vaidehi Bang

Place: Ahmedabad
Date : 11/11/2024

**AVCHALBHAI HEMTABHAI CHOUDHARY**
Director
10049028

**VAIDEHI BANG**
Company Secretary
CDLPB4593H

Rakesh Dutta

**RAKESH RAJKUMAR DUTTA**
CFO
ACCPD6588J

RAKESH KUMAR SHARMA

**RAKESH KUMAR SHARMA**
Managing Director
10703752

**GUJARAT TOOLROOM LIMITED**
CIN - L45208GJ1983PLC006056

404 - 4th FLOOR, SAMARTH CO.OP.H.SOC. NR. SILICON TOWER, NR. LAW GARDEN
ELLISHBRIDGE, AHMEDABAD 380006

**Consolidated Financial Results for the quarter and year ended on September 30,2024**

**(Amount in Rs Lakhs)**

| Particulars | Quarter Ended | | | Year Till date | | Year Ended |
|---|---|---|---|---|---|---|
| | 30.09.2024 | 30.06.2024 | 30.09.2023 | 30.09.2024 | 30.09.2023 | 31.03.2024 |
| | Unaudited | Unaudited | Unaudited | Unaudited | Unaudited | Audited |
| **I** Revenue From Operations | 27,050.76 | 26,434.76 | 15,668.16 | 53,538.50 | 15,777.84 | 55,543.36 |
| **II** Other Income | 54.46 | 0.47 | 0.00 | 0.20 | 0.00 | 249.00 |
| **III** **Total Income (I+II)** | **27,105.22** | **26,435.22** | **15,668.17** | **53,538.69** | **15,777.84** | **55,792.36** |
| **IV** EXPENSES: | | | | | | |
| Cost of Materials Consumed | 16,747.69 | 17,756.42 | - | 34,551.52 | - | 28,944.27 |
| Purchase of Stock-in-Trade | 6,029.69 | 1,205.52 | 15,273.00 | 7,233.74 | 15,354.59 | 24,851.79 |
| Change in inventory of finished goods, work-in-progress and Stock-in-Trade | 1,117.98 | 4,891.29 | 41.46 | 6,009.27 | (40.13) | (6,010.38) |
| Employee Benefits Expenses | 9.16 | 8.60 | 1.84 | 17.76 | 2.14 | 28.26 |
| Finance costs | 0.08 | 4.13 | - | 4.20 | - | - |
| Depreciation and amortization expenses | 9.51 | 10.30 | - | 19.81 | - | 3.23 |
| Other Expenses | 298.78 | 192.26 | 31.49 | 482.12 | 37.47 | 176.71 |
| **Total expenses (IV)** | **24,212.89** | **24,068.52** | **15,347.79** | **48,318.43** | **15,354.07** | **47,993.89** |
| **V** Profit/(Loss) before exceptional items and tax | 2,892.32 | 2,366.71 | 320.38 | 5,220.27 | 423.77 | 7,798.47 |
| **VI** Exceptional Items | - | - | - | - | - | - |
| **VII** Profit before extraordinary items and tax | 2,892.32 | 2,366.71 | 320.38 | 5,220.27 | 423.77 | 7,798.47 |
| **VIII** Extraordinary Items | - | - | - | | - | - |
| **IX** **Profit/(Loss) before tax** | **2,892.32** | **2,366.71** | **320.38** | **5,220.27** | **423.77** | **7,798.47** |
| **X** **Tax expense: -** | | | | | | |
| (1) Current Tax | 214.81 | 94.97 | 80.09 | 309.78 | 105.94 | 484.40 |
| (2) MAT Credit Entitlement | - | - | - | - | - | - |
| (3) Deferred Tax | (1.25) | (1.48) | - | (2.73) | - | 1.92 |
| **XI** Profit/(Loss) for the period from continuing operation | **2,678.76** | **2,273.22** | **240.28** | **4,913.22** | **317.83** | **7,312.14** |
| **XII** Profit/(Loss) for discontinued operation | - | - | - | - | - | - |
| **XIII** Tax expenses of discontinued operations | - | - | - | - | - | - |
| **XIV** Profit/(Loss) form Discontinued operation (after tax) | - | - | - | - | - | - |
| **XV** Profit/(Loss) for the period | **2,678.76** | **2,273.22** | **240.28** | **4,913.22** | **317.83** | **7,312.14** |
| **XVI** Earnings per equity share: | | | | | | |
| (1) Basic | 4.82 | 4.09 | 0.43 | 8.84 | 0.57 | 13.16 |
| (2) Diluted | 4.82 | 4.09 | 0.43 | 8.84 | 0.57 | 13.16 |

Place: Ahmedabad
Date : 11/11/2024

**AVCHALBHAI HEMTABHAI CHOUDHARY**
Director
10049028

**VAIDEHI BANG**
Company Secretary
CDLPB4593H

**RAKESH RAJKUMAR DUTTA**
CFO
ACCPD6588J

**RAKESH KUMAR SHARMA**
Managing Director
10703752

Note:

| Conversion Rate used for GTL GEMS DMCC | | | | | | |
|---|---|---|---|---|---|---|
| Opening Rate | 83.4413 | 83.4322 | - | 83.4322 | - | 83.0351 |
| Closing Rate | 83.8263 | 83.3724 | - | 83.8263 | - | 83.3828 |
| Avg. Rate | 83.6338 | 83.4023 | - | 83.6293 | - | 83.2090 |

**GUJARAT TOOLROOM LIMITED**
CIN - L45208GJ1983PLC006056
404 - 4th FLOOR, SAMARTH CO.OP.H.SOC. NR. SILICON TOWER, NR. LAW GARDEN
ELLISHBRIDGE, AHMEDABAD 380006

**Consolidated Cash Flow Statement as on 30/09/2024**

| Particulars | Amount in Lakhs 30.09.2024 | | Amount in Lakhs 30.09.2023 | |
|---|---|---|---|---|
| | Rs | Rs | Rs | Rs |
| **A CASH FLOW FROM OPERATING ACTIVITIES** | | | | |
| **Net Profit Before Tax** | | 5,220.27 | | 423.77 |
| Add Back: - | | | | |
| Depreciation | 19.81 | | - | |
| Deferred Revenue Expenditure | - | | - | |
| Loss on sale of Assets | - | | - | |
| Interest expense | 4.20 | | - | |
| Others if any | - | 24.01 | - | - |
| Deduct: - | | | | |
| Interest Income | - | | - | |
| Profit on sale of Assets | - | | - | |
| Others if any | 0.20 | 0.20 | 0.00 | 0.00 |
| **Operating profit before working capital changes** | | 5,244.08 | | 423.77 |
| **Adjustments for:** | | | | |
| Decrease/(Increase) in Receivables | (20,145.72) | | 226.07 | |
| Decrease/(Increase) in Inventories | 12,065.53 | | (40.13) | |
| Increase/(Decrease) in Payables | 17,517.58 | 9,437.39 | 2,613.24 | 2,799.17 |
| **Cash generated from operations** | | 14,681.47 | | 3,222.94 |
| Income Tax paid | | 303.15 | | 30.90 |
| **Cash flow before extraordinary item** | | 14,378.32 | | 3,192.04 |
| Proceeds from extraordinary item | | 0.20 | | 0.00 |
| **Net Cash flow from Operating activities** | | **14,378.52** | | **3,192.05** |
| **B CASH FLOW FROM INVESTING ACTIVITIES** | | | | |
| Purchase of Fixed Assets | (12.50) | | (3.71) | |
| Sale of Fixed Assets | - | | - | |
| Increase in Long & Short Term Advances & Investment | - | | - | |
| Increase in other Current & NON Current Assets | (21,401.88) | | (1,960.47) | |
| Interest Income | - | | - | |
| **Net Cash used in Investing activities** | | **(21,414.37)** | | **(1,964.18)** |
| **C CASH FLOW FROM FINANCING ACTIVITIES** | | | | |
| Proceeds from Issuance of share capital | 4,888.72 | | - | |
| Proceeds from Long term Borrowings | - | | - | |
| Proceeds from Short term Borrowings | 2,081.41 | | (94.31) | |
| Dividend Payable | (555.54) | | - | |
| Interest paid | (4.20) | | - | |
| **Net Cash used in financing activities** | | **6,410.39** | | **(94.31)** |
| **Effect of exchange rates on cash and cash equivalents** | | (41.74) | | - |
| **Net increase in cash & Cash Equivalents** | | **(667.20)** | | **1,133.56** |
| Cash and Cash equivalents as at | 31.03.2024 | 829.91 | 31.03.2023 | 6.80 |
| Cash and Cash equivalents as at | 30.09.2024 | 246.18 | 30.09.2023 | 1,140.36 |

**Place: Ahmedabad**
**Date : 11/11/2024**

**AVCHALBHAI HEMTABHAI CHOUDHARY**
Director
10049028

**VAIDEHI BANG**
Company Secretary
CDLPB4593H

**RAKESH RAJKUMAR DUTTA**
CFO
ACCPD6588J

**RAKESH KUMAR SHARMA**
Managing Director
10703752

# AUDITED CONSOLIDATED FINANCIAL STATEMENTS FOR FISCAL 2024

K M Chauhan & Associates
Chartered Accountants
Mo. 94080 05110
bhavdip.poriya@gmail.com

**INDEPENDENT AUDITOR'S REPORT**

To the Members of
**GUJARAT TOOLROOM LIMITED**

**I. Report on the Audit of the Financial Statements**

**Opinion**

We have audited the financial statements of **GUJARAT TOOLROOM LIMITED** Company ("the Company"), which comprise the balance sheet as at 31st March, 2024, the statement of profit and loss for the year end and the statement of cash flows for the year ended on that date, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 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 March 31, 2024 and its profit and its cash flows for the year ended on that date.

**Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. 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 the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules 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 on financial statements.

**Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have nothing to communicate in this regard.

**Information Other than the Financial Statements and Auditor's Report Thereon**
The Company's Board of Directors are responsible for the preparation of the other information. The other information comprises the information included in the Board's Report, but does not include the

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Financial Statements and our auditor's report thereon. Our opinion on the 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 financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

**Responsibilities of Management and Those Charged with Governance for the Standalone 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 financial statements that give a true and fair view of the financial position, financial performance, and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. 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 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 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, the Board of Directors are 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

**Auditor's Responsibilities for the Audit of the Financial Statements**

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

   - Identify and assess the risks of material misstatement of the 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,

K. M. Chauhan & Associates * Chartered Accountants * Rajkot FRN: 125924W

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bhavdip.poriya@gmail.com

as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

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

- 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 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.

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

2. 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.

3. 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.

4. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

**II. Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), as amended, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the

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Mo. 94080 05110
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**"Annexure A"** a statement on the matters specified in paragraphs 3 and 4 of the Order, to 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 purpose of our audit;

   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 Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;

   d. In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

   e. On the basis of written representations received from the directors as on March 31, 2024 taken on record by the Board of Directors, none of the directors are disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164 (2) of the Act.

   f. 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"**

   g. With respect to the 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, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act

   h. 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 few Income Tax Dues relating to the AY 2006 ,2015, 2018;

      ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

      iii. There were no amounts which were 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;

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v. During the FY 2023-24, the company had declared and paid Interim Dividend as per the provisions of the Companies Act,2013.

vi. Based on our examination which included test checks, the company has used an accounting software for maintaining its books of account which has no a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software.

**For, K M Chauhan & Associates**
**Chartered Accountants**
**FRN No. 125924W**

K. M. Chauhan & Associates Rajkot FRN: 125924W

**Place: Rajkot**
**Date: 10/06/2024**

**CA Kishorsinh Chauhan**
**Partner**
**M. No. 118326**
**UDIN: 24118326BKHJUR1240**

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**"Annexure A" to the Independent Auditors' Report**

Referred to in paragraph 1 under 'Report on Other Legal & Regulatory Requirement' section of our report to the members of **GUJARAT TOOLROOM LIMITED** of even date:

In terms of the information and explanations sought by us and given by the company and the books and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

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

(B) The Company has maintained proper records showing full particulars of Intangible Assets;

(b) The Company has a program of verification to cover all the items of Property, Plant and Equipment in a phased manner over a period of three years, which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain items of Property, Plant and Equipment's were physically verified by the management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us, the records examined by us and based on the examination of the conveyance deeds provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date.

(d) As explained to us, the Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year, hence reporting under this clause is not required.

(e) According to the information and explanations given to us, No proceedings has been initiated or are pending against the company under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder, hence reporting under this clause is not required.

ii. (a) As explained to us, the inventory has been physically verified at reasonable intervals during the year by the management. In our opinion, the frequency of verification is reasonable. The discrepancies noticed on verification between the physical stocks and the book records were not exceeding 10% in aggregate for each class of Inventory. The discrepancies have been properly dealt with in the books of accounts.

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(b) As explained to us, the Company has not been sanctioned with the working capital limits in excess of five crore rupees, in aggregate from banks or financial institution on the basis of security of Immovable assets, hence reporting under this clause is not required.

iii. (a) In our opinion and according to information and explanation given to us, The Company has not given Corporate Guarantee to a financial institution for the loans taken by the directors.

iv. In our opinion and according to information and explanation given to us, provisions of section 185 and 186 are fully complied by the company.

v. In our opinion and according to the information and explanations given to us, the company has not accepted any deposits and accordingly paragraph 3 (v) of the order is not applicable.

vi. In our opinion and according to the information and explanations given to us, maintenance of cost records has been specified by the Central Government under sub-section (1) of section 148 of Companies Act is not applicable, hence reporting under this clause is not required.

vii. (a) According to information and explanations given to us and on the basis of our examination of the books of account, and records, the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income-Tax, Sales tax, Service Tax, Duty of Customs, Duty of Excise, Value added Tax, GST, Cess and any other statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at reporting date for a period of more than six months from the date on when they become payable.

(b) According to the information and explanation given to us and the records of the company examined by us, there are no dues of sales tax, service tax, GST, duty of customs, duty of excise, value added tax outstanding on account of any dispute. There are few Income tax proceedings in AY 2018, 2015, 2006.

viii. According to the information and explanation given to us and the records of the company examined by us, there are no transactions which are not recorded in the books of accounts and disclosed or surrendered as income during the year in the tax assessment under the Income Tax Act, 1961. Accordingly, paragraph 3 (viii) of the order is not applicable.

ix. (a) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or other borrowings or in the payment of interest thereon to any lender. Accordingly, reporting under this clause is not required.

(b) According to the information and explanation given to us, the company has not been declared as a willful defaulter by any bank or financial institution or other lender;

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(c) According to the information and explanation given to us, the company has utilized the amount of term loans for the purpose for which they were obtained;

(d) According to the information and explanation given to us, the company has not utilized the short term funds for long term purpose.

(e) According to the information and explanation given to us, the company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.

(f) According to the information and explanation given to us, the company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.

x. (a) During the year, the Company has not raised any funds through Initial Public offer or Further Public Offer (Including debt instruments). Accordingly, reporting under clause X(a) of paragraph 3 of the Oder does not arise.

(b) According to the information and explanations given to us and based on our examination of the records of the company, the company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year. Accordingly, reporting under this clause is not required.

xi. (a) Based upon the audit procedures performed and according to the information and explanations given to us, no fraud by the company or any fraud on the company has been noticed or reported during the year.

(b) Based upon the audit procedures performed and according to the information and explanations given to us, as no fraud has been noticed during the year, there is no requirement to file report under section 143 (12) of The Companies Act in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) Based upon the audit procedures performed and according to the information and explanations given to us, No whistle-blower complaints has been received by the company during the year.

xii. In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 3 (xii) of the Order are not applicable to the Company.

xiii. According to the information and explanations given to us and based on our examination of the records of the company, transactions with the related parties are in compliance with section 177 and 188 of the Act. Where applicable, the details of such transactions have been disclosed in the

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financial statements as required by the applicable accounting standards.

xiv. (a) In our opinion the company has an adequate internal audit system commensurate with the size and the nature of its business.

(b) In our opinion and based on our examination, though the company is required to have an internal audit system under section 138 of the Act, it does not have the same established for the year.

xv. According to the information and explanations given to us and based on our examination of the records of the company, the company has not entered into non-cash transactions with directors or persons connected with them. Accordingly, paragraph 3(xv) of the order is not applicable.

xvi. (a) According to the information and explanations given to us and based on our examination of the records of the company, the company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

(b) According to the information and explanations given to us and based on our examination of the records of the company, the company has not conducted any Non-Banking Financial or Housing Finance activities without a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the reserve Bank of India Act, 1934.

(c) In our opinion, the Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India.

(d) In our opinion, the Company is not a Core Investment Company (CIC) hence reporting under this clause is not required.

xvii. According to the information and explanations given to us and based on our examination of the records of the company, the Company has not incurred cash losses in the financial year and in the immediately preceding financial year.

xviii. There has been resignation of the statutory auditors during the year and we have taken into consideration the issues, objections or concerns raised by the outgoing auditors.

xix. No material uncertainty exists as on the date of the audit report that company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of 1 year from the balance sheet date.

xx. In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of section 135 of the Companies Act, 2013 pursuant to any project. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

K. M. Chauhan & Associates * Rajkot FRN: 125924W * Chartered Accountants

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xxi. Based on the information provided to us and our examination of the company's records, it has come to our attention that the Company is required to prepare Consolidated Financial Statements. However, as of the date of this report, we have not yet received the Audit report of the wholly owned subsidiary. Consequently, in the absence of the audited Financial Statements for the subsidiary, we are unable to express our opinion on its financial statements for the purpose of consolidation.

**For, K M Chauhan & Associates**
**Chartered Accountants**
**FRN: 125924W**

**Place: Rajkot**
**Date: 10-06-2024**

K. M. Chauhan & Associates Rajkot FRN: 125924W Chartered

**CA Kishorsinh Chauhan**
**Partner**
**M. No. 118326**
**UDIN: 24118326BKHJUR1240**

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## "Annexure B" to the Independent Auditor's Report

(Referred to in paragraph 2 (f) under 'Report on other legal and regulatory requirements' section of our report to the Members of **GUJARAT TOOLROOM LIMITED** of even date)

**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of **GUJARAT TOOLROOM LIMITED** ("the Company") as of March 31, 2024 in conjunction with our audit of the 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. 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 Companies Act, 2013.

**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") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. 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 controls 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 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

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for our audit opinion on the Company's internal financial controls system over financial reporting.

**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 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 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 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 March 31, 2024, 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, K M Chauhan & Associates**
**Chartered Accountants**
**FRN: 125924W**

K.M. Chauhan & Associates * Chartered Accountants * Rajkot FRN: 125924W

**Place: Rajkot**
**Date: 10-06-2024**

**CA Kishorsinh Chauhan**
**Partner**
**M. No. 118326**
**UDIN: 24118326BKHJUR1240**

**GUJARAT TOOLROOMS LIMITED**
CIN - L45208GJ1983PLC006056

404 - 4th FLOOR, SAMARTH CO.OP.H.SOC. NR. SILICON TOWER, NR. LAW GARDEN
ELLISHBRIDGE, AHMEDABAD 380006

**Balance Sheet as at 31/03/2024**

(Amount in ₹ Hundred)

| Particulars | Note No. | Figures as at the end of current reporting period | Figures as at the end of previous reporting period |
|---|---|---|---|
| **II. ASSETS** | | | |
| **Non-Current Assets** | | | |
| (1) (a) Property, Plant and Equipment and Intangible Assets | 10 | | |
| (i) Property, Plant and Equipment | | 118,743.59 | - |
| (ii) Intangible Assets | | - | - |
| (iii) Capital Work-in-Progress | | - | - |
| (iv) Intangible Assets Under Development | | - | - |
| (b) Non-Current Investments | 11 | 67,254.06 | - |
| (c) Deferred Tax Assets (Net) | | - | - |
| (d) Long-term Loans and Advances | 12 | - | - |
| (e) Other Non-Current Assets | 13 | - | - |
| 2 **Current Assets** | | | |
| (a) Current Investments | 14 | - | - |
| (b) Inventories | 15 | 6,179,025.20 | 168,650.00 |
| (c) Trade Receivables | 16 | 267,373.39 | 226,300.00 |
| (d) Cash and Cash Equivalents | 17 | 785,404.38 | 6,800.00 |
| (e) Short-Term Loans and Advances | 18 | 2,463,280.74 | 359,530.00 |
| (f) Other Current Assets | 19 | 135,754.78 | 266.00 |
| **Total Assets** | | **10,016,836.13** | **761,546.00** |
| **I. EQUITY AND LIABILITIES** | | | |
| **(1) Shareholder's Funds** | | | |
| (a) Share Capital | 1 | 555,536.00 | 555,536.00 |
| (b) Reserves and Surplus | 2 | 1,341,434.63 | 79,780.00 |
| (c) Money received against Share Warrants | | | |
| **(2) Share Application Money Pending Allotment** | | - | - |
| **(3) Non-Current Liabilities** | | | |
| (a) Long-Term Borrowings | 3 | - | - |
| (b) Deferred Tax Liabilities (Net) | | 1,922.13 | - |
| (c) Other Long Term Liabilities | 4 | - | - |
| (d) Long-Term Provisions | 5 | - | - |
| **(4) Current Liabilities** | | | |
| (a) Short-Term Borrowings | 6 | - | 94,490.00 |
| (b) Trade Payables | 7 | | |
| (A) Total outstanding dues of micro enterprises and small enterprises | | - | - |
| (B) Total outstanding dues Other Than micro enterprises and small enterprises | | 7,577,339.10 | - |
| (c) Other Current Liabilities | 8 | 52,254.06 | - |
| (d) Short-Term Provisions | 9 | 488,350.21 | 31,740.00 |
| **Total Equity and Liabilities** | | **10,016,836.13** | **761,546.00** |
| **Contingent Liabilities and Commitments** | 20 | - | - |

**In terms of our report of even date.**

**See accompanying notes to the financial statements.**

Place: Rajkot
Date : 10/06/2024

KALPESH ANILBHAI MALVI
Managing Director
DIN : 06880789

NARENDRA SHARMA
Director
DIN : 10295571

**For K.M.Chauhan & Associates**
Chartered Accountants
FRN -125924W

K.M. Chauhan & Associates Rajkot FRN: 125924W Chartered Accountants

CA Kishorsinh Chauhan
Partner
M. No-118326
UDIN : 24118326BKHJUR1240

**GUJARAT TOOLROOMS LIMITED**
CIN - L45208GJ1983PLC006056

404 - 4th FLOOR, SAMARTH CO.OP.H.SOC. NR. SILICON TOWER, NR. LAW GARDEN
ELLISHBRIDGE, AHMEDABAD 380006

**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2024**

**(Amount in ₹ Hundred)**

| | Particulars | Note No. | Figures for the current reporting period | Figure for the previous reporting period |
|---|---|---|---|---|
| I | Revenue From Operations | A | 20,590,294.31 | 240,860.00 |
| II | Other Income | B | 152,275.20 | 1,140.00 |
| III | **Total Income (I+II)** | | **20,742,569.51** | **242,000.00** |
| IV | EXPENSES: | | | |
| | Cost of Materials Consumed | C | 24,858,111.71 | 220,530.00 |
| | Purchase of Stock-in-Trade | | - | - |
| | Change in inventory of finished goods, work-in-progress and Stock-in-Trade | D | (6,010,375.20) | (168,650.00) |
| | Employee Benefits Expenses | E | 28,257.67 | 2,120.00 |
| | Finance costs | F | - | - |
| | Depreciation and amortization expenses | | 3,232.44 | - |
| | Other Expenses | G | 115,364.66 | 19,250.00 |
| | **Total expenses (IV)** | | **18,994,591.27** | **73,250.00** |
| V | Profit/(Loss) before exceptional items and tax | (III-IV) | 1,747,978.24 | 168,750.00 |
| VI | Exceptional Items | | - | - |
| VII | Profit before extraordinary items and tax | (V - VI) | 1,747,978.24 | 168,750.00 |
| VIII | Extraordinary items | | - | - |
| **IX** | **Profit/(Loss) before tax** | **(VII-VIII)** | **1,747,978.24** | **168,750.00** |
| **X** | **Tax expense: -** | | | |
| | (1) Current Tax | | 484,403.69 | 30,000.00 |
| | (2) MAT Credit Entitlement | | - | - |
| | (3) Deferred Tax | DTA/DTA | 1,922.13 | - |
| XI | Profit/(Loss) for the period from continuing operation | (IX-X) | 1,261,652.41 | 138,750.00 |
| XII | Profit/(Loss) for discontinued operation | | - | - |
| XIII | Tax expenses of discontinued operations | | - | - |
| XIV | Profit/(Loss) form Discontinued operation (after tax) | (XII-XIII) | - | - |
| XV | Profit/(Loss) for the period | (XI+XIV) | 1,261,652.41 | 138,750.00 |
| XVI | Earnings per equity share: | | | |
| | (1) Basic | In ₹ | 2.27 | 0.25 |
| | (2) Diluted | In ₹ | 2.27 | 0.25 |

**In terms of our report of even date.**

**See accompanying notes to the financial statements.**

Place: Rajkot
Date : 10/06/2024

**For K M Chauhan & Associates**
Chartered Accountants
FRN -125924W

K.M. Chauhan & Associates Rajkot FRN: 125924W Chartered Accountants

CA Kishorsinh Chauhan
Partner
M. No-118326
UDIN : 24118326BKHJUR1240

KALPESH ANILBHAI MALVI
Managing Director
DIN : 06880789

NARENDRA SHARMA
Director
DIN : 10295571

**GUJARAT TOOLROOMS LIMITED**
CIN - L45208GJ1983PLC006056
404 - 4th FLOOR, SAMARTH CO.OP.H.SOC. NR. SILICON TOWER, NR. LAW GARDEN
ELLISHBRIDGE, AHMEDABAD 380006

**Cash Flow Statement as on 31/03/2024**

| Particulars | Amount in Hundred ₹ | ₹ |
|---|---|---|
| **A CASH FLOW FROM OPERATING ACTIVITIES** | | |
| **Net Profit Before Tax** | | 1,747,978.24 |
| Add Back: - | | |
| Depreciation | 3,232.44 | |
| Deferred Revenue Expenditure | - | |
| Loss on sale of Assets | - | |
| Interest expense | - | |
| Others if any | - | 3,232.44 |
| Deduct: - | | |
| Interest income | 8,115.87 | |
| Profit on sale of Assets | - | |
| Others if any | - | 8,115.87 |
| **Operating profit before working capital changes** | | 1,743,094.80 |
| **Adjustments for:** | | |
| Decrease/(Increase) in Receivables | (41,073.39) | |
| Decrease/(Increase) in Inventories | (6,010,375.20) | |
| Increase/(Decrease) in Payables | 7,629,593.16 | 1,578,144.57 |
| **Cash generated from operations** | | 3,321,239.38 |
| Income Tax paid | | 27,791.27 |
| **Cash flow before extraordinary item** | | 3,293,448.11 |
| Proceeds from earthquake disaster settlement | | - |
| **Net Cash flow from Operating activities** | | **3,293,448.11** |
| **B CASH FLOW FROM INVESTING ACTIVITIES** | | |
| Purchase of Fixed Assets | (121,976.02) | |
| Sale of Fixed Assets | - | |
| Increase in Long & Short Term Advances & INvestment | (2,171,004.80) | |
| Increase in other Current & NON Current Assets | (135,488.78) | |
| Interest Income | 8,115.87 | |
| **Net Cash used in Investing activities** | | **(2,420,353.72)** |
| **C CASH FLOW FROM FINANCING ACTIVITIES** | | |
| Proceeds from issuance of share capital | - | |
| Proceeds from Long term Borrowings | - | |
| Proceeds from Short term Borrowings | (94,490.00) | |
| Subsidy | - | |
| Interest paid | - | |
| **Net Cash used in financing activities** | | **(94,490.00)** |
| **Net increase in cash & Cash Equivalents** | | **778,604.38** |
| Cash and Cash equivalents as at | 31/03/2023 | 6,800.00 |
| Cash and Cash equivalents as at | 31/03/2024 | 785,404.38 |

| Cash & Cash Equivalents | As on 31/03/2024 | As on 31/03/2023 |
|---|---|---|
| Cash in Hand | 17,041.95 | 5,210.00 |
| Cash at Bank | 768,362.43 | 1,590.00 |
| **Cash & Cash equivalents as stated** | **785,404.38** | **6,800.00** |

Place: Rajkot
Date : 10/06/2024

**For K M Chauhan & Associates**
Chartered Accountants
FRN -125924W

K. M. Chauhan & Associates Rajkot FRN: 125924W Chartered Accountants

CA Kishorsinh Chauhan
Partner
M. No-118326
UDIN : 24118326BKHJUR1240

KALPESH ANILBHAI MALVI
Managing Director
DIN : 06880789

NARENDRA SHARMA
Director
DIN : 10295571

| GUJARAT TOOLROOM LIMITED |
|---|
| (CIN : L45208GJ1983PLC006056) |
| Notes forming part of the Financial Statements |

## 1 SIGNIFICANT ACCOUNTING POLICIES

**a Basis of Preparation**

These financial statements have been prepared in accordance with the Generally Accepted Accounting Principles in India ('Indian GAAP') to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013, as applicable. The financial statements have been prepared under the historical cost convention on accrual basis, except for certain financial instruments which are measured at fair value.

**b Use of estimates**

The preparation of financial statements requires the management of the Company to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosures relating to the contingent liabilities as at the date of the financial statements and reported amounts of income and expense during the year. Examples of such estimates include provisions for doubtful receivables, provision for income taxes, the useful lives of depreciable Property, Plant and Equipment and provision for impairment. Future results could differ due to changes in these estimates and the difference between the actual result and the estimates are recognised in the period in which the results are known / materialise.

**c Property, Plant and Equipment**

Property, Plant and Equipment are stated at cost, less accumulated depreciation / amortisation. Costs include all expenses incurred to bring the asset to its present location and condition.

**d Depreciation / amortisation**

In respect of Property, Plant and Equipment (other than freehold land and capital work-in-progress) acquired during the year, depreciation/amortisation is charged on a Written Down Value Method.

| Type of Assets | Period |
|---|---|
| Buildings | 30 Years |
| Plant and Equipment | 15 Years |
| Medical Equipment & Plant | 13 Years |
| Furniture and Fixtures | 10 Years |
| Electrical equipment | 5 Years |
| Computers | 3 Years |
| Software | 3 Years |

**e Leases**

Assets taken on lease by the Company in its capacity as lessee, where the Company has substantially all the risks and rewards of ownership are classified as finance lease. Such a lease is capitalised at the inception of the lease at lower of the fair value or the present value of the minimum lease payments and a liability is recognised for an equivalent amount. Each lease rental paid is allocated between the liability and the interest cost so as to obtain a constant periodic rate of interest on the outstanding liability for each year.

Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest with the lessor, are recognised as operating leases. Lease rentals under operating leases are recognised in the statement of profit and loss on a straight-line basis.

K. M. Chauhan & Associates * Rajkot FRN: 125924W * Chartered Accountants

**f Impairment**

At each balance sheet date, the management reviews the carrying amounts of its assets included in each cash generating unit to determine whether there is any indication that those assets were impaired. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of impairment. Recoverable amount is the higher of an asset's net selling price and value in use. In assessing value in use, the estimated future cash flows expected from the continuing use of the asset and from its disposal are discounted to their present value using a pre-tax discount rate that reflects the current market assessments of time value of money and the risks specific to the asset. Reversal of impairment loss is recognised as income in the statement of profit and loss.

**g Investments**

Long-term investments and current maturities of long-term investments are stated at cost, less provision for other than temporary diminution in value. Current investments, except for current maturities of long-term investments, comprising investments in mutual funds, government securities and bonds are stated at the lower of cost and fair value.

**h Revenue recognition**

Revenue from the sale of agricultural goods are recognised upon delivery, which is when title passes to the customer. Revenue is reported net of discounts.

Dividend is recorded when the right to receive payment is established. Interest income is recognised on time proportion basis taking into account the amount outstanding and the rate applicable.

**i Taxation**

Current income tax expense comprises taxes on income from operations in India and in foreign jurisdictions. Income taxpayable in India is determined in accordance with the provisions of the Income Tax Act, 1961. Tax expense relating to foreign operations is determined in accordance with tax laws applicable in countries where such operations are domiciled.

Minimum Alternative Tax (MAT) paid in accordance with the tax laws in India, which gives rise to future economic benefits in the form of adjustment of future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax after the tax holiday period. Accordingly, MAT is recognised as an asset in the balance sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with it will fructify.

Deferred tax expense or benefit is recognised on timing differences being the difference between taxable income and accounting income that originate in one period and is likely to reverse in one or more subsequent periods. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date.

Advance taxes and provisions for current income taxes are presented in the balance sheet after off-setting advance tax paid and income tax provision arising in the same tax jurisdiction for relevant tax paying units and where the Company is able to and intends to settle the asset and liability on a net basis.

The Company offsets deferred tax assets and deferred tax liabilities if it has a legally enforceable right and these relate to taxes on income levied by the same governing taxation laws.

**j Foreign currency transactions**

Income and expense in foreign currencies are converted at exchange rates prevailing on the date of the transaction. Foreign currency monetary assets and liabilities other than net investments in non-integral foreign operations are translated at the exchange rate prevailing on the balance sheet date and exchange gains and losses are recognised in the statement of profit and loss. Exchange difference arising on a monetary item that, in substance, forms part of an enterprise's net investments in a non-integral foreign operation are accumulated in a foreign currency translation reserve.

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**k Inventories**

Raw materials are carried at the lower of cost and net realisable value. Cost is determined on a weighted average basis. Purchased goods-in-transit are carried at cost. Work-in-progress is carried at the lower of cost and net realisable value. Stores and spare parts are carried at lower of cost and net realisable value. Finished goods produced or purchased by the Company are carried at lower of cost and net realisable value. Cost includes direct material and labour cost and a proportion of manufacturing overheads.

**l Provisions, Contingent liabilities and Contingent assets**

A provision is recognised when the Company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which reliable estimate can be made. Provisions (excluding retirement benefits and compensated absences) are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent liabilities are not recognised in the financial statements. A contingent asset is neither recognised nor disclosed in the financial statements.

**m Cash and cash equivalents**

The Company considers all highly liquid financial instruments, which are readily convertible into known amount of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents.

K. M. Chauhan & Associates * Rajkot FRN: 125924W * Chartered Accountants

**GUJARAT TOOLROOMS LIMITED**
CIN - L45208GJ1983PLC006056

404 - 4th FLOOR, SAMARTH CO.OP.H.SOC. NR. SILICON TOWER, NR. LAW GARDEN
ELLISHBRIDGE, AHMEDABAD 380006

"NOTE" FORMING PART OF THE BALANCE SHEET & STATEMENT OF PROFIT AND LOSS as on 31st March 2024

(Amount in ₹ Hundred)

| Particulars | Figures as at the end of current reporting period | Figures as at the end of previous reporting period |
|---|---|---|
| **Equity**<br>**Note. - 1** | | |
| **AUTHORISED SHARE CAPITAL**<br>(560000000 Equity Shares of Rs. 1 Each) | **5,600,000.00** | **5,600,000.00** |
| **ISSUED, SUBSCRIBED & FULLY PAID UP CAPITAL**<br>(55553600 Equity Shares of Rs. 1 Each) | 555,536.00 | 555,536.00 |
| | **555,536.00** | **555,536.00** |
| **Reconciliation Of Number of Shares: -** | | |
| Number Of Equity Shares as at the beginning of the Financial year | 55,553,600.00 | 6,953,600.00 |
| Add :- Number of Shares Issued during the period | - | 48,600,000.00 |
| Number Of Equity Shares as at the end of the financial Years | **55,553,600.00** | **55,553,600.00** |

**Terms / Rights attached to Equity Shares**

| |
|---|
| The company has only one class of equity share having par value of Rs.1 per share. Each holder of the equity share is entitled to one vote per share. Whenever the company declares dividend it will be paid in Indian Rupees.All the shares are held by the Public. |
| In the event of liquidation of the Company, the holders of Equity Shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. However, no such preferential amounts exist curently. The distribution will be in proportion to the number of Equity Shares held by the Shareholders. |

K. M. Chauhan & Associates * Chartered Accountants * Rajkot FRN: 123924W

**GUJARAT TOOLROOMS LIMITED**
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ELLISHBRIDGE, AHMEDABAD 380006

"NOTE" FORMING PART OF THE BALANCE SHEET & STATEMENT OF PROFIT AND LOSS as on 31st March 2024

(Amount in ₹ Hundred)

| Particulars | | Figures as at the end of current reporting period | Figures as at the end of previous reporting period |
|---|---|---|---|
| **Reserve & Surplus** | | | |
| **Note. - 2** | | | |
| **(a) Capital Reserves** | | | |
| Opening balance | | - | - |
| Add : Addition during the year | | - | - |
| Less : Deduction during the year | | - | - |
| Closing balance | A | - | - |
| **(b) Capital Redemption Reserve** | | | |
| Opening balance | | - | - |
| Add : Addition during the year | | - | - |
| Less : Deduction during the year | | - | - |
| Closing balance | B | - | - |
| **(c) Securities Premium** | | | |
| Opening balance | | - | - |
| Add : Addition during the year | | - | - |
| Less : Deduction during the year | | - | - |
| Closing balance | C | - | - |
| **(d) Debenture Redemption Reserve** | | | |
| Opening balance | | - | - |
| Add : Addition during the year | | - | - |
| Less : Deduction during the year | | - | - |
| Closing balance | D | - | - |
| **(e) Revaluation Reserve** | | | |
| Opening balance | | - | - |
| Add : Addition during the year | | - | - |
| Less : Deduction during the year | | - | - |
| Closing balance | E | - | - |
| **(f) Share Options Outstanding Account** | | | |
| Opening balance | | - | - |
| Add : Addition during the year | | - | - |
| Less : Deduction during the year | | - | - |
| Closing balance | F | - | - |
| **(g) Other :- Capital Subsidy** | | | |
| Opening balance | | - | - |
| Add : Addition during the year | | - | - |
| Less : Deduction during the year | | - | - |
| Closing balance | G | - | - |
| **(h) General Reserves** | | | |
| Opening balance | | - | 470.00 |
| Add : Addition during the year | | - | - |
| Less : Deduction during the year | | - | - |
| Closing balance | H | - | 470.00 |
| **(h) Surplus (Statement of Profit & Loss )** | | | |
| Opening balance | | 79,780.00 | (59,440.00) |
| Add : Addition during the year | | 1,261,652.41 | 138,750.00 |
| | | 1,341,434.63 | 79,310.00 |
| Less : Deduction during the year | | | |
| : Dividend | | - | - |
| : Bonus Shares | | - | - |
| : Transfer | | - | - |
| | | - | - |
| Closing balance | H | 1,341,434.63 | 79,310.00 |
| **TOTAL ( A+B+C+D+E+F+G+H )** | | 1,341,434.63 | 79,780.00 |

K.M. Chauhan & Associates
Rajkot
FRN: 125924W
Chartered Accountants

**GUJARAT TOOLROOMS LIMITED**
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ELLISHBRIDGE, AHMEDABAD 380006

"NOTE" FORMING PART OF THE BALANCE SHEET & STATEMENT OF PROFIT AND LOSS as on 31st March 2024

(Amount in ₹ Hundred)

| Particulars | Figures as at the end of current reporting period | Figures as at the end of previous reporting period |
|---|---|---|
| **Long-Term Borrowing** Note. - 3 | | |
| **Secured Borrowings: -** | | |
| **Term loans** | | |
| From Banks | - | - |
| Installments Due Within One Year | - | - |
| | - | - |
| From other Parties | - | - |
| **Loans Repayable on Demand** | | |
| From Banks | - | - |
| Installments Due Within One Year | - | - |
| | - | - |
| From other Parties | - | - |
| Deferred Payment Liabilities | - | - |
| Deposit | - | - |
| Loans and advances from Related Parties | - | - |
| Long term maturitites of finance lease obligation | - | - |
| Other loans advances (specify nature) | - | - |
| **Total (A)** | - | - |
| **Un-Secured Borrowings: -** | | |
| **Term loans** | | |
| From Banks | - | - |
| Installments Due Within One Year | - | - |
| | - | - |
| From other Parties | - | - |
| **Loans Repayable on Demand** | | |
| From Banks | - | - |
| Installments Due Within One Year | - | - |
| | - | - |
| From other Parties | - | - |
| Deferred Payment Liabilities | - | - |
| Deposit | - | - |
| Loans and advances from Related Parties | - | - |
| Long term maturitites of finance lease obligation | - | - |
| Other loans advances (specify nature) | - | - |
| **Total (B)** | - | - |
| **Total (A) + (B)** | - | - |
| **Other Long-Term Liabilities** Note. - 4 | | |
| (a) Trade payables **[Sub Note -1]** | | |
| (A) Total outstanding dues of micro enterprises and small enterprises | - | - |
| (B) Total outstanding dues Other Than micro enterprises and small enterprises | - | - |
| (b) Others (specify nature) | - | - |
| | - | - |

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ELLISHBRIDGE, AHMEDABAD 380006

"NOTE" FORMING PART OF THE BALANCE SHEET & STATEMENT OF PROFIT AND LOSS as on 31st March 2024

**(Amount in ₹ Hundred)**

| Particulars | | Figures as at the end of current reporting period | Figures as at the end of previous reporting period |
|---|---|---|---|
| **Long-Term Provisions** Note. -5 | | | |
| (a) Provisions for employee benefits | | - | - |
| (b) Others (specify nature) | | - | - |
| | | - | - |
| **Short-Term Borrowings** Note. - 6 | | | |
| **Secured Borrowings: -□** | | | |
| **Term loans** | | | |
| From Banks | | - | - |
| From other Parties | | - | - |
| **Loans Repayable on Demand** | | | |
| From Banks | | - | - |
| From other Parties | | - | - |
| Deferred Payment Liabilities | | - | - |
| Loans and advances from Related Parties | | - | - |
| Current maturitites of finance lease obligation | | - | - |
| Current Maturities of Long Term Borrowings | | - | - |
| Other loans advances (specify nature) | | - | - |
| **Total (A)** | | - | - |
| **Un-Secured Borrowings: -□** | | | |
| **Term loans** | | | |
| From Banks | | - | - |
| From other Parties | | - | - |
| **Loans Repayable on Demand** | | | |
| From Banks | | - | - |
| From other Parties | | - | - |
| Deferred Payment Liabilities | | - | - |
| Loans and advances from Related Parties | | - | - |
| Current maturitites of finance lease obligation | | - | - |
| Current Maturities of Long Term Borrowings | | - | - |
| Other loans advances (specify nature) | | - | 94,490.00 |
| **Total (B)** | | - | 94,490.00 |
| **Total (A) + (B)** | | - | 94,490.00 |
| **Trade Payable** Note. - 7 | | | |
| **For trade payables outstanding, ageing schedules is given:** | | | |
| Trade Payables Ageing Schedule | **[Sub Note -1]** | 7,577,339.10 | - |
| | | 7,577,339.10 | - |

K.M. Chauhan & Associates
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**GUJARAT TOOLROOMS LIMITED**
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"NOTE" FORMING PART OF THE BALANCE SHEET & STATEMENT OF PROFIT AND LOSS as on 31st March 2024

(Amount in ₹ Hundred)

| Particulars | Figures as at the end of current reporting period | Figures as at the end of previous reporting period |
|---|---|---|
| **Other Current liabilities: Note. - 8** | | |
| (a) Current maturities of finance lease obligations; | - | - |
| (b) Interest accrued but not due on borrowings | - | - |
| (c) Interest accrued and due on borrowings; | - | - |
| (d) Income received in advance; | - | - |
| (e) Unpaid dividends; | - | - |
| (f) Application money received for allotment of securities and due for | - | - |
| (g) Unpaid matured deposits and interest accrued thereon | - | - |
| (h) Unpaid matured debentures and interest accrued thereon; | - | - |
| (i) Other payables (specify nature).□ | 52,254.06 | - |
| | 52,254.06 | - |
| **Short-Term Provisions Note. - 9** | | |
| Provision for Audit Fee | - | - |
| Provision for Tax Audit Fee | - | - |
| Provision for Expense | - | 1,740.00 |
| Directors Salary | - | - |
| Salary Payable | 2,948.07 | - |
| Other Provision | 998.45 | - |
| Prov for Tax | 484,403.69 | 30,000.00 |
| | 488,350.21 | 31,740.00 |
| **Non-Current Investments Note No. - 11** | | |
| (a) Investment Property; | - | - |
| (b) Investments in Equity Instruments; | 67,254.06 | - |
| (c) Investments in Preference Shares; | - | - |
| (d) Investments in Government or Trust Securities; | - | - |
| (e) Investments in Debentures or Bonds; | - | - |
| (f) Investments in Mutual Funds; | - | - |
| (g) Investments in Partnership Firms; | - | - |
| (h) Other non-current investments (specify nature). | - | - |
| | 67,254.06 | - |
| Aggregate amount of quoted investments and market value | Not Applicable | Not Applicable |
| Aggregate amount of Unquoted Investment | Not Applicable | Not Applicable |
| Aggregate provision for diminution in value of investments. | Not Applicable | Not Applicable |
| **Long-Term Loans and Advances: Note No. - 12** | | |
| (a) Capital Advances; | - | - |
| (b) Loans and advances to related parties (giving details thereof); | | |
| Secured, considered good; | - | - |
| Unsecured, considered good; | - | - |
| Doubtful | - | - |
| (c) Other Loans and Advances (specify nature). | - | - |
| | - | - |

K.M. Chauhan & Associates * Rajkot FRN: 125924W * Chartered Accountants

**GUJARAT TOOLROOMS LIMITED**
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ELLISHBRIDGE, AHMEDABAD 380006

"NOTE" FORMING PART OF THE BALANCE SHEET & STATEMENT OF PROFIT AND LOSS as on 31st March 2024

(Amount in ₹ Hundred)

| Particulars | Figures as at the end of current reporting period | Figures as at the end of previous reporting period |
|---|---|---|
| Note Repayable on demand or without specifying any terms or period of repayment | | |

| S.no. | Type of Borrower | Amount outstanding in the nature of loan | % of Total loan & Advances in the nature of loan |
|---|---|---|---|
| 1 | Promoters | - | |
| 2 | Directors | - | - |
| 3 | KMPs | - | |
| 4 | Related Parties | - | |
| | Total | - | - |
| | | - | - |

**Other Non-Current Assets:**
**Note No. - 13**

| | | | |
|---|---|---|---|
| (i) Long-term Trade Receivables (including trade receivables on deferred credit terms); | [Sub Note -2 ] | | |
| (a) Secured, considered good; | | - | - |
| (b) Unsecured, considered good; | | - | - |
| (c) Doubtful | | - | - |
| (ia) Security Deposit | | - | - |
| (ii) Others (specify nature) | | - | - |
| | | - | - |

**Current Investments**
**Note No. - 14**

| | | |
|---|---|---|
| (a) Investments in Equity Instruments; | - | - |
| (b) Investment in Preference Shares; | - | - |
| (c) Investments in Government or Trust Securities; | - | - |
| (d) Investments in Debentures or Bonds; | - | - |
| (e) Investments in Mutual Funds; | - | - |
| (f) Investments in Partnership Firms; | - | - |
| (g) Other Investments (specify nature). | - | - |
| | - | - |

| | | |
|---|---|---|
| The basis of valuation of individual investments; | Not Applicable | Not Applicable |
| Aggregate amount of quoted investments and market value thereof; | Not Applicable | Not Applicable |
| Aggregate amount of unquoted investments | Not Applicable | Not Applicable |
| Aggregate provision made for diminution in value of investments. | Not Applicable | Not Applicable |

**Inventories**
**Note No. - 15**

| | | |
|---|---|---|
| (a) Raw Materials; | - | - |
| (b) Work-in-Progress; | - | - |
| (c) Finished Goods; | 6,179,025.20 | 168,650.00 |
| (d) Stock-in-Trade (in respect of goods acquired for trading); | - | - |
| (e) Stores and spares; | - | - |
| (f) Loose tools; | - | - |
| (g) Others (specify nature). | - | - |
| | 6,179,025.20 | 168,650.00 |

K.M. Chauhan & Associates * Rajkot FRN: 125924W * Chartered Accountants

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"NOTE" FORMING PART OF THE BALANCE SHEET & STATEMENT OF PROFIT AND LOSS as on 31st March 2024

(Amount in ₹ Hundred)

| Particulars | Figures as at the end of current reporting period | Figures as at the end of previous reporting period |
|---|---|---|
| **Trade Receivables** | | |
| **Note No. - 16** **[Sub Note -2]** | | |
| **For Trade Receivables Outstanding, Ageing Schedules is given:** | | |
| (a) Secured, considered good; | 267,373.39 | 226,300.00 |
| (b) Unsecured, considered good; | - | - |
| (c) Doubtful | - | - |
| | **267,373.39** | **226,300.00** |
| **Cash and Cash Equivalents** | | |
| **Note No. - 17** | | |
| (a) Balances with banks;☐ | 768,362.43 | 1,590.00 |
| (b) Cheques, drafts on hand;☐ | - | - |
| (c) Cash on hand; | 17,041.95 | 5,210.00 |
| (d) Fixed Deposit with Bank | - | - |
| | **785,404.38** | **6,800.00** |
| Fixed deposits with more than twelve months maturity Value is Rs. | Not Applicable | Not Applicable |
| Earmarked balances with banks (for example, for unpaid dividend) shall be | Not Applicable | Not Applicable |
| Balances with banks to the extent held as margin money or security against the | Not Applicable | Not Applicable |
| Repatriation restrictions, if any, in respect of cash and bank balances shall be | Not Applicable | Not Applicable |
| Bank deposits with more than twelve months maturity shall be disclosed | Not Applicable | Not Applicable |
| **Short-Term Loans and Advances:** | | |
| **Note. - 18** | | |
| (a) Loans and advances to related parties (giving details thereof); | | |
| Secured, considered good; | - | - |
| Unsecured, considered good; | 2,463,280.74 | 359,530.00 |
| Doubtful. | - | - |
| (b) Others (specify nature). | - | - |
| | **2,463,280.74** | **359,530.00** |
| **Other Current Assets** | | |
| **Note. - 19** | | |
| Balances with Government Authority | 135,754.78 | 266.00 |
| GST Input | - | - |
| MAT Tax Credit | - | - |
| | **135,754.78** | **266.00** |

K.M. Chauhan & Associates
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**GUJARAT TOOLROOMS LIMITED**
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"NOTE" FORMING PART OF THE BALANCE SHEET & STATEMENT OF PROFIT AND LOSS as on 31st March 2024

(Amount in ₹ Hundred)

| Particulars | Figures as at the end of current reporting period | Figures as at the end of previous reporting period |
|---|---|---|
| **Contingent Liabilities and Commitments Note. - 20** | | |
| **(i) Contingent liabilities :** | | |
| (a) Claims against the compnay not acknowledged as debt | - | - |
| (b) Guarantees excluding financial gurantees | - | - |
| (c) Other money for which the company is contingently liable | - | - |
| **(ii) Commitments :** | | |
| (a) Estimated amount of contracts remaining to be executed on capital | - | - |
| (b) Uncalled liability on shares and other investment partly paid | - | - |
| (c) Other (specify nature) | - | - |
| | - | - |
| **Note No. - A Revenue From Operations** | | |
| (a) Sale of Products | 20,048,476.74 | 180,110.00 |
| (b) Sales Net of Tax | - | 53,490.00 |
| (c) Other operating revenues; | 541,817.58 | 7,260.00 |
| | **20,590,294.31** | **240,860.00** |
| **Note No. - B Other Income** | | |
| (a) Interest Income | 8,115.87 | 1,140.00 |
| (b) Dividend Income; | 12.15 | - |
| (c) Net gain/loss on sale of investments; | - | - |
| (d) Discount on Purchase | 519.93 | - |
| (e) Insurance claim received | - | - |
| (f) Misc Income | 143,627.25 | - |
| | **152,275.20** | **1,140.00** |
| **Note No. - C Cost of Materials Consumed** | | |
| Opening Stocks of Raw Material | - | - |
| Add: Purchase of Raw Materials | 24,851,792.43 | 220,530.00 |
| Add: Direct Expenses/ Project Exp | 6,319.28 | - |
| Add: Freight & Transportation | - | - |
| Add: Packing Material | - | - |
| Add: Wages / Other Exp | - | - |
| Add: Wastage of Goods | - | - |
| Add: Power & Fuel Expense | - | - |
| | 24,858,111.71 | 220,530.00 |
| Less: Closing Stocks of Raw material | - | - |
| | **24,858,111.71** | **220,530.00** |

K. M. Chauhan & Associates * Chartered Accountants * Rajkot FRN: 125924W

**GUJARAT TOOLROOMS LIMITED**
CIN - L45208GJ1983PLC006056

404 - 4th FLOOR, SAMARTH CO.OP.H.SOC. NR. SILICON TOWER, NR. LAW GARDEN
ELLISHBRIDGE, AHMEDABAD 380006

"NOTE" FORMING PART OF THE BALANCE SHEET & STATEMENT OF PROFIT AND LOSS as on 31st March 2024

(Amount in ₹ Hundred)

| Particulars | | | Figures as at the end of current reporting period | Figures as at the end of previous reporting period |
|---|---|---|---|---|
| **Note No. - D** | | | | |
| **Changes in inventories of Finished Goods** | | | | |
| Opening Stocks of Finished Goods(Shares) | | | 168,650.00 | - |
| Closing Stocks of Finished Goods(Agriculture) | | | 4,776,428.31 | - |
| Closing Stocks of Finished Goods(Fabrics,Paints) | | | 629,798.21 | - |
| Closing Stocks of Finished Goods(Steel) | | | 627,088.36 | - |
| Closing Stocks of Finished Goods(Shares) | | | 145,710.33 | 168,650.00 |
| | **TOTAL** | **A** | **(6,010,375.20)** | **(168,650.00)** |
| Changes in Work-in-Progress | | | | |
| Opening Stocks WIP | | | - | - |
| Closing Stocks WIP | | | - | - |
| | **TOTAL** | **B** | **-** | **-** |
| | **TOTAL** | **A+B** | **(6,010,375.20)** | **(168,650.00)** |
| **Note No. - E** | | | | |
| **Employee benefits expense** | | | | |
| Salaries and Wages | | | 28,257.67 | 2,120.00 |
| Director Salary | | | - | - |
| Staff welfare expenses | | | - | - |
| Providend Fund Contribution | | | - | - |
| ESIC Contribution | | | - | - |
| | | | **28,257.67** | **2,120.00** |
| **Note No. - F** | | | | |
| **Finance Cost** | | | | |
| (a) Interest expense; | | | | |
| (A) Interest Expense on CC | | | - | - |
| (B) Interest Expense on TL | | | - | - |
| (C) Interest Expense | | | - | - |
| | **TOTAL** | **A** | **-** | **-** |
| (b) Other Borrowing Costs | | | | |
| (A) Inspection Charges | | | - | - |
| (B) Documentation Charge | | | - | - |
| (C) Loan Processing fee | | | - | - |
| | **TOTAL** | **B** | **-** | **-** |
| | **TOTAL** | **A+B** | **-** | **-** |
| **Note No. - G** | | | | |
| **Other Expenses** | | | | |
| Statutory Audit Fee | | | - | 700.00 |
| Tax Audit Fee | | | - | - |
| Legal and Professional Fees | | | 62,746.16 | 4,510.00 |
| Rates and Taxes | | | - | 2,670.00 |
| Electricity Expense | | | 1,292.20 | 70.00 |
| Advertisement Expense | | | 4,138.98 | 230.00 |
| Prefrential IPO Expense | | | - | 8,180.00 |
| RTA Fees | | | 1,134.76 | 850.00 |
| Non-Compliance Penalty | | | 9.00 | 410.00 |
| Office Expense | | | 3,934.06 | |
| Travelling Expense | | | 19,744.87 | |
| Rent Expense | | | - | 600.00 |
| Repairs & Maintenance | | | - | 450.00 |
| Misc Expenses | | | 22,088.72 | 580.00 |
| Bank charges | | | 275.92 | - |
| | | | **115,364.66** | **19,250.00** |

K.M. Chauhan & Associates * Rajkot FRN: 125924W * Chartered Accountants

**GUJARAT TOOLROOMS LIMITED**
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ELLISHBRIDGE, AHMEDABAD 380006

**"SUBNOTE" FORMING PART OF THE BALANCE SHEET & STATEMENT OF PROFIT AND LOSS as on 31st March 2024**

## Trade Payables Ageing Schedule
Sub Note. - 1

**(Amount in ₹ Hundred )**

| Particulars | | Outstanding for following periods from due date of payment ( 2023-24 ) | | | | Total |
|---|---|---|---|---|---|---|
| | | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | |
| (i) (a) Micro Enterprises and Small Enterprises | | - | - | - | - | - |
| (b) Medium Enterprises | | - | - | - | - | - |
| (ii) Others | | 7,577,339.10 | - | - | - | 7,577,339.10 |
| (iii) (a) Disputed Dues - Micro and Small Enterprises | | - | - | - | - | - |
| (iii) (b) Disputed Dues - Medium Enterprises | | - | - | - | - | - |
| (iv) Disputed Dues - Others | | - | - | - | - | - |
| **Total** | | **7,577,339.10** | **-** | **-** | **-** | **7,577,339.10** |

| Particulars | | Outstanding for following periods from due date of payment ( 2022-23) | | | | Total |
|---|---|---|---|---|---|---|
| | | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | |
| (i) (a) Micro Enterprises and Small Enterprises | | - | - | - | - | - |
| (b) Medium Enterprises | | - | - | - | - | - |
| (ii) Others | | - | - | - | - | - |
| (iii) (a) Disputed Dues - Micro and Small Enterprises | | - | - | - | - | - |
| (iii) (b) Disputed Dues - Medium Enterprises | | - | - | - | - | - |
| (iv) Disputed Dues - Others | | - | - | - | - | - |
| **Total** | | **-** | **-** | **-** | **-** | **-** |

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**GUJARAT TOOLROOMS LIMITED**
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**"SUBNOTE" FORMING PART OF THE BALANCE SHEET & STATEMENT OF PROFIT AND LOSS as on 31st March 2024**

## Trade Receivables ageing schedule
Subnote. -2

**(Amount in ₹ Hundred )**

| Particulars | Receivables for following periods from due date of payment ( 2023-24 ) | | | | | Total |
|---|---|---|---|---|---|---|
| | Less than 6 months | 6 months -1 year | 1-2 years | 2-3 years | More than 3 years | |
| (i) Undisputed Trade receivables – considered good | 266,735.22 | 638.17 | - | - | - | 267,373.39 |
| (ii) Undisputed Trade Receivables – considered doubtful | - | - | - | - | - | - |
| (iii) Disputed Trade Receivables considered good | - | - | - | - | - | - |
| (iv) Disputed Trade Receivables considered doubtful | - | - | - | - | - | - |
| (v) Unbilled Dues | - | - | - | - | - | - |
| **Total** | **266,735.22** | **638.17** | **-** | **-** | **-** | **267,373.39** |

| Particulars | Receivables for following periods from due date of payment ( 2022-23 ) | | | | | Total |
|---|---|---|---|---|---|---|
| | Less than 6 months | 6 months -1 year | 1-2 years | 2-3 years | More than 3 years | |
| (i) Undisputed Trade receivables – considered good | 226,300.00 | - | - | - | - | 226,300.00 |
| (ii) Undisputed Trade Receivables – considered doubtful | - | - | - | - | - | - |
| (iii) Disputed Trade Receivables considered good | - | - | - | - | - | - |
| (iv) Disputed Trade Receivables considered doubtful | - | - | - | - | - | - |
| (v) Unbilled Dues | - | - | - | - | - | - |
| **Total** | **226,300.00** | **-** | **-** | **-** | **-** | **226,300.00** |

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**GUJARAT TOOLROOMS LIMITED**
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## Property, Plant and Equipment and Intangible Assets
## Note No. - 10

**(Amount in ₹ Hundred )**

### (i) Property, Plant and Equipment as on 31-03-2024

| Sl. No. | Particulars | GROSS BLOCK Original Cost | Addition | Sale/ Scrap | Total As on 31.03.2024 | DEPRECIATION up to 31.03.2023 | During the Year | Total As on 31.03.2024 | NET BLOCK As at 31.03.2024 | As at 31.03.2023 |
|---|---|---|---|---|---|---|---|---|---|---|
| 1 | Air Conditioner | - | 921.41 | - | 921.41 | - | 95.20 | 95.20 | 826.21 | - |
| 2 | Computer & Laptops | - | 3,066.76 | - | 3,066.76 | - | 275.71 | 275.71 | 2,791.05 | - |
| 3 | Telephone & Mobile | - | 1,169.19 | - | 1,169.19 | - | 124.12 | 124.12 | 1,045.08 | - |
| 4 | BMW Car | - | 114,712.14 | - | 114,712.14 | - | 2,606.18 | 2,606.18 | 112,105.96 | - |
| 5 | Office Carpet | - | 1,601.52 | - | 1,601.52 | - | 93.15 | 93.15 | 1,508.37 | - |
| 6 | Weighing Machine | - | 505.00 | - | 505.00 | - | 38.08 | 38.08 | 466.92 | - |
| **Current Year's Figures** | | - | 121,976.02 | - | 121,976.02 | - | 3,232.44 | 3,232.44 | 118,743.59 | - |
| **Previous Year's Figures** | | - | - | - | - | - | - | - | - | - |

### (ii) Intangible Assets

| Sl. No. | Particulars | GROSS BLOCK Original Cost | Addition | Sale/ Scrap | Total As on 31.03.2024 | DEPRECIATION up to 31.03.2023 | During the Year | Total As on 31.03.2024 | NET BLOCK As at 31.03.2024 | As at 31.03.2023 |
|---|---|---|---|---|---|---|---|---|---|---|
| 1 | Goodwill | - | - | - | - | - | - | - | - | - |
| 2 | Brands / trademarks | - | - | - | - | - | - | - | - | - |
| 3 | Computer Software | - | - | - | - | - | - | - | - | - |
| 4 | Mastheads and Publishing titles | - | - | - | - | - | - | - | - | - |
| 5 | Mining Rights | - | - | - | - | - | - | - | - | - |
| 6 | Copyrights, patents, Intellectual property rights, services and operating rights | - | - | - | - | - | - | - | - | - |
| 7 | Recipes, Formulae, models, designs and prototypes | - | - | - | - | - | - | - | - | - |
| 8 | Licenses and Franchise. | - | - | - | - | - | - | - | - | - |
| 9 | Others (specify nature) | - | - | - | - | - | - | - | - | - |
| **Current Year's Figures** | | - | - | - | - | - | - | - | - | - |
| **Previous Year's Figures** | | - | - | - | - | - | - | - | - | - |

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**GUJARAT TOOLROOMS LIMITED**
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## (iii) Capital-Work-in Progress (CWIP)

(a) For Capital-work-in progress, following ageing schedule shall be given:

**CWIP aging schedule**

| CWIP | Amount in CWIP for a period of | | | | Total | Total |
|---|---|---|---|---|---|---|
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | 31/03/2024 | 31/03/2023 |
| Projects in progress | - | - | - | - | - | - |
| Projects temporarily suspended | - | - | - | - | - | - |

b) For capital-work-in progress, whose completion is overdue or has exceeded its cost compared to its original plan, following CWIP completion schedule shall be given**:

| CWIP | To be completed in | | | | Total | Total |
|---|---|---|---|---|---|---|
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | 31/03/2024 | 31/03/2023 |
| Project 1 | - | - | - | - | - | - |
| Project 2 | - | - | - | - | - | - |

## (iv) Intangible assets under development:

(a) For Intangible assets under development, following ageing schedule shall be given:

**Intangible assets under development aging schedule**

| Intangible assets under development | Amount in CWIP for a period of | | | | Total | Total |
|---|---|---|---|---|---|---|
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | 31/03/2024 | 31/03/2023 |
| Projects in progress | - | - | - | - | - | - |
| Projects temporarily suspended | - | - | - | - | - | - |

b) For Intangible assets under development, whose completion is overdue or has exceeded its cost compared to its original plan, following **Intangible assets under development completion schedule** shall be given**:

| Intangible assets under development | To be completed in | | | | Total | Total |
|---|---|---|---|---|---|---|
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | 31/03/2024 | 31/03/2023 |
| Project 1 | - | - | - | - | - | - |
| Project 2 | - | - | - | - | - | - |

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## Ratio Disclosure

| RATIOS | Numerator | Denominator | 31/03/2024 | 31/03/2023 | % of Variance | Reason of variance |
|---|---|---|---|---|---|---|
| Current Ratio | Current Assests | Current Liabilities | 1.21 | 6.03 | -79.93% | |
| Debt-Equity Ratio | Debt/Loan | Shareholder's Equity | - | 0.15 | -100.00% | |
| Debt Service Coverage Ratio | EBITDA | Total Debt Service | - | - | 0.00% | |
| Return on Equity Ratio | Profit After Tax | Shareholder's Equity | 66.51% | 21.84% | -204.53% | |
| Inventory Turnover Ratio | Sales Account | Average Stock | 131.00 | 2.86 | 4486.24% | |
| Trade Receivables Turnover Ratio | Net Credit Sales or Total Sales | Avg. Debtor or Closing Debtor | 77.01 | 1.06 | 7135.43% | |
| Trade Payables Turnover Ratio | Net Credit Pur. or Total Purchase | Avg Creditor or Closing Creditor | 3.28 | - | 327.98% | |
| Net Capital Turnover Ratio | Net Annual Sales | Avg Working Capital | 12.02 | 0.38 | 3070.71% | |
| Net Profit Ratio | Net Profit After Tax | Net Sales | 6.13% | 57.61% | 89.36% | |
| Return on Capital Employed | EBIT | Capital Employed | 92.15% | 26.56% | -246.91% | |
| Return on Investment | Net Profit | Investment | 66.51% | 21.84% | -204.53% | |

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**Fixed Assets Statement As Per Income Tax Act as on 31st March 2024**

| Sl. No. | Particulars | Rate of Dep | WDV 01.04.2023 | GROSS BLOCK Addition 1st Half | GROSS BLOCK Addition 2nd Half | Sale/ Scrap | Total As on 31.03.2024 | DEPRECIATION On WDV | DEPRECIATION Addition 1st Half | DEPRECIATION Addition 2nd Half | DEPRECIATION Additional Depreciation | DEPRECIATION Total As on 31.03.2024 | WDV As On 31.03.2024 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Tangible Assets** | | | | | | | | | | | | | |
| 1 | Air Conditioner | 15.00% | | 62,062.50 | 30,078.12 | | 92,140.62 | - | 9,309.00 | 2,256.00 | - | 11,565.00 | 80,575.62 |
| 2 | Computer & Laptops | 40.00% | | 254,208.26 | 52,468.00 | | 306,676.26 | - | 101,683.00 | 10,494.00 | - | 112,177.00 | 194,499.26 |
| 3 | Telephone & Mobile | 15.00% | | 116,919.49 | - | | 116,919.49 | - | 17,538.00 | - | - | 17,538.00 | 99,381.49 |
| 4 | BMW Car | 15.00% | | - | 11,471,214.25 | | 11,471,214.25 | - | - | 860,341.00 | - | 860,341.00 | 10,610,873.25 |
| 5 | Office Carpet | 10.00% | | - | 160,151.54 | | 160,151.54 | - | - | 8,008.00 | - | 8,008.00 | 152,143.54 |
| 6 | Weighing Machine | 15.00% | | - | 50,500.00 | | 50,500.00 | - | - | 3,788.00 | | 3,788.00 | 46,712.00 |
| | **Current Year's Figures** | | - | 433,190.25 | 11,764,411.91 | - | 12,197,602.16 | - | 128,530.00 | 884,887.00 | - | 1,013,417.00 | 11,184,185.16 |
| **Intangible Assets** | | | | | | | | | | | | | |
| 1 | Goodwill | | | | | | | | | | | | |
| 2 | Brands / trademarks | 25.00% | | | | | - | - | - | - | - | - | - |
| 3 | Computer Software | | | | | | | | | | | | |
| 4 | Mastheads and Publishing titles | | | | | | | | | | | | |
| 5 | Mining Rights | | | | | | | | | | | | |
| 6 | Copyright, patents, Intellectual property rights, services and operating rights | | | | | | | | | | | | |
| 7 | Recipes, Formulas, models, designs and prototypes | | | | | | | | | | | | |
| 8 | Licenses and Franchise. | | | | | | | | | | | | |
| 9 | Others | | | | | | | | | | | | |
| | **Current Year's Figures** | | - | - | - | - | - | - | - | - | | - | - |
| | **Grand Total** | | - | 433,190.25 | 11,764,411.91 | - | 12,197,602.16 | - | 128,530.00 | 884,887.00 | | 1,013,417.00 | 11,184,185.16 |

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**GUJARAT TOOLROOMS LIMITED**
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| Financial Year | | 31/03/2024 | |
|---|---|---|---|
| | | Current Year | |
| | | Companies Act | Income Tax Act |
| Depreciation As Per | | 323,243.63 | 1,013,417.00 |
| Preliminary Exp | | - | - |
| | | **323,243.63** | **1,013,417.00** |
| **Diference ( If Positive the DTA otherwise DTL )** | | **(690,173.37)** | |
| | 31/03/2024 DTL | (192,213.00) | |
| | 31/03/2023 DTL | - | |
| | 31/03/2024 DTL | (192,213.00) | |

**Inocme Tax Liability Calculation**

| | | |
|---|---|---|
| **IT Act Depreciation GREATER THAN Companies Act Depreciation** | **DTL** | POSITIVE |
| **IT Act Depreciation LESS THAN Companies Act Depreciation** | **DTA** | NEGATIVE |
| **Net Profit before Tax** | | 174,797,823.74 |
| **Add : Expenses Disallowed :** | | |
| Dep as per Companies Act | | 323,243.63 |
| Preiminary Exp as per Companies Act | | - |
| | | 175,121,067.37 |
| **Less : Expenses Allowed :** | | |
| Dep as per IT Act | | (1,013,417.00) |
| Preiminary Exp as per IT Act | | - |
| Carry forward loss + Unabsorbed Depreciation | | - |
| **Taxable Profit** | | **174,107,650.37** |
| Tax @ 26% | | 48,436,748.00 |
| Less: MAT Credit | | - |

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## GUJARAT TOOLROOMS LIMITED

### STATEMENT OF COMPUTATION OF TAX LIABILITY AS PER PROVISIONS OF SECTION 115JB OF THE INCOME TAX ACT, 1961

| | | | |
|---|---|---|---|
| **Net Profit as per Profit and Loss Account** | | | 174,797,823.74 |
| **Add:** | The amount of Income Tax paid/payable and the Provision thereof | - | |
| | The amount carried to any reserves, by whatever name called | - | |
| | The provisions made for liabilities, other than ascertained liabilities | - | |
| | The amount by way of losses of subsidiary companies | - | |
| | The amount of dividends paid or proposed | - | |
| | The amount of expenditure relatable to section 10, 11 or 12 | - | |
| | The amount of Depreciation ATTRIBUTABLE TO Revaluation of Assets | 323,243.63 | |
| | The amount of deferred tax and the provisions therefor | - | 323,243.63 |
| | | | 175,121,067.37 |
| **Less:** | The amount withdrawn from any reserve or provisions, if credited to P & L A/c | - | |
| | The amount of income under section 10, 11 and 12 | - | |
| | The amount of depreciation debited to the P & L A/c | 323,243.63 | |
| | The amount of loss brought forward or unabsorbed depreciation w.e.is less | - | |
| | The amount of profit eligible for deduction U/s 80HHC | - | |
| | The amount of profit eligible for deduction U/s 80HHE | - | |
| | The amount of profit eligible for deduction U/s 80HHF | - | |
| | The amount of deferred tax credited to P & L A/c | - | 323,243.63 |
| | | | 174,797,823.74 |
| | **Tax at 15 % of the above Book Profits** | | **26,219,674.00** |
| | | | **26,219,674.00** |
| | **Education Cess at 4 %** | | **1,048,787.00** |
| | **Tax payable as per 115 JB provisions (1)** | | **27,268,461.00** |
| | **Tax Payable other than 115JB Provisions (2)** | | **48,436,748.00** |
| | **Tax payable (Higher of 1 & 2)** | | **48,436,748.00** |

K. M. Chauhan & Associates * Chartered Accountants * Rajkot FRN: 125924W

K M Chauhan & Associates
Chartered Accountants

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**INDEPENDENT AUDITOR'S REPORT**

To the Members of
**GUJARAT TOOLROOM LIMITED**

## I. Report on the Audit of the Consolidated Financial Statements

1. We have audited the accompanying Statement of Consolidated Financial Results of **Gujarat Toolroom Limited** ("the Parent") and its subsidiaries (the Parent and its subsidiaries together referred to as "the Group") and its share of the net profit/(loss) after tax and total comprehensive income/loss of its associates and joint ventures for the year ended 31/03/2024 ("the Statement"), being submitted by the Parent pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

2. This Statement, which is the responsibility of the Parent's Management and approved by the Parent's Board of Directors, has been compiled from the related consolidated financial statements which has been prepared in accordance with the Indian Accounting Standards prescribed under Section 133 of the Companies Act,2013, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS"), and other accounting principles generally accepted in India. Our responsibility is to express an opinion on the Statement based on our audit of such consolidated financial statements.

3. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Companies Act 2013. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Statement is free from material misstatement.

   An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Statement. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Parent's preparation and fair presentation of the Statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the Parent's internal financial control with reference to the Statement. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Management, as well as evaluating the overall presentation of the Statement.

   We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33 (8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable.

   We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion. However, as of the date of this report, we have not yet received the Audit

K. M. Chauhan & Associates Rajkot FRN: 125924W Chartered Accountants



204, Krishna Con-Arch, Near Post Office, University Road, Rajkot - 360005

report of the wholly owned subsidiary. Consequently, in the absence of the audited Financial Statements for the subsidiary, we are unable to express our opinion on its financial statements for the purpose of consolidation.

4. In our opinion and to the best of our information and according to the explanations given to us, the other financial information of branches and joint operations of the Group, subsidiaries, associates and joint ventures referred to in paragraph 6 below, the Statement:

   a. includes the results of the following entities: (to indicate list of entities included in the consolidation);
      1. GTL GEMS DMCC (Wholly owned subsidiary)

   b. is presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended; and

   c. gives a true and fair view in conformity with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standards and other accounting principles generally accepted in India of the consolidated total comprehensive income (comprising of net profit and other comprehensive income) and other financial information of the Group for the year ended 31/03/2024.

5. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have nothing to communicate in this regard.

6. The consolidated financial results include the unaudited financial statements/ financial information of **GTL Gems DMCC** (Wholly owned subsidiary), whose financial statements/ financial information reflect total assets of Rs. 39,261.18 Lacs as at 31st March, 2024, total revenues of Rs. 34,953.07 Lacs, total net profit after tax of Rs. 6,063.13 Lacs, total comprehensive income of Rs. 35,062.43 Lacs and cash flows (net) of Rs 44.51 Lacs for the year ended on that date, as considered in the consolidated financial results. This financial statements / financial information is unaudited and have been furnished to us by the Management and our opinion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, associates and joint ventures, is based solely on such unaudited financial statements/financial information. In our opinion and according to the information and explanations given to us by the Management, these financial statements financial information are material to the Group.

Our opinion on the Statement is not modified in respect of the above matter.

7. The Statement includes the results for the quarter ended 31/03/2024 being the balancing figure between audited figures in respect of the full financial year and the published unaudited year to date

K.M. Chauhan & Associates Rajkot FRN: 125924W Chartered Accountants

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figures up to the third quarter of the current financial year which were subject to limited review by us.

**II. Report on Other Legal and Regulatory Requirements**

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

   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 Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;

   d. In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

   e. On the basis of written representations received from the directors as on March 31, 2024 taken on record by the Board of Directors, none of the directors are disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164 (2) of the Act.

   f. 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"**

   g. With respect to the 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, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act

   h. 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 few Income Tax Dues relating to the AY 2006 ,2015, 2018;

      ii.The Company did not have any long-term contracts including derivative contracts for which there

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were any material foreseeable losses.

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

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;

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v. During the FY 2023-24, the company had declared and paid Interim Dividend as per the provisions of the Companies Act,2013.

vi. Based on our examination which included test checks, the company has used an accounting software for maintaining its books of account which has no a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software.

**For, K M Chauhan & Associates**
**Chartered Accountants**
**FRN No. 125924W**

K. M. Chauhan & Associates * Rajkot FRN: 125924W * Chartered Accountants

**Place: Rajkot**
**Date: 10/06/2024**

**CA Kishorsinh Chauhan**
**Partner**
**M. No. 118326**
**UDIN: 24118326BKHJUS7464**



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Chartered Accountants
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**"Annexure A" to the Independent Auditors' Report**

Referred to in paragraph 1 under 'Report on Other Legal & Regulatory Requirement' section of our report to the members of **GUJARAT TOOLROOM LIMITED** of even date:

As of the date of this report, we have not yet received the Audit report of the wholly owned subsidiary. Consequently, in the absence of the audited Financial Statements for the subsidiary, we are unable to express our opinion on its financial statements for the purpose of consolidation.

**For, K M Chauhan & Associates**
**Chartered Accountants**
**FRN: 125924W**

K. M. Chauhan & Associates Rajkot FRN: 125924W Chartered Accountants

**Place: Rajkot**
**Date: 10-06-2024**

**CA Kishorsinh Chauhan**
**Partner**
**M. No. 118326**
**UDIN: 24118326BKHJUS7464**



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## "Annexure B" to the Independent Auditor's Report

(Referred to in paragraph 2 (f) under 'Report on other legal and regulatory requirements' section of our report to the Members of **GUJARAT TOOLROOM LIMITED** of even date)

**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of **GUJARAT TOOLROOM LIMITED** ("the Company") as of March 31, 2024 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

### Opinion

In conjunction with our audit of the consolidated financial statements of **GUJARAT TOOLROOM LIMITED** (hereinafter referred to as "the Holding Company") as of and for the year ended 31 March 2024, we have audited the internal financial controls with reference to financial statements of the Holding Company and such companies incorporated in India under the Act which is its subsidiary companies, its associate companies, its joint venture companies and joint operation companies, as of that date.

In our opinion and based on the consideration of reports of the other auditors on internal financial controls with reference to financial statements/financial information of subsidiary companies, associate companies, joint venture companies and joint operation companies, as were audited by the other auditors, the Holding Company and such companies incorporated in India which is its subsidiary companies, its associate companies, its joint venture companies and joint operation companies, have, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2024, based on the internal financial controls with reference to financial statements criteria established by such companies considering the essential components of such internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

### 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. 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 Companies Act, 2013.

### Auditors' Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. 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 with reference to financial statements were established and maintained and if such controls operated effectively in all material

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respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, 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 judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to financial statements. As of the date of this report, we have not yet received the Audit report of the wholly owned subsidiary. Consequently, in the absence of the audited Financial Statements for the subsidiary, we are unable to express our opinion on its Internal Control System with reference to financial statements.

**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 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 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 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.

**Other Metter**

The internal financial controls with reference to financial statements/financial information in so far as it relates to the 1 subsidiary company which is company incorporated in outside India and included in these consolidated financial statements, have not been audited either by us or by other auditors. In our opinion and according to the information and explanations given to us by the Management, such

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unaudited subsidiary companies, associate companies and joint venture companies are material to the Holding Company.

Our opinion is not modified in respect of these matters.

**For, K M Chauhan & Associates**
**Chartered Accountants**
**FRN: 125924W**

K. M. Chauhan & Associates * Chartered Accountants * Rajkot FRN: 125924W

**Place: Rajkot**
**Date: 10-06-2024**

**CA Kishorsinh Chauhan**
**Partner**
**M. No. 118326**
**UDIN: 24118326BKHJUS7464**



204, Krishna Con-Arch, Near Post Office, University Road, Rajkot - 360005

**GUJARAT TOOLROOMS LIMITED**
CIN - L45208GJ1983PLC006056

404 - 4th FLOOR, SAMARTH CO.OP.H.SOC. NR. SILICON TOWER, NR. LAW GARDEN
ELLISHBRIDGE, AHMEDABAD 380006

**Balance Sheet as at 31/03/2024**

(Amount in ₹ Hundred)

| Particulars | Note No. | Figures as at the end of current reporting period | Figures as at the end of previous reporting period |
|---|---|---|---|
| **I. ASSETS** | | | |
| **Non-Current Assets** | | | |
| (1) (a) Property, Plant and Equipment and Intangible Assets | 10 | | |
| (i) Property, Plant and Equipment | | 118,743.59 | - |
| (ii) Intangible Assets | | - | - |
| (iii) Capital Work-in-Progress | | - | - |
| (iv) Intangible Assets Under Development | | - | - |
| (b) Non-Current Investments | 11 | - | - |
| (c) Deferred Tax Assets (Net) | | - | - |
| (d) Long-term Loans and Advances | 12 | - | - |
| (e) Other Non-Current Assets | 13 | - | - |
| **2 Current Assets** | | | |
| (a) Current Investments | 14 | - | - |
| (b) Inventories | 15 | 15,331,987.99 | 168,650.00 |
| (c) Trade Receivables | 16 | 30,269,902.68 | 226,300.00 |
| (d) Cash and Cash Equivalents | 17 | 829,910.70 | 6,800.00 |
| (e) Short-Term Loans and Advances | 18 | 2,454,322.79 | 359,530.00 |
| (f) Other Current Assets | 19 | 137,731.42 | 266.00 |
| | | (0.00) | - |
| **Total Assets** | | **49,142,599.16** | **761,546.00** |
| **II. EQUITY AND LIABILITIES** | | | |
| **(1) Shareholder's Funds** | | | |
| (a) Share Capital | 1 | 555,536.00 | 555,536.00 |
| (b) Reserves and Surplus | 2 | 7,404,568.43 | 79,780.00 |
| (c) Money received against Share Warrants | | | |
| **(2) Share Application Money Pending Allotment** | | - | - |
| **(3) Non-Current Liabilities** | | | |
| (a) Long-Term Borrowings | 3 | - | - |
| (b) Deferred Tax Liabilities (Net) | | 1,922.13 | - |
| (c) Other Long Term Liabilities | 4 | - | - |
| (d) Long-Term Provisions | 5 | - | - |
| **(4) Current Liabilities** | | | |
| (a) Short-Term Borrowings | 6 | 19,857.37 | 94,490.00 |
| (b) Trade Payables | 7 | | |
| (A) Total outstanding dues of micro enterprises and small enterprises | | - | - |
| (B) Total outstanding dues Other Than micro enterprises and small enter | | 40,666,909.44 | - |
| (c) Other Current Liabilities | 8 | 5,455.58 | - |
| (d) Short-Term Provisions | 9 | 488,350.21 | 31,740.00 |
| **Total Equity and Liabilities** | | **49,142,599.16** | **761,546.00** |
| **Contingent Liabilities and Commitments** | 20 | - | - |

**In terms of our report of even date.**

**See accompanying notes to the financial statements.**

**For K M Chauhan & Associates**
Chartered Accountants
FRN -125924W

Place: Rajkot
Date : 10/06/2024

KALPESH ANILBHAI MALVI
Managing Director
DIN : 06880789

NARENDRA SHARMA
Director
DIN : 10295571

K. M. Chauhan & Associates * Rajkot FRN: 125924W * Chartered Accountants

CA Kishorsinh Chauhan
Partner
M. No-118326
UDIN : 24118326BKHJUS7464

**GUJARAT TOOLROOMS LIMITED**
CIN - L45208GJ1983PLC006056

404 - 4th FLOOR, SAMARTH CO.OP.H.SOC. NR. SILICON TOWER, NR. LAW GARDEN
ELLISHBRIDGE, AHMEDABAD 380006

**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2024**

**(Amount in ₹ Hundred)**

| | Particulars | Note No. | Figures for the current reporting period | Figure for the previous reporting period |
|---|---|---|---|---|
| I | Revenue From Operations | A | 55,543,364.29 | 240,860.00 |
| II | Other Income | B | 248,998.61 | 1,140.00 |
| III | **Total Income (I+II)** | | **55,792,362.90** | **242,000.00** |
| IV | EXPENSES: | | | |
| | Cost of Materials Consumed | C | 28,950,593.38 | 220,530.00 |
| | Purchase of Stock-in-Trade | | 24,851,792.43 | - |
| | Change in inventory of finished goods, work-in-progress and Stock-in-Trade | D | (6,010,375.20) | (168,650.00) |
| | Employee Benefits Expenses | E | 28,257.67 | 2,120.00 |
| | Finance costs | F | - | - |
| | Depreciation and amortization expenses | | 3,232.44 | - |
| | Other Expenses | G | 170,393.40 | 19,250.00 |
| | **Total expenses (IV)** | | **47,993,894.12** | **73,250.00** |
| V | Profit/(Loss) before exceptional items and tax | (III-IV) | 7,798,468.78 | 168,750.00 |
| VI | Exceptional Items | | - | - |
| VII | Profit before extraordinary items and tax | (V - VI) | 7,798,468.78 | 168,750.00 |
| VIII | Extraordinary items | | - | - |
| **IX** | **Profit/(Loss) before tax** | **(VII-VIII)** | **7,798,468.78** | **168,750.00** |
| **X** | **Tax expense: -** | | | |
| | (1) Current Tax | | 484,403.69 | 30,000.00 |
| | (2) MAT Credit Entitlement | | - | - |
| | (3) Deferred Tax | DTA/DTL | 1,922.13 | - |
| XI | Profit/(Loss) for the period from continuing operation | (IX-X) | 7,312,142.96 | 138,750.00 |
| XII | Profit/(Loss) for discontinued operation | | - | - |
| XIII | Tax expenses of discontinued operations | | - | - |
| XIV | Profit/(Loss) form Discontinued operation (after tax) | (XII-XIII) | - | - |
| XV | Profit/(Loss) for the period | (XI+XIV) | 7,312,142.96 | 138,750.00 |
| XVI | Earnings per equity share: | | | |
| | (1) Basic | In ₹ | 13.16 | 0.25 |
| | (2) Diluted | In ₹ | 13.16 | 0.25 |

**In terms of our report of even date.**

**See accompanying notes to the financial statements.**

Place: Rajkot
Date : 10/06/2024

**For K M Chauhan & Associates**
Chartered Accountants
FRN -125924W

K. M. Chauhan & Associates Rajkot FRN: 125924W Chartered Accountants

CA Kishorsinh Chauhan
Partner
M. No-118326
UDIN: 24118326BKHJUS7464

KALPESH ANILBHAI MALVI
Managing Director
DIN : 06880789

NARENDRA SHARMA
Director
DIN : 10295571

**GUJARAT TOOLROOMS LIMITED**
CIN - L45208GJ1983PLC006056
404 - 4th FLOOR, SAMARTH CO.OP.H.SOC. NR. SILICON TOWER, NR. LAW GARDEN
ELLISHBRIDGE, AHMEDABAD 380006

**Cash Flow Statement as on 31/03/2024**

| Particulars | Amount in Hundred ₹ | ₹ |
|---|---|---|
| **A CASH FLOW FROM OPERATING ACTIVITIES** | | |
| **Net Profit Before Tax** | | 7,798,468.78 |
| Add Back: - | | |
| Depreciation | 3,232.44 | |
| Deferred Revenue Expenditure | - | |
| Loss on sale of Assets | - | |
| Interest expense | - | |
| Others if any | - | 3,232.44 |
| Deduct: - | | |
| Interest income | 8,115.87 | |
| Profit on sale of Assets | - | |
| Others if any | - | 8,115.87 |
| **Operating profit before working capital changes** | | 7,793,585.35 |
| **Adjustments for:** | | |
| Decrease/(Increase) in Receivables | (30,043,602.68) | |
| Decrease/(Increase) in Inventories | (15,163,337.99) | |
| Increase/(Decrease) in Payables | 40,672,365.01 | (4,534,575.65) |
| **Cash generated from operations** | | 3,259,009.70 |
| Income Tax paid | | 27,789.42 |
| **Cash flow before extraordinary item** | | 3,231,220.29 |
| Proceeds from earthquake disaster settlement | | - |
| **Net Cash flow from Operating activities** | | **3,231,220.29** |
| **B CASH FLOW FROM INVESTING ACTIVITIES** | | |
| Purchase of Fixed Assets | (121,976.02) | |
| Sale of Fixed Assets | - | |
| Increase in Long & Short Term Advances & INvestment | (2,094,792.79) | |
| Increase in other Current & NON Current Assets | (137,465.42) | |
| Interest income | 8,115.87 | |
| **Net Cash used in Investing activities** | | **(2,346,118.37)** |
| **C CASH FLOW FROM FINANCING ACTIVITIES** | | |
| Proceeds from issuance of share capital | - | |
| Proceeds from Long term Borrowings | - | |
| Proceeds from Short term Borrowings | (74,632.63) | |
| Subsidy | - | |
| Interest paid | - | |
| **Net Cash used in financing activities** | | **(74,632.63)** |
| **Effect of exchange rates on cash and cash equivalents** | | 12,641.40 |
| **Net increase in cash & Cash Equivalents** | | **823,110.70** |
| Cash and Cash equivalents as at | 31/03/2023 | 6,800.00 |
| Cash and Cash equivalents as at | 31/03/2024 | 829,910.70 |

| Cash & Cash Equivalents | As on 31/03/2024 | 31/03/2023 |
|---|---|---|
| Cash in Hand | 17,041.95 | 5,210.00 |
| Cash at Bank | 812,868.75 | 1,590.00 |
| **Cash & Cash equivalents as stated** | **829,910.70** | **6,800.00** |
| | 0.00 | |

Place: Rajkot
Date : 10/06/2024

**For K M Chauhan & Associates**
Chartered Accountants
FRN -125924W

K. M. Chauhan & Associates Rajkot FRN: 125924W Chartered Accountants

CA Kishorsinh Chauhan
Partner
M. No-118326
UDIN : 24118326BKHJUS7464

KALPESH ANILBHAI MALVI
Managing Director
DIN : 06880789

NARENDRA SHARMA
Director
DIN : 10295571

| GUJARAT TOOLROOM LIMITED |
|---|
| (CIN : L45208GJ1983PLC006056) |
| Notes forming part of the Financial Statements |

## 1 SIGNIFICANT ACCOUNTING POLICIES

**a Basis of Preparation**

These financial statements have been prepared in accordance with the Generally Accepted Accounting Principles in India ('Indian GAAP') to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013, as applicable. The financial statements have been prepared under the historical cost convention on accrual basis, except for certain financial instruments which are measured at fair value.

**b Use of estimates**

The preparation of financial statements requires the management of the Company to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosures relating to the contingent liabilities as at the date of the financial statements and reported amounts of income and expense during the year. Examples of such estimates include provisions for doubtful receivables, provision for income taxes, the useful lives of depreciable Property, Plant and Equipment and provision for impairment. Future results could differ due to changes in these estimates and the difference between the actual result and the estimates are recognised in the period in which the results are known / materialise.

**c Property, Plant and Equipment**

Property, Plant and Equipment are stated at cost, less accumulated depreciation / amortisation. Costs include all expenses incurred to bring the asset to its present location and condition.

**d Depreciation / amortisation**

In respect of Property, Plant and Equipment (other than freehold land and capital work-in-progress) acquired during the year, depreciation/amortisation is charged on a Written Down Value Method.

| Type of Assets | Period |
|---|---|
| Buildings | 30 Years |
| Plant and Equipment | 15 Years |
| Medical Equipment & Plant | 13 Years |
| Furniture and Fixtures | 10 Years |
| Electrical equipment | 5 Years |
| Computers | 3 Years |
| Software | 3 Years |

**e Leases**

Assets taken on lease by the Company in its capacity as lessee, where the Company has substantially all the risks and rewards of ownership are classified as finance lease. Such a lease is capitalised at the inception of the lease at lower of the fair value or the present value of the minimum lease payments and a liability is recognised for an equivalent amount. Each lease rental paid is allocated between the liability and the interest cost so as to obtain a constant periodic rate of interest on the outstanding liability for each year.

Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest with the lessor, are recognised as operating leases. Lease rentals under operating leases are recognised in the statement of profit and loss on a straight-line basis.

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**f Impairment**

At each balance sheet date, the management reviews the carrying amounts of its assets included in each cash generating unit to determine whether there is any indication that those assets were impaired. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of impairment. Recoverable amount is the higher of an asset's net selling price and value in use. In assessing value in use, the estimated future cash flows expected from the continuing use of the asset and from its disposal are discounted to their present value using a pre-tax discount rate that reflects the current market assessments of time value of money and the risks specific to the asset. Reversal of impairment loss is recognised as income in the statement of profit and loss.

**g Investments**

Long-term investments and current maturities of long-term investments are stated at cost, less provision for other than temporary diminution in value. Current investments, except for current maturities of long-term investments, comprising investments in mutual funds, government securities and bonds are stated at the lower of cost and fair value.

**h Revenue recognition**

Revenue from the sale of agricultural goods are recognised upon delivery, which is when title passes to the customer. Revenue is reported net of discounts.

Dividend is recorded when the right to receive payment is established. Interest income is recognised on time proportion basis taking into account the amount outstanding and the rate applicable.

**i Taxation**

Current income tax expense comprises taxes on income from operations in India and in foreign jurisdictions. Income taxpayable in India is determined in accordance with the provisions of the Income Tax Act, 1961. Tax expense relating to foreign operations is determined in accordance with tax laws applicable in countries where such operations are domiciled.

Minimum Alternative Tax (MAT) paid in accordance with the tax laws in India, which gives rise to future economic benefits in the form of adjustment of future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax after the tax holiday period. Accordingly, MAT is recognised as an asset in the balance sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with it will fructify.

Deferred tax expense or benefit is recognised on timing differences being the difference between taxable income and accounting income that originate in one period and is likely to reverse in one or more subsequent periods. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date.

Advance taxes and provisions for current income taxes are presented in the balance sheet after off-setting advance tax paid and income tax provision arising in the same tax jurisdiction for relevant tax paying units and where the Company is able to and intends to settle the asset and liability on a net basis.

The Company offsets deferred tax assets and deferred tax liabilities if it has a legally enforceable right and these relate to taxes on income levied by the same governing taxation laws.

**j Foreign currency transactions**

Income and expense in foreign currencies are converted at exchange rates prevailing on the date of the transaction. Foreign currency monetary assets and liabilities other than net investments in non-integral foreign operations are translated at the exchange rate prevailing on the balance sheet date and exchange gains and losses are recognised in the statement of profit and loss. Exchange difference arising on a monetary item that, in substance, forms part of an enterprise's net investments in a non-integral foreign operation are accumulated in a foreign currency translation reserve.

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**k Inventories**

Raw materials are carried at the lower of cost and net realisable value. Cost is determined on a weighted average basis. Purchased goods-in-transit are carried at cost. Work-in-progress is carried at the lower of cost and net realisable value. Stores and spare parts are carried at lower of cost and net realisable value. Finished goods produced or purchased by the Company are carried at lower of cost and net realisable value. Cost includes direct material and labour cost and a proportion of manufacturing overheads.

**l Provisions, Contingent liabilities and Contingent assets**

A provision is recognised when the Company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which reliable estimate can be made. Provisions (excluding retirement benefits and compensated absences) are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent liabilities are not recognised in the financial statements. A contingent asset is neither recognised nor disclosed in the financial statements.

**m Cash and cash equivalents**

The Company considers all highly liquid financial instruments, which are readily convertible into known amount of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents.

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"NOTE" FORMING PART OF THE BALANCE SHEET & STATEMENT OF PROFIT AND LOSS as on 31st March 2024

(Amount in ₹ Hundred)

| Particulars | Figures as at the end of current reporting period | Figures as at the end of previous reporting period |
|---|---|---|
| **Equity**<br>**Note. - 1** | | |
| **AUTHORISED SHARE CAPITAL**<br>(560000000 Equity Shares of Rs. 1 Each) | **5,600,000.00** | **5,600,000.00** |
| **ISSUED, SUBSCRIBED & FULLY PAID UP CAPITAL**<br>(55553600 Equity Shares of Rs. 1 Each) | 555,536.00 | 555,536.00 |
| | **555,536.00** | **555,536.00** |
| **Reconciliation Of Number of Shares: -** | | |
| Number Of Equity Shares as at the beginning of the Financial year | 55,553,600.00 | 6,953,600.00 |
| Add :- Number of Shares Issued during the period | - | 48,600,000.00 |
| Number Of Equity Shares as at the end of the financial Years | **55,553,600.00** | **55,553,600.00** |

**Terms / Rights attached to Equity Shares**

The company has only one class of equity share having par value of Rs.1 per share. Each holder of the equity share is entilted to one vote per share. Whenever the company declares dividend it will be paid in Indian Rupees.All the shares are held by the Public.

In the event of liquidation of the Company, the holders of Equity Shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. However, no such preferential amounts exist curently. The distribution will be in proportion to the number of Equity Shares held by the Shareholders.

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(Amount in ₹ Hundred)

| Particulars | | Figures as at the end of current reporting period | Figures as at the end of previous reporting period |
|---|---|---|---|
| **Reserve & Surplus** | | | |
| **Note. - 2** | | | |
| **(a) Capital Reserves** | | | |
| Opening balance | | - | - |
| Add : Addition during the year | | - | - |
| Less : Deduction during the year | | - | - |
| Closing balance | A | - | - |
| **(b) Capital Redemption Reserve** | | | |
| Opening balance | | - | - |
| Add : Addition during the year | | - | - |
| Less : Deduction during the year | | - | - |
| Closing balance | B | - | - |
| **(c) Securities Premium** | | | |
| Opening balance | | - | - |
| Add : Addition during the year | | - | - |
| Less : Deduction during the year | | - | - |
| Closing balance | C | - | - |
| **(d) Debenture Redemption Reserve** | | | |
| Opening balance | | - | - |
| Add : Addition during the year | | - | - |
| Less : Deduction during the year | | - | - |
| Closing balance | D | - | - |
| **(e) Revaluation Reserve** | | | |
| Opening balance | | - | - |
| Add : Addition during the year | | - | - |
| Less : Deduction during the year | | - | - |
| Closing balance | E | - | - |
| **(f) Share Options Outstanding Account** | | | |
| Opening balance | | - | - |
| Add : Addition during the year | | - | - |
| Less : Deduction during the year | | - | - |
| Closing balance | F | - | - |
| **(g) Other :- Capital Subsidy** | | | |
| Opening balance | | - | - |
| Add : Addition during the year | | - | - |
| Less : Deduction during the year | | - | - |
| Closing balance | G | - | - |
| **(h) General Reserves** | | | |
| Opening balance | | - | 470.00 |
| Add : Addition during the year | | - | - |
| Less : Deduction during the year | | - | - |
| Closing balance | H | - | 470.00 |
| **(h) Surplus (Statement of Profit & Loss )** | | | |
| Opening balance | | 79,780.00 | (59,440.00) |
| Add : Addition during the year | | 7,324,788.43 | 138,750.00 |
| | | 7,404,568.43 | 79,310.00 |
| Less : Deduction during the year | | | |
| : Dividend | | - | - |
| : Bonus Shares | | - | - |
| : Transfer | | - | - |
| | | - | - |
| Closing balance | H | 7,404,568.43 | 79,310.00 |
| **TOTAL ( A+B+C+D+E+F+G+H )** | | 7,404,568.43 | 79,780.00 |

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"NOTE" FORMING PART OF THE BALANCE SHEET & STATEMENT OF PROFIT AND LOSS as on 31st March 2024

**(Amount in ₹ Hundred)**

| Particulars | Figures as at the end of current reporting period | Figures as at the end of previous reporting period |
|---|---|---|
| **Long-Term Borrowing** Note. - 3 | | |
| **Secured Borrowings: -** | | |
| **Term loans** | | |
| From Banks | - | - |
| Installments Due Within One Year | - | - |
| | - | - |
| From other Parties | - | - |
| **Loans Repayable on Demand** | | |
| From Banks | - | - |
| Installments Due Within One Year | - | - |
| | - | - |
| From other Parties | - | - |
| Deferred Payment Liabilities | - | - |
| Deposit | - | - |
| Loans and advances from Related Parties | - | - |
| Long term maturitites of finance lease obligation | - | - |
| Other loans advances (specify nature) | - | - |
| **Total (A)** | - | - |
| **Un-Secured Borrowings: -** | | |
| **Term loans** | | |
| From Banks | - | - |
| Installments Due Within One Year | - | - |
| | - | - |
| From other Parties | - | - |
| **Loans Repayable on Demand** | | |
| From Banks | - | - |
| Installments Due Within One Year | - | - |
| | - | - |
| From other Parties | - | - |
| Deferred Payment Liabilities | - | - |
| Deposit | - | - |
| Loans and advances from Related Parties | - | - |
| Long term maturitites of finance lease obligation | - | - |
| Other loans advances (specify nature) | - | - |
| **Total (B)** | - | - |
| **Total (A) + (B)** | - | - |
| **Other Long-Term Liabilities** Note. - 4 | | |
| (a) Trade payables **[Sub Note -1]** | | |
| (A) Total outstanding dues of micro enterprises and small enterprises | - | - |
| (B) Total outstanding dues Other Than micro enterprises and small enterprises | - | - |
| (b) Others (specify nature) | - | - |
| | - | - |

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"NOTE" FORMING PART OF THE BALANCE SHEET & STATEMENT OF PROFIT AND LOSS as on 31st March 2024

(Amount in ₹ Hundred)

| Particulars | Figures as at the end of current reporting period | Figures as at the end of previous reporting period |
|---|---|---|
| **Long-Term Provisions** Note. -5 | | |
| (a) Provisions for employee benefits | - | - |
| (b) Others (specify nature) | - | - |
| | - | - |
| **Short-Term Borrowings** Note. - 6 | | |
| **Secured Borrowings: -** | | |
| **Term loans** | | |
| From Banks | - | - |
| From other Parties | - | - |
| **Loans Repayable on Demand** | | |
| From Banks | - | - |
| From other Parties | - | - |
| Deferred Payment Liabilities | - | - |
| Loans and advances from Related Parties | - | - |
| Current maturitites of finance lease obligation | - | - |
| Current Maturities of Long Term Borrowings | - | - |
| Other loans advances (specify nature) | - | - |
| **Total (A)** | - | - |
| **Un-Secured Borrowings: -** | | |
| **Term loans** | | |
| From Banks | - | - |
| From other Parties | - | - |
| **Loans Repayable on Demand** | | |
| From Banks | - | - |
| From other Parties | - | - |
| Deferred Payment Liabilities | - | - |
| Loans and advances from Related Parties | - | - |
| Current maturitites of finance lease obligation | - | - |
| Current Maturities of Long Term Borrowings | - | - |
| Other loans advances (specify nature) | 19,857.37 | 94,490.00 |
| **Total (B)** | 19,857.37 | 94,490.00 |
| **Total (A) + (B)** | 19,857.37 | 94,490.00 |
| **Trade Payable** Note. - 7 | | |
| **For trade payables outstanding, ageing schedules is given:** | | |
| Trade Payables Ageing Schedule **[Sub Note -1]** | 40,666,909.44 | - |
| | 40,666,909.44 | - |

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"NOTE" FORMING PART OF THE BALANCE SHEET & STATEMENT OF PROFIT AND LOSS as on 31st March 2024

(Amount in ₹ Hundred)

| Particulars | Figures as at the end of current reporting period | Figures as at the end of previous reporting period |
|---|---|---|
| **Other Current liabilities: Note. - 8** | | |
| (a) Current maturities of finance lease obligations; | - | - |
| (b) Interest accrued but not due on borrowings | - | - |
| (c) Interest accrued and due on borrowings; | - | - |
| (d) Income received in advance; | - | - |
| (e) Unpaid dividends; | - | - |
| (f) Application money received for allotment of securities and due for refund | - | - |
| (g) Unpaid matured deposits and interest accrued thereon | - | - |
| (h) Unpaid matured debentures and interest accrued thereon; | - | - |
| (i) Other payables (specify nature).□ | 5,455.58 | - |
| | 5,455.58 | - |
| **Short-Term Provisions Note. - 9** | | |
| Provision for Audit Fee | - | - |
| Provision for Tax Audit Fee | - | - |
| Provision for Expense | - | 1,740.00 |
| Directors Salary | - | - |
| Salary Payable | 2,948.07 | - |
| Other Provision | 998.45 | - |
| Prov for Tax | 484,403.69 | 30,000.00 |
| | 488,350.21 | 31,740.00 |
| **Non-Current Investments Note No. - 11** | | |
| (a) Investment Property; | - | - |
| (b) Investments in Equity Instruments; | - | - |
| (c) Investments in Preference Shares; | - | - |
| (d) Investments in Government or Trust Securities; | - | - |
| (e) Investments in Debentures or Bonds; | - | - |
| (f) Investments in Mutual Funds; | - | - |
| (g) Investments in Partnership Firms; | - | - |
| (h) Other non-current investments (specify nature). | - | - |
| | - | - |

| | | |
|---|---|---|
| Aggregate amount of quoted investments and market value | Not Applicable | Not Applicable |
| Aggregate amount of Unquoted Investment | Not Applicable | Not Applicable |
| Aggregate provision for diminution in value of investments. | Not Applicable | Not Applicable |

| | | |
|---|---|---|
| **Long-Term Loans and Advances: Note No. - 12** | | |
| (a) Capital Advances; | - | - |
| (b) Loans and advances to related parties (giving details thereof); | | |
| Secured, considered good; | - | - |
| Unsecured, considered good; | - | - |
| Doubtful | - | - |
| (c) Other Loans and Advances (specify nature). | - | - |
| | - | - |

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"NOTE" FORMING PART OF THE BALANCE SHEET & STATEMENT OF PROFIT AND LOSS as on 31st March 2024

(Amount in ₹ Hundred)

| Particulars | Figures as at the end of current reporting period | Figures as at the end of previous reporting period |
|---|---|---|
| Note Repayable on demand or without specifying any terms or period of repayment | | |
| S.no. Type of Borrower | Amount outstanding in the nature of loan | % of Total loan & Advances in the nature of loan |
| 1 Promoters | - | |
| 2 Directors | - | - |
| 3 KMPs | - | |
| 4 Related Parties | - | |
| Total | - | - |
| | - | - |

**Other Non-Current Assets:**
**Note No. - 13**

| | | | |
|---|---|---|---|
| (i) Long-term Trade Receivables (including trade receivables on deferred credit terms); | [Sub Note -2 ] | | |
| (a) Secured, considered good; | | - | - |
| (b) Unsecured, considered good; | | - | - |
| (c) Doubtful | | - | - |
| (ia) Security Deposit | | - | - |
| (ii) Others (specify nature) | | - | - |
| | | - | - |

**Current Investments**
**Note No. - 14**

| | | |
|---|---|---|
| (a) Investments in Equity Instruments; | - | - |
| (b) Investment in Preference Shares; | - | - |
| (c) Investments in Government or Trust Securities; | - | - |
| (d) Investments in Debentures or Bonds; | - | - |
| (e) Investments in Mutual Funds; | - | - |
| (f) Investments in Partnership Firms; | - | - |
| (g) Other Investments (specify nature). | - | - |
| | - | - |

| | | |
|---|---|---|
| The basis of valuation of individual investments; | Not Applicable | Not Applicable |
| Aggregate amount of quoted investments and market value thereof; | Not Applicable | Not Applicable |
| Aggregate amount of unquoted investments | Not Applicable | Not Applicable |
| Aggregate provision made for diminution in value of investments. | Not Applicable | Not Applicable |

**Inventories**
**Note No. - 15**

| | | |
|---|---|---|
| (a) Raw Materials; | - | - |
| (b) Work-in-Progress; | - | - |
| (c) Finished Goods; | 15,331,987.99 | 168,650.00 |
| (d) Stock-in-Trade (in respect of goods acquired for trading); | - | - |
| (e) Stores and spares; | - | - |
| (f) Loose tools; | - | - |
| (g) Others (specify nature). | - | - |
| | 15,331,987.99 | 168,650.00 |

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(Amount in ₹ Hundred)

| Particulars | Figures as at the end of current reporting period | Figures as at the end of previous reporting period |
|---|---|---|
| **Trade Receivables** **Note No. - 16** **[Sub Note -2]** | | |
| **For Trade Receivables Outstanding, Ageing Schedules is given:** | | |
| (a) Secured, considered good; | 30,269,902.68 | 226,300.00 |
| (b) Unsecured, considered good; | - | - |
| (c) Doubtful | - | - |
| | **30,269,902.68** | **226,300.00** |
| **Cash and Cash Equivalents** **Note No. - 17** | | |
| (a) Balances with banks;☐ | 812,868.75 | 1,590.00 |
| (b) Cheques, drafts on hand;☐ | - | - |
| (c) Cash on hand; | 17,041.95 | 5,210.00 |
| (d) Fixed Deposit with Bank | - | - |
| | **829,910.70** | **6,800.00** |

| | | |
|---|---|---|
| Fixed deposits with more than twelve months maturity Value is Rs. | Not Applicable | Not Applicable |
| Earmarked balances with banks (for example, for unpaid dividend) shall be separately | Not Applicable | Not Applicable |
| Balances with banks to the extent held as margin money or security against the | Not Applicable | Not Applicable |
| Repatriation restrictions, if any, in respect of cash and bank balances shall be | Not Applicable | Not Applicable |
| Bank deposits with more than twelve months maturity shall be disclosed separately. | Not Applicable | Not Applicable |

| | | |
|---|---|---|
| **Short-Term Loans and Advances:** **Note. - 18** | | |
| (a) Loans and advances to related parties (giving details thereof); | | |
| Secured, considered good; | - | - |
| Unsecured, considered good; | 2,454,322.79 | 359,530.00 |
| Doubtful. | - | - |
| (b) Others (specify nature). | - | - |
| | **2,454,322.79** | **359,530.00** |
| **Other Current Assets** **Note. - 19** | | |
| Balances with Government Authority | 137,731.42 | 266.00 |
| GST Input | - | - |
| MAT Tax Credit | - | - |
| | **137,731.42** | **266.00** |

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(Amount in ₹ Hundred)

| Particulars | Figures as at the end of current reporting period | Figures as at the end of previous reporting period |
|---|---|---|
| **Contingent Liabilities and Commitments Note. - 20** | | |
| **(i) Contingent liabilities :** | | |
| (a) Claims against the compnay not acknowledged as debt | - | - |
| (b) Guarantees excluding financial gurantees | - | - |
| (c) Other money for which the company is contingently liable | - | - |
| **(ii) Commitments :** | | |
| (a) Estimated amount of contracts remaining to be executed on capital | - | - |
| (b) Uncalled liability on shares and other investment partly paid | - | - |
| (c) Other (specify nature) | - | - |
| | - | - |
| **Note No. - A Revenue From Operations** | | |
| (a) Sale of Products | 55,543,364.29 | 180,110.00 |
| (b) Sales Net of Tax | - | 53,490.00 |
| (c) Other operating revenues; | - | 7,260.00 |
| | 55,543,364.29 | 240,860.00 |
| **Note No. - B Other Income** | | |
| (a) Interest Income | 8,115.87 | 1,140.00 |
| (b) Dividend Income; | 12.15 | - |
| (c) Net gain/loss on sale of investments; | - | - |
| (d) Discount on Purchase | 519.93 | - |
| (e) Commission Income | 96,723.41 | - |
| (f) Misc Income | 143,627.25 | - |
| | 248,998.61 | 1,140.00 |
| **Note No. - C Cost of Materials Consumed** | | |
| Opening Stocks of Raw Material | - | - |
| Add: Purchase of Raw Materials | 28,944,274.10 | 220,530.00 |
| Add: Direct Expenses/ Project Exp | 6,319.28 | - |
| Add: Freight & Transportation | - | - |
| Add: Packing Material | - | - |
| Add: Wages / Other Exp | - | - |
| Add: Wastage of Goods | - | - |
| Add: Power & Fuel Expense | - | - |
| | 28,950,593.38 | 220,530.00 |
| Less: Closing Stocks of Raw material | - | - |
| | 28,950,593.38 | 220,530.00 |

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(Amount in ₹ Hundred)

| Particulars | | Figures as at the end of current reporting period | Figures as at the end of previous reporting period |
|---|---|---|---|
| **Note No. - D** | | | |
| **Changes in inventories of Finished Goods** | | | |
| Opening Stocks of Finished Goods(Shares) | | 168,650.00 | - |
| Closing Stocks of Finished Goods(Agriculture) | | 4,776,428.31 | - |
| Closing Stocks of Finished Goods(Fabrics,Paints) | | 629,798.21 | - |
| Closing Stocks of Finished Goods(Steel) | | 627,088.36 | - |
| Closing Stocks of Finished Goods(Shares) | | 145,710.33 | 168,650.00 |
| **TOTAL** | **A** | **(6,010,375.20)** | **(168,650.00)** |
| Changes in Work-in-Progress | | | |
| Opening Stocks WIP | | - | - |
| Closing Stocks WIP | | - | - |
| **TOTAL** | **B** | **-** | **-** |
| **TOTAL** | **A+B** | **(6,010,375.20)** | **(168,650.00)** |
| **Note No. - E** | | | |
| **Employee benefits expense** | | | |
| Salaries and Wages | | 28,257.67 | 2,120.00 |
| Director Salary | | - | - |
| Staff welfare expenses | | - | - |
| Providend Fund Contribution | | - | - |
| ESIC Contribution | | - | - |
| | | **28,257.67** | **2,120.00** |
| **Note No. - F** | | | |
| **Finance Cost** | | | |
| (a) Interest expense; | | | |
| (A) Interest Expense on CC | | - | - |
| (B) Interest Expense on TL | | - | - |
| (C) Interest Expense | | - | - |
| **TOTAL** | **A** | **-** | **-** |
| (b) Other Borrowing Costs | | | |
| (A) Inspection Charges | | - | - |
| (B) Documentation Charge | | - | - |
| (C) Loan Processing fee | | - | - |
| **TOTAL** | **B** | **-** | **-** |
| **TOTAL** | **A+B** | **-** | **-** |
| **Note No. - G** | | | |
| **Other Expenses** | | | |
| Statutory Audit Fee | | - | 700.00 |
| Tax Audit Fee | | - | - |
| Legal and Professional Fees | | 62,746.16 | 4,510.00 |
| Rates and Taxes | | - | 2,670.00 |
| Electricity Expense | | 1,292.20 | 70.00 |
| Advertisement Expense | | 4,138.98 | 230.00 |
| Prefrential IPO Expense | | - | 8,180.00 |
| RTA Fees | | 1,134.76 | 850.00 |
| Non-Compliance Penalty | | 9.00 | 410.00 |
| Office Expense | | 3,934.06 | |
| Travelling Expense | | 19,744.87 | |
| Rent Expense | | - | 600.00 |
| Repairs & Maintenance | | - | 450.00 |
| Misc Expenses | | 77,117.46 | 580.00 |
| Bank charges | | 275.92 | - |
| | | **170,393.40** | **19,250.00** |

K. M. Chauhan & Associates * Rajkot FRN: 125924W * Chartered Accountants

**GUJARAT TOOLROOMS LIMITED**
CIN - L45208GJ1983PLC006056

404 - 4th FLOOR, SAMARTH CO.OP.H.SOC. NR. SILICON TOWER, NR. LAW GARDEN
ELLISHBRIDGE, AHMEDABAD 380006

**"SUBNOTE" FORMING PART OF THE BALANCE SHEET & STATEMENT OF PROFIT AND LOSS as on 31st March 2024**

## Trade Payables Ageing Schedule
Sub Note. - 1

**(Amount in ₹ Hundred )**

| Particulars | | Outstanding for following periods from due date of payment ( 2023-24 ) | | | | Total |
|---|---|---|---|---|---|---|
| | | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | |
| (i) (a) Micro Enterprises and Small Enterprises | | - | - | - | - | - |
| (b) Medium Enterprises | | - | - | - | - | - |
| (ii) Others | | 40,666,909.44 | - | - | - | 40,666,909.44 |
| (iii) (a) Disputed Dues - Micro and Small Enterprises | | - | - | - | - | - |
| (iii) (b) Disputed Dues - Medium Enterprises | | - | - | - | - | - |
| (iv) Disputed Dues - Others | | - | - | - | - | - |
| **Total** | | **40,666,909.44** | **-** | **-** | **-** | **40,666,909.44** |

| Particulars | | Outstanding for following periods from due date of payment ( 2022-23) | | | | Total |
|---|---|---|---|---|---|---|
| | | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | |
| (i) (a) Micro Enterprises and Small Enterprises | | - | - | - | - | - |
| (b) Medium Enterprises | | - | - | - | - | - |
| (ii) Others | | - | - | - | - | - |
| (iii) (a) Disputed Dues - Micro and Small Enterprises | | - | - | - | - | - |
| (iii) (b) Disputed Dues - Medium Enterprises | | - | - | - | - | - |
| (iv) Disputed Dues - Others | | - | - | - | - | - |
| **Total** | | **-** | **-** | **-** | **-** | **-** |

K.M. Chauhan & Associates * Rajkot * FRN: 125924W * Chartered Accountants

**GUJARAT TOOLROOMS LIMITED**
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**"SUBNOTE" FORMING PART OF THE BALANCE SHEET & STATEMENT OF PROFIT AND LOSS as on 31st March 2024**

## Trade Receivables ageing schedule
**Subnote. -2**

**(Amount in ₹ Hundred )**

| Particulars | Receivables for following periods from due date of payment ( 2023-24 ) | | | | | |
|---|---|---|---|---|---|---|
| | 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 | 30,269,264.51 | 638.17 | - | - | - | 30,269,902.68 |
| (ii) Undisputed Trade Receivables – considered doubtful | - | - | - | - | - | - |
| (iii) Disputed Trade Receivables considered good | - | - | - | - | - | - |
| (iv) Disputed Trade Receivables considered doubtful | - | - | - | - | - | - |
| (v) Unbilled Dues | - | - | - | - | - | - |
| **Total** | **30,269,264.51** | **638.17** | **-** | **-** | **-** | **30,269,902.68** |

| Particulars | Receivables for following periods from due date of payment ( 2022-23 ) | | | | | |
|---|---|---|---|---|---|---|
| | 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 | 226,300.00 | - | - | - | - | 226,300.00 |
| (ii) Undisputed Trade Receivables – considered doubtful | - | - | - | - | - | - |
| (iii) Disputed Trade Receivables considered good | - | - | - | - | - | - |
| (iv) Disputed Trade Receivables considered doubtful | - | - | - | - | - | - |
| (v) Unbilled Dues | - | - | - | - | - | - |
| **Total** | **226,300.00** | **-** | **-** | **-** | **-** | **226,300.00** |

K.M. Chauhan & Associates * Chartered Accountants * Rajkot FRN: 125924W

**GUJARAT TOOLROOMS LIMITED**
CIN - L45208GJ1983PLC006056

404 - 4th FLOOR, SAMARTH CO.OP.H.SOC. NR. SILICON TOWER, NR. LAW GARDEN
ELLISHBRIDGE, AHMEDABAD 380006

## Property, Plant and Equipment and Intangible Assets
## Note No. - 10

(Amount in ₹ Hundred )

### (i) Property, Plant and Equipment as on 31-03-2024

| Sl. No. | Particulars | GROSS BLOCK Original Cost | Addition | Sale/ Scrap | Total As on 31.03.2024 | DEPRECIATION up to 31.03.2023 | During the Year | Total As on 31.03.2024 | NET BLOCK As at 31.03.2024 | As at 31.03.2023 |
|---|---|---|---|---|---|---|---|---|---|---|
| 1 | Air Conditioner | - | 921.41 | - | 921.41 | - | 95.20 | 95.20 | 826.21 | - |
| 2 | Computer & Laptops | - | 3,066.76 | - | 3,066.76 | - | 275.71 | 275.71 | 2,791.05 | - |
| 3 | Telephone & Mobile | - | 1,169.19 | - | 1,169.19 | - | 124.12 | 124.12 | 1,045.08 | - |
| 4 | BMW Car | - | 114,712.14 | - | 114,712.14 | - | 2,606.18 | 2,606.18 | 112,105.96 | - |
| 5 | Office Carpet | - | 1,601.52 | - | 1,601.52 | - | 93.15 | 93.15 | 1,508.37 | - |
| 6 | Weighing Machine | - | 505.00 | - | 505.00 | - | 38.08 | 38.08 | 466.92 | - |
| **Current Year's Figures** | | - | 121,976.02 | - | 121,976.02 | - | 3,232.44 | 3,232.44 | 118,743.59 | - |
| **Previous Year's Figures** | | - | - | - | - | - | - | - | - | - |

### (ii) Intangible Assets

| Sl. No. | Particulars | GROSS BLOCK Original Cost | Addition | Sale/ Scrap | Total As on 31.03.2024 | DEPRECIATION up to 31.03.2023 | During the Year | Total As on 31.03.2024 | NET BLOCK As at 31.03.2024 | As at 31.03.2023 |
|---|---|---|---|---|---|---|---|---|---|---|
| 1 | Goodwill | - | - | - | - | - | - | - | - | - |
| 2 | Brands / trademarks | - | - | - | - | - | - | - | - | - |
| 3 | Computer Software | - | - | - | - | - | - | - | - | - |
| 4 | Mastheads and Publishing titles | - | - | - | - | - | - | - | - | - |
| 5 | Mining Rights | - | - | - | - | - | - | - | - | - |
| 6 | Copyrights, patents, Intellectual property rights, services and operating rights | - | - | - | - | - | - | - | - | - |
| 7 | Recipes, Formulae, models, designs and prototypes | - | - | - | - | - | - | - | - | - |
| 8 | Licenses and Franchise. | - | - | - | - | - | - | - | - | - |
| 9 | Others (specify nature) | - | - | - | - | - | - | - | - | - |
| **Current Year's Figures** | | - | - | - | - | - | - | - | - | - |
| **Previous Year's Figures** | | - | - | - | - | - | - | - | - | - |

K.M. Chauhan & Associates
Rajkot
FRN: 125924W
Chartered Accountants

**GUJARAT TOOLROOMS LIMITED**
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ELLISHBRIDGE, AHMEDABAD 380006

## (iii) Capital-Work-in Progress (CWIP)

(a) For Capital-work-in progress, following ageing schedule shall be given:

**CWIP aging schedule**

| CWIP | Amount in CWIP for a period of | | | | Total | Total |
|---|---|---|---|---|---|---|
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | 31/03/2024 | 31/03/2023 |
| Projects in progress | - | - | - | - | - | - |
| Projects temporarily suspended | - | - | - | - | - | - |

b) For capital-work-in progress, whose completion is overdue or has exceeded its cost compared to its original plan, following CWIP completion schedule shall be given**:

| CWIP | To be completed in | | | | Total | Total |
|---|---|---|---|---|---|---|
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | 31/03/2024 | 31/03/2023 |
| Project 1 | - | - | - | - | - | - |
| Project 2 | - | - | - | - | - | - |

## (iv) Intangible assets under development

(a) For Intangible assets under development, following ageing schedule shall be given:

**Intangible assets under development aging schedule**

| Intangible assets under development | Amount in CWIP for a period of | | | | Total | Total |
|---|---|---|---|---|---|---|
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | 31/03/2024 | 31/03/2023 |
| Projects in progress | - | - | - | - | - | - |
| Projects temporarily suspended | - | - | - | - | - | - |

b) For Intangible assets under development, whose completion is overdue or has exceeded its cost compared to its original plan, following **Intangible assets under development completion schedule** shall be given**:

| Intangible assets under development | To be completed in | | | | Total | Total |
|---|---|---|---|---|---|---|
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | 31/03/2024 | 31/03/2023 |
| Project 1 | - | - | - | - | - | - |
| Project 2 | - | - | - | - | - | - |

K. M. Chauhan & Associates * Chartered Accountants * Rajkot FRN: 125924W

**GUJARAT TOOLROOMS LIMITED**
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ELLISHBRIDGE, AHMEDABAD 380006

## Ratio Disclosure

| RATIOS | Numerator | Denominator | 31/03/2024 | 31/03/2023 | % of Variance | Reason of variance |
|---|---|---|---|---|---|---|
| Current Ratio | Current Assests | Current Liabilities | 1.19 | 6.03 | -80.27% | |
| Debt-Equity Ratio | Debt/Loan | Shareholder's Equity | 0.00 | 0.15 | -98.32% | |
| Debt Service Coverage Ratio | EBITDA | Total Debt Service | - | - | 0.00% | |
| Return on Equity Ratio | Profit After Tax | Shareholder's Equity | 91.86% | 21.84% | -320.61% | |
| Inventory Turnover Ratio | Sales Account | Average Stock | 353.37 | 2.86 | 12271.61% | |
| Trade Receivables Turnover Ratio | Net Credit Sales or Total Sales | Avg. Debtor or Closing Debtor | 1.83 | 1.06 | 72.40% | |
| Trade Payables Turnover Ratio | Net Credit Pur. or Total Purchase | Avg Creditor or Closing Creditor | 1.32 | - | 132.28% | |
| Net Capital Turnover Ratio | Net Annual Sales | Avg Working Capital | 7.08 | 0.38 | 1767.92% | |
| Net Profit Ratio | Net Profit After Tax | Net Sales | 13.16% | 57.61% | 77.15% | |
| Return on Capital Employed | EBIT | Capital Employed | 97.97% | 26.56% | -268.84% | |
| Return on Investment | Net Profit | Investment | 91.86% | 21.84% | -320.61% | |

K. M. Chauhan & Associates
Rajkot
FRN: 125924W
Chartered Accountants

# AUDITED FINANCIAL STATEMENTS FOR FISCAL 2023

*Independent Auditors' Report*

To the Members of
**GUJARAT TOOLROOM LIMITED**

**Report on the Standalone Financial Statements**

**Opinion**

I have audited the accompanying standalone financial statements of **GUJARAT TOOLROOM LIMITED** ("the Company"), which comprises the Balance Sheet as at March 31, 2023, the Statement of Profit and Loss (including Other Comprehensive Income), the statement of Changes in Equity and Cash Flow Statement for the year ended on that date, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as the "standalone financial statements").

In my opinion and to the best of my information and according to the explanations given to me, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 in the manner so required and give a true and fair view in conformity with the Indian accounting Standards prescribed under section 133 of the Act read with the companies (Indian Accounting standards) Rule, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2023 and its profit & total Comprehensive Income, Changes in equity and its cash flows for the year ended on that date.

**Basis for Opinion**

I conducted my audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. My responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I am independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to my audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and I have fulfilled my other ethical responsibilities in accordance with these requirements and the Code of Ethics. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

**Key Audit Matters**

Key Audit Matters are those matters that, in my professional judgment, are of most significance in my audit of the financial statements of the current period. These matters are addressed in the context of my audit of the financial statements as a whole, and in forming my opinion thereon, and I do not provide separate opinion on these matters.

**Information Other than the Financial Statements and Auditor's Report Thereon**

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Dimension and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the standalone financial statements and my auditor's report thereon.

My opinion on the standalone financial statements does not cover the other information and I do not express any form of assurance conclusion thereon.

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

Based on the work I have performed, I conclude that there is a no material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

**Responsibility 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 and presentation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities, selection and application of appropriate accounting policies; making judgements and estimates that are responsible 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 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.

The Board of Directors is also responsible for overseeing the company's financial reporting process.

**Auditor's Responsibilities for the Audit of Financial Statement**

My 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 my 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 financial statements.

A further description of the auditor's responsibilities for the audit of the financial statements is included in **Annexure A**. This description forms part of my auditor's report.

**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 Act, I give in the **Annexure B,** 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, I report that:

   a) I have sought and obtained all the information and explanations which to the best of my knowledge and belief were necessary for the purpose of my audit.

   b) In my opinion proper books of account as required by law have been kept by the Company so far as appears from my examination of those books;

   c) The Standalone Balance sheet, the statement of Profit and loss including Other Comprehensive Income, and the Standalone Cash Flow Statement dealt with by this Report are in agreement with the books of account;

   d) In my opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.

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

   f) 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 my separate Report in **"Annexure C"**. My report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

   g) 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 my opinion and to the best of my information and according to the explanations given to me:

      i) The Company does not have any pending litigations for which provision have not been made which would impact its financial position.

      ii) The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any. However the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

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

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;

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to my notice that has caused me to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v) The company has not declared or paid any dividend during the year in contravention of the provisions of section 123 of the Companies Act, 2013.

3. **With respect to the 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 my opinion and to the best of my information and according to the explanations given to me, the remuneration has not been paid or provided. Accordingly, reporting under section 197 (16) of the Act is not applicable.

For, **ABHISHEK KUMAR & ASSOCIATES**
Chartered Accountants
(Registration Number: 130052W)

SD/-
ABHISHEK AGRAWAL
Proprietor
Membership Number: 132305
**UDIN: 23132305BGXKQQ2009**

**Date:** 08.05.2023
**Place:** Ahmedabad

***Annexure "A" to the Independent Auditor's Report Responsibilities for Audit of Financial Statement***

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

- Identify and assess the risks of material misstatement of the 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 my 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.
- 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, I am also responsible for expressing my opinion on whether the company has internal financial controls with reference to Financial Statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- 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 I conclude that a material uncertainty exists, I are required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusion is based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I 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 I identify during my audit.

I also provide those charged with governance with a statement that I 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 my independence, and where applicable, related safeguards.

For, **ABHISHEK KUMAR & ASSOCIATES**
Chartered Accountants
(Registration Number: 130052W)

SD/-
ABHISHEK AGRAWAL
Proprietor
Membership Number: 132305
**UDIN: 23132305BGXKQQ2009**

**Date:** 08.05.2023
**Place:** Ahmedabad

*Annexure "B" to the Independent Auditor's Report*

The Annexure referred to in my Independent Auditor's Report to the members of the Company on the Standalone financial statements for the year ended 31 March 2023, I report that;

(i) In respect of Fixed Assets:

a) The company does not have any Property, Plant and equipment. Accordingly, the provision of clause 3(i)(a) to (e) of the Order are not applicable.

(ii) In respect of Inventory:

(a) As explained to me, inventories have been physically verified during the year by the management at reasonable intervals. In my opinion, the frequency of verification is reasonable. As informed to me there are no material discrepancies noticed on verification between the physical stocks and the book records and any discrepancies found has been properly dealt within the books of accounts.

(b) According to the information and explanation given to us and the records produced to us for our verification, The company has not been sanctioned working capital limits in excess of Rs. 5 crore, in aggregate, at any point of time during the year, from banks or financial institutions on the basis of security of current assets. Accordingly, the provision of clause 3(ii)(b) of the Order are not applicable.

(iii) During the year the company has not made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the provisions of clause 3 (iii) (a) to (f) of the Order are not applicable.

(iv) According to the information and explanations given to us and representations made by the Management, the Company has not done any transactions covered under section 185 and 186 in respect of loans, investments, guarantees and security. Accordingly, the provisions of clause 3(iv) of the Order are not applicable.

(v) According to the information and explanation given to me, the company has not accepted any deposit from the public during the year. Therefore, the provisions of clause (v) of paragraph 3 of the order are not applicable to the company.

(vi) According to the information and explanation given to us, the maintenance of cost records under section 148(1) of the Act as prescribed by the Central Government is not applicable to the company for the year under review. Accordingly, the provisions of clause 3(vi) of the Order are not applicable.

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

(a) The company is generally regular in depositing the undisputed statutory dues including Provident Fund, Employees State Insurance, Income Tax, Wealth Tax, Sales Tax, Goods and Service Tax, Custom Duty, Excise Duty, Service Tax, Value Added Tax, Cess and any other statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of afore mentioned dues were outstanding as at 31$^{St}$ March 2023 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, there are no statutory dues that have not been deposited on account of disputes.

(viii) According to the information and explanations given to me and the records of the Company examined by me, there are no transactions in the books of account that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

(ix)

a) In my opinion and according to the information and explanations given to me, the company has not defaulted in repayment of dues to financial institutions or banks. As there are no debentures, the question of repayment does not arise.

b) According to the information and explanations given to me and on the basis of my audit procedures, I report that the Company has not been declared Willful Defaulter by any bank or financial institution or government or any government authority.

c) In our opinion and according to the information and explanations given to us, the company has not taken any term loans during the year under review. Accordingly, the provisions of clause 3(viii) of the Order are not applicable.

d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the company, we report that no funds raised on short-term basis have been used for long-term purposes by the company. Accordingly, the provisions of clause 3(ix)(d) of the Order are not applicable to the Company.

e) According to the information and explanations given to me, Company doesn't have subsidiaries as defined under the Companies Act, 2013 accordingly, clause 3(ix)(e) of the Order is not applicable.

f) According to the information and explanations given to me Company doesn't have subsidiaries as defined under the Companies Act, 2013 accordingly, clause 3(ix)(f) of the Order is not applicable.

(x) (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) Accordingly, clause 3(x)(a) of the Order is not applicable.

(b) According to the information and explanations given to me and on the basis of my examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.

(xi) (a) Based on examination of the books and records of the Company and according to the information and explanations given to me, considering the principles of materiality outlined in Standards on Auditing, I report that no fraud by the Company or on the Company has been noticed or reported during the course of the Audit.

(b) According to the information and explanations given to me, no report under sub-section (12) of Section 143 of the Companies Act, 2013 has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) During the course of my examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to me, the Company has not received any whistle- blower complaints during the year.

(xii) According to the information and explanations given to me, the Company is not Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.

(xiii) According to the information and explanations given to me and based on my examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the Standalone financial statements as required by the applicable accounting standards.

(xiv) In our opinion and based on our examination, the company is not required to have an internal Audit system as per provisions of the Companies Act 2013.Accordingly, the provisions of clause 3(xiv) (a) & (b) of the Order are not applicable.

(xv) According to the information and explanations given to me and based on my examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.

(xvi)

(a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) of the Order is not applicable.

(b) The Company has not conducted any Non-Banking Financial or Housing Finance activities without a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(b) of the Order is not applicable.

(c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.

(d) According to the information and explanations provided to me during the course of audit, the Group does not have any CIC. Accordingly, the requirements of clause 3(xvi)(d) are not applicable.

(xvii) The Company has not incurred cash losses in the current year and the company has incurred cash losses in the immediately preceding financial year of Rs. 16.05 Lacs.

(xviii) There has been resignation of **DHARMESH PARIKH & CO LLP** as a statutory auditor of company on **05/01/2023** due to preoccupation and there are no issues, objections or concerns raised by the outgoing auditor.

(xix) On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and my knowledge of the Board of Directors and Management plans and based on my examination of the evidence supporting the assumptions, nothing has come to my attention, which comes me to believe that any material uncertainty exists as on the date of the audit report indicating that Company 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. I, however, state that this is not an assurance as to the future viability of the Company. I further state that my reporting is based on the facts up to the date of the audit report and I 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.

(xx) In my opinion and according to the information and explanations given to me, provisions of sub-section (5) of Section 135 of the Companies Act, 2013 is not applicable. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

For, **ABHISHEK KUMAR & ASSOCIATES**
Chartered Accountants
(Registration Number: 130052W)

Sd/-
ABHISHEK AGRAWAL
Proprietor
Membership Number: 132305
**UDIN: 23132305BGXKQQ2009**

**Date:** 08.05.2023
**Place:** Ahmedabad

*Annexure "C" to the Auditors' Report*

**Report on the Internal Financial Controls under Clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')**

**Opinion**

I have audited the internal financial controls over financial statements of **GUJARAT TOOLROOM LIMITED** ("the Company"), as of 31 March, 2023, in conjunction with my audit of the standalone financial statements of the Company as at and for the year ended that date.

In my opinion, the Company has, in all material respects, adequate internal financial controls with reference to standalone financial statements and such internal financial controls Ire operating effectively as at 31 March 2023, based on the internal financial controls with reference to standalone financial statements 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 (the "Guidance Note").

**Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal controls 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 Ire operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the 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 Companies Act, 2013.

**Auditor's Responsibility**

My responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on my audit. I conducted my audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the 'Guidance Note') and the Standards of Accounting, issued by ICAI and deemed to be prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that I 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 controls operated effectively in all material respects.

My audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. My audit of internal financial controls over financial reporting included obtaining an understanding or 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 judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

**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 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 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 the Management and directors of the Company; and

(3) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, or disposition of the Company's assets that could have a material effect on the 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.

For, **ABHISHEK KUMAR & ASSOCIATES**
Chartered Accountants
(Registration Number: 130052W)

SD/-
ABHISHEK AGRAWAL
Proprietor
Membership Number: 132305
**UDIN: 23132305BGXKQQ2009**

**Date:** 08.05.2023
**Place:** Ahmedabad

GUJARAT TOOLROOM LIMITED
CIN : L45208GJ1983PLC006056
Balance Sheet as at 31st March, 2023

(Rupees in Lakhs)

| Particulars | Notes | As at 31-Mar-2023 | As at 31-Mar-2022 |
|---|---|---|---|
| ASSETS | | | |
| **(I) Non-Current Assets** | | | |
| **Total Non Current Assets** | | - | - |
| **(II) Current Assets** | | | |
| (a) Inventories | 3 | 168.65 | - |
| (b) Financial Assets | | | |
| (i) Trade Receivables | 4 | 226.30 | - |
| (ii) Cash & cash equivalents | 5 | 6.80 | 7.94 |
| (iii) Short Term Loans & Advances | 6 | 359.53 | 37.40 |
| (iii) Other Current Assets | 7 | 0.27 | - |
| **Total Current Assets** | | **761.55** | **45.34** |
| **Total Assets** | | **761.55** | **45.34** |
| EQUITY AND LIABILITIES | | | |
| EQUITY | | | |
| (a) Equity Share Capital | 8 | 555.54 | 69.54 |
| (b) Other Equity | 9 | 79.78 | (58.96) |
| | | **635.32** | **10.58** |
| LIABILITIES | | | |
| **(I) Non-Current Liabilities** | | | |
| **Total Non Current Liabilities** | | - | - |
| **(II) Current Liabilities** | | | |
| (a) Financial Liabilities | | | |
| (i) Borrowings | 10 | 94.49 | 33.47 |
| (ii) Trade Payables | 11 | | |
| - Total outstanding dues of micro and small enterprises | | - | - |
| - Total outstanding dues of creditors other than micro and small enterprises | | - | 1.29 |
| (iii) Provisions | 12 | 31.74 | - |
| **Total Current Liabilities** | | **126.23** | **34.76** |
| **Total Equity and Liabilities** | | **761.55** | **45.34** |

The accompanying notes are an integral part of these financial statements.

As per our report of even date
For **Abhisek Kumar & Associates**
Chartered Accountants
Firm Registration Number : 130052W

For and on behalf of the board of directors of
**GUJARAT TOOLROOM LIMITED**

**SD/-**
**CA ABHISHEK AGARWAL**
Proprietor Membership
No. 132305

Place : Ahmedabad
Date : 08.05.2023
UDIN: 23132305BGXKQQ2009

**SD/-**
**Kalpesh Malvi**
**Managing Director, & CFO**
**DIN : 06880789**

**Place : Ahmedabad**
**Date : 08.05.2023**

**SD/-**
**Prakash Rahevar Takhatsingh**
**Director**
**DIN : 09852472**

**Place : Ahmedabad**
**Date : 08.05.2023**

**SD/-**
**Ritu Bharatbhai Nayak**
**Company Secretary**
**Place : Ahmedabad**
**Date : 08.05.2023**

GUJARAT TOOLROOM LIMITED

CIN : L45208GJ1983PLC006056

Statement of Profit and Loss Account for the year ended on 31st March, 2023

(Rupees in Lakhs)

| Particulars | Notes | For the year ended 31-Mar-2023 | For the year ended 31-Mar-2022 |
|---|---|---|---|
| **a) Income** | | | |
| Revenue from Operations | 13 | 240.86 | - |
| Other Income | 14 | 1.14 | 0.84 |
| **Total Income** | | **242.00** | **0.84** |
| **b) Expenses** | | | |
| Purchase of Stock in Trade | 15 | 220.53 | - |
| Changes In Inventories Of Stock-In-Trade | 16 | (168.65) | - |
| Employee Benefits Expense | 17 | 2.12 | 0.91 |
| Finance Costs | 18 | - | 0.12 |
| Depreciation and Amortisation Expense | | - | - |
| Other Expenses | 19 | 19.25 | 15.86 |
| **Total Expenses** | | **73.25** | **16.89** |
| **c) Profit / (Loss) Before Tax** | | **168.75** | **(16.05)** |
| **d) Tax Expense** | 20 | | |
| Current Tax | | 30.00 | - |
| Adjustment for Earlier Years | | - | - |
| **e) Profit / (Loss) For The Year** | | **138.75** | **(16.05)** |
| **f) Other Comprehensive Income** | | | |
| - Item that will be reclassified to Profit & Loss | | - | - |
| - Item that will not be reclassified to Profit & Loss | | - | - |
| **Total Other Comprehensive Income** | | **-** | **-** |
| **g) Total Comprehensive Income / (Loss) for the Year** | | **138.75** | **(16.05)** |
| **h) Earning per Equity Share (in Rs.) (Face value of Rs.10 each)** | 27 | | |
| Basic | | 0.56 | (0.23) |
| Diluted | | 0.56 | (0.23) |

The accompanying notes are an integral part of these financial statements.

As per our report of even date
For Abhisek Kumar & Associates
Chartered Accountants
Firm Registration Number : 130052W

For and on behalf of the board of directors of
**GUJARAT TOOLROOM LIMITED**

SD/-
**CA ABHISHEK AGARWAL**
Proprietor Membership
No. 132305

Place : Ahmedabad
Date : 08.05.2023
UDIN: 23132305BGXKQQ2009

SD/-
**Kalpesh Malvi**
**Managing Director, & CFO**
**DIN : 06880789**

**Place : Ahmedabad**
**Date : 08.05.2023**

SD/-
**Prakash Rahevar Takhatsingh**
**Director**
**DIN : 09852472**

SD/-
**Ritu Bharatbhai Nayak**
**Company Secretary**
**Place : Ahmedabad**
**Date : 08.05.2023**

## GUJARAT TOOLROOM LIMITED

CIN : L45208GJ1983PLC006056

Statement of Cash Flows for the year ended on 31 March 2023

(Rupees in Lakhs)

| Particulars | For the year ended 31-Mar-2023 | For the year ended 31-Mar-2022 |
|---|---|---|
| **I. CASH FLOW FROM OPERATING ACTIVITIES** | | |
| Profit / (Loss) Before Tax | 168.75 | (16.05) |
| **Adjustment on account of :** | | |
| Finance Cost | - | 0.12 |
| **Operating Profit / (Loss) Before Working Capital Changes** | **168.75** | **(15.93)** |
| **Movements in Working Capital :** | | |
| Increase / (Decrease) in Inventories | (168.65) | |
| Increase / (Decrease) in Short Term Loans & Advances | (322.13) | |
| Increase / (Decrease) in Trade Receivables | (226.30) | |
| (Increase) / Decrease in Other Current Financial Assets | (0.27) | |
| Increase in Trade Payables | (1.29) | (0.30) |
| Increase / (Decrease) in Other Current Liabilities | - | (0.30) |
| Increase / (Decrease) in Short Term Provisions | 1.74 | |
| **Cash Generated from / (Used in) Operations** | **(548.15)** | **(16.53)** |
| Less : Direct Taxes Paid | - | - |
| **Net Cash Generated From / (Used in) Operating Activities** | **(548.15)** | **(16.53)** |
| **II. CASH FLOW FROM INVESTING ACTIVITIES** | | |
| Proceeds from current Borrowings | - | - |
| Finance Cost | - | - |
| **Net Cash Used in Investing Activities** | - | - |
| **III. CASH FLOW FROM FINANCING ACTIVITIES** | | |
| Proceeds from / (Repayment of) Borrowings (net) | 61.02 | 19.56 |
| Proceeds from Issue of equity Share Capital | 486.01 | - |
| Finance Cost Paid | | (0.12) |
| **Net Cash Generated From Financing Activities** | **547.02** | **19.44** |
| **Net Increase / (Decrease) in Cash & Cash Equivalents** | **(1.13)** | **2.91** |
| Cash & Cash Equivalents at the beginning of the year | 7.94 | 5.03 |
| **Cash & Cash Equivalents at the end of the year** | **6.81** | **7.94** |

**Notes to Statement of Cash Flow:**

(i) Reconciliation of Cash and cash equivalents with the Balance Sheet:

(Rupees in Lakhs)

| Particulars | As at 31st March, 2023 | As at 31st March, 2022 |
|---|---|---|
| Components of Cash and Cash Equivalents | | |
| Balance with Scheduled Bank | | |
| In Current Accounts | 6.80 | 7.94 |
| **Total Cash and cash equivalents as per Balance Sheet (Refer note 5)** | **6.80** | **7.94** |

(ii) The statement of cash flow has been prepared under the 'Indirect Method' set out in IND AS 7 'Statement of Cash Flow'.

(iii)\ Disclosure of changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes.

**As at 31st March, 2023 :**

(Rupees in Lakhs)

| Particulars | As at 31st March, 2022 | Cash Flows | Accruals / Other Adjustments | As at 31st March, 2023 |
|---|---|---|---|---|
| Current borrowings (Refer note 9) | 33.47 | 61.02 | - | 94.49 |
| Finance Cost Paid | - | - | - | - |
| **Total** | **33.47** | **61.02** | **94.49** | **94.49** |

**As at 31st March, 2022 :**

(Rupees in Lakhs)

| Particulars | As at 31st March, 2021 | Cash Flows | Accruals / Other Adjustments | As at 31st March, 2022 |
|---|---|---|---|---|
| Current borrowings (Refer note 9) | 13.91 | 19.56 | - | 33.47 |
| Finance Cost Paid | - | (0.12) | 0.12 | - |
| **Total** | **13.91** | **19.44** | **0.12** | **33.47** |

(iv) Interest accrued but not due (net off TDS) as on 31st March 2023 of Rs. 43.82 lacs (As on 31st March, 2022 Rs.11.41 lacs) on Inter Corporate Deposit ("ICD") taken from related parties, have been converted to the ICD balances as on reporting date as per the terms of the Contract.

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The accompanying notes are an integral part of the financial statements.

As per our report of even date
For Abhisek Kumar & Associates
Chartered Accountants
Firm Registration Number : 130052W

**SD/-**
**CA ABHISHEK AGARWAL**
Proprietor Membership
No. 132305

Place : Ahmedabad
Date : 08.05.2023
UDIN: 23132305BGXKQQ2009

For and on behalf of the board of directors of
**GUJARAT TOOLROOM LIMITED**

**SD/-**
**Kalpesh Malvi**
**Managing Director, & CFO**
**DIN : 06880789**

**Place : Ahmedabad**
**Date : 08.05.2023**

**SD/-**
**Prakash Rahevar Takhatsingh**
**Director**
**DIN : 09852472**

**Place : Ahmedabad**
**Date : 08.05.2023**

**SD/-**
**Ritu Bharatbhai Nayak**
**Company Secretary**
**Place : Ahmedabad**
**Date : 08.05.2023**

GUJARAT TOOLROOM LIMITED
CIN : L45208GJ1983PLC006056
Statement of Changes in Equity for the year ended on 31st March, 2023

**A. Equity Share Capital**

| Particulars | No. of Shares | Rupees in Lakhs |
|---|---|---|
| **Balance as at 1st April 2021** | **6,95,360** | **6.95** |
| Changes in the Equity Share Capital During the Year | - | - |
| **Balance as at 31st March 2022** | **6,95,360** | **6.95** |
| Changes in the Equity Share Capital During the Year | 4,86,00,000 | 486.00 |
| **Balance as at 31st March 2023** | **4,92,95,360** | **492.95** |

**B. Other Equity**

(Rupees in Lakhs)

| Particulars | Reserves and Surplus | | Total |
|---|---|---|---|
| | General Reserve | Retained Earnings | |
| **Balance as at 1st April 2021** | **0.47** | **(43.38)** | **(42.91)** |
| Profit/(Loss) for the year | - | (16.05) | (16.05) |
| Other comprehensive income for the year | | - | - |
| **Total Comprehensive Income/(Loss) for the year** | **-** | **(16.05)** | **(16.05)** |
| **Balance as at 31st March 2022** | **0.47** | **(59.43)** | **(58.96)** |
| **Balance as at 1st April 2022** | **0.47** | **(59.43)** | **(58.96)** |
| Profit/(Loss) for the year | - | 138.75 | 138.75 |
| Other comprehensive income for the year | - | - | - |
| **Total Comprehensive Income/(Loss) for the year** | **-** | **138.75** | **138.75** |
| **Balance as at 31st March 2023** | **0.47** | **79.32** | **79.78** |

As per our report of even date
For Abhisek Kumar & Associates
Chartered Accountants
Firm Registration Number : 130052W

For and on behalf of the board of directors of
**GUJARAT TOOLROOM LIMITED**

**SD/-**
**CA ABHISHEK AGARWAL**
Proprietor
Membership No. 132305
Place : Ahmedabad
Date : 08.05.2023

**SD/-**
**Kalpesh Malvi**
**Managing Director, & CFO**
**DIN : 06880789**
**Place : Ahmedabad**
**Date : 08.05.2023**

**SD/-**
**Prakash Rahevar Takhatsingh**
**Director**
**DIN : 09852472**
**Place : Ahmedabad**
**Date : 08.05.2023**

**SD/-**
**Ritu Bharatbhai Nayak**
**Company Secretary**
**Place : Ahmedabad**
**Date : 08.05.2023**

1 **Corporate Information**

Gujarat ToolRoom Limited (GTL or 'the company'), was originally incorporated as Private Limited Company on 25/03/1983 with the Registrar of Companies, Gujarat and consequently converted in to Limited company with effect from 11/09/1991. The Company is listed Company and its equity shares are presently listed at Bombay Stock Exchange & Ahmedabad Stock Exchange. The company currently do not have any significant business. However the management is working on other alternative business opportunities and are hopeful of revival in the near

2 **Significant Accounting Policies**

**I) Basis of Preparation**

**a) Statement of Compliance**

The financial statements of the Company have been prepared inaccordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time.

These financial Statements have been prepared and presented under the historical cost convention with the exception of certain assets and liabilities that are required to be carried at fair values by Ind AS. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between the market participants at the measurement date.

The financial statements are presented in Indian Rupee (INR), which is entity's functional and presentation currency.

The financial statements are presented in INR except when otherwise stated. All amounts have been rounded-off to the nearest Lacs unless otherwise indicated and amounts less than Rs. 500/- have been presented as "0.00. The Company has prepared the financial statements on the basis that it will continue to operate as a going concern.

Gujarat Toolroom Limited ( 'the Company') has adopted Indian Accounting Standards (referred to as"Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 with effect from1st April 2016, in accordance with the notification issued by the Ministry of Corporate Affairs.

Upto the year ended March 31, 2016, the Company has presentated its financial statements inaccordance with the requirements of previous GAAP, which includes the Standards notified underthe Companies (Accounting Standards) Rules, 2006. The date of transition to Ind AS is 1st April,2016.

**b) Use of Estimates and Judgements**

The preparation of financial statements in conformity with Ind AS requires management to make certain estimates and assumptions that affect the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and differences between the actual results and the estimates are recognised in the periods in which the results are known / materialized.

**Significant estimates and assumptions are required in particular for:**

1) Recognition of deferred tax

A deferred tax asset is recognised for all the deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilised. The management assumes that taxable profits will be available while recognising deferred tax assets.

2) Recognition and measurement of other provisions:

The recognition and measurement of other provisions are based on the assessment of the probability of an outflow of resources, and on past experience and circumstances known at the balance sheet date. The actual outflow of resources at a future date may therefore vary from the figure included in other provisions.

3) Impairment of Non Financial

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a discounted future cashflows model. The recoverable amount is sensitive to the discount rate used for the discounted future cashflows model as well as the expected future cash-inflows and the growth rate used.

4) Impairment of Financial Assets

The impairment provisions for trade receivables are made considering simplified approach based on assumptions about risk of default and expected loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation based on the company's past history and other factors at the end of each reporting period. In case of other financial assets, the Company applies general approach for recognition of impairment losses wherein the Company uses judgement in considering the probability of default upon initial recognition and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period.

5) Fair value measurement of financial instruments:

In estimating the fair value of financial assets and financial liabilities, the Company uses market observable data to the extent available. Where such Level 1 inputs are not available, the Company establishes appropriate valuation techniques and inputs to the model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

6) Recognition and measurement of Contingent liabilities, provisions and uncertain tax positions:

There are various legal, direct and indirect tax matters and other obligations including local and state levies, availing input tax credits etc., which may impact the Company. Evaluation of uncertain liabilities and contingent liabilities arising out of above matters and recognition and measurement of other provisions are based on the assessment of the probability of an outflow of resources, and on past experience and circumstances known at the balance sheet date. The actual outflow of resources at a future date may therefore vary from the figure included in other provisions.

**c) Current & Non-Current Classification :**

Any asset or liability is classified as current if it satisfies any of the following conditions:

(I) The asset/liability is expected to be realized/settled in the Company's normal operating cycle;
(II) The asset is intended for sale or consumption;
(III) The asset/liability is held primarily for the purpose of trading;
(IV) The asset/liability is expected to be realized/settled within twelve months after the reporting period;
(V) The asset is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date;
(VI) In the case of a liability, the Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

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

For the purpose of current/non-current classification of assets and liabilities, the Company has ascertained its normal operating cycle as twelve months. This is based on the nature of services and the time between the acquisition of assets or inventories for processing and their realization in cash and cash equivalents.

**II) Summary of Significant Accounting Policies**

**a) Functional and Presentation Currency**

The financial statements are presented in Indian Rupee (INR), which is entity's functional and presentation currency.

**b) Cash And Cash Equivalents**

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

**c) Revenue Recognition**

Revenue is recognised upon transfer of control of promised products or services to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those products or services. Revenue is measured based on the transaction price, which is the consideration, adjusted for discounts and other incentives, if any, as per contracts with the customers. Revenue also excludes taxes collected from customers.

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

**d) 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.

The Company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognized at fair value on initial recognition, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, which are not at fair value through profit or loss, are added to the fair value on initial recognition. Regular way purchase and sale of financial assets are accounted for at trade date.

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

**A) Financial Assets**

**Initial Measurement**

All financial assets are recognised initially at fair value However, trade receivables that do not contain a significant financing component are measured at transaction price.

**Subsequent Measurement**

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

**1) At amortised cost**

A financial asset is measured at the amortised cost if both the following conditions are met :

(a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

(b) Contractual terms of the asset give rise, on specified dates, to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

This category is the most relevant to the Company. After initial measurement, such financial assets are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. 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 in finance income in the Statement of Profit and Loss. The losses arising from impairment are recognised in the Statement of Profit and Loss. This category generally applies to trade and other receivables.

**2) At Fair Value through Other Comprehensive Income (FVTOCI)**

A financial asset is classified as at the FVTOCI if both of the following criteria are met:

(a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and

(b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognised in the Other Comprehensive Income (OCI) and on derecognition, cumulative gain or loss previously recognised in OCI is reclassified to Statement of Profit and Loss. For equity instruments, the Company may make an irrevocable election to present subsequent changes in the fair value in OCI. If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognised in the OCI. There is no recycling of the amounts from OCI to Statement of Profit and Loss, even on sale of investment.

3) **At Fair Value through Profit & Loss (FVTPL)**

FVTPL is a residual category for debt instruments and default category for equity instruments. Financial assets included within the FVTPL category are measured at fair value with all changes recognised in the Statement of Profit and Loss.

In addition, the Company may elect to designate a debt instrument, which otherwise meets amortised cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

**Derecognition**

On derecognition of a financial asset, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in Statement of Profit and Loss if such gain or loss would have otherwise been recognised in Statement of Profit and Loss on disposal of that financial asset.

**Impairment of financial assets**

The Company applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss on the financial assets and credit risk exposure. The Company assesses on a forward looking basis the expected credit losses associated with its receivables based on historical trends and past experience.

The Company follows 'Simplified Approach' for recognition of impairment loss allowance on all trade receivables or contractual receivables. Under the simplified approach the Company does not track changes in credit risk, but it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. If credit risk has not increased significantly, 12 month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used.

ECL is the difference between all contracted cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive, discounted at the original EIR. ECL impairment loss allowance (or reversal) recognised during the period is recognised as income / (expense) in the Statement of Profit and Loss.

**B) Financial Liabilities**

Financial liabilities are classified, at initial recognition as at amortised cost or fair value through profit or loss. The measurement of financial liabilities depends on their classification, as described below:

**1) At amortised cost**

This is the category most relevant to the Company. After initial recognition, financial liabilities are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in Statement of Profit and 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.

**2) At fair value through profit or loss (FVTPL)**

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as such. Subsequently, any changes in fair value are recognised in the Statement of Profit and Loss.

**Derecognition of Financial Liability**

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss. An exchange with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability.

**e) Borrowing Costs**

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

**f) Earnings Per Share**

The Basic EPS has been computed by dividing the income available to equity shareholders by the weighted average number of equity shares outstanding during the accounting year. The Diluted EPS has been computed using the weighted average number of equity shares and dilutive potential equity shares outstanding at the end of the year.

**g) Taxes on Income**

Tax expense comprises of current income tax and deferred tax.

**h) Deferred Taxation**

Deferred tax is provided using the balance sheet approach on temporary differences between the tax bases of assets and liabilities and their carrying amounts in the financial statements at the reporting date. Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity).

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses to the extent it is probable that these assets can be realised in future.

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 liabilities are offset where a legally enforceable right exists to offset current tax assets and liabilities and the deferred taxes relate to the same

Deferred tax includes MAT credit. The Company reviews such tax credit asset at each reporting date to assess its recoverability.

**i) Provisions, Contingent Liabilities and Contingent Assets**

Provisions involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events and it is possible that there will be an outflow of resources. Contingent liabilities are not recognised but are disclosed in the notes. Contingent assets are not recognised in the financial statements. The nature of such assets and an estimate of its financial effect are disclosed in notes to the Financial Statements.

**j) Cash Flow Statement**

Cash flows are reported using the indirect method,whereby profit/(loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments.The cash flows from operating,investing and financing activities of the company are segregated based on the availaible information.

**k) Segment Accounting**

In accordance with Companies (Indian Accounting Standard) Rules, 2015 (as amended), the company has determined its business segment as Mining Services. Since, there are no other business segments in whichthe company operates, there are no other primary reportable segments. Further since the company's servicesare limited to the operation of allocated mine, it operates in a single geographical segment. Therefore, thesegment revenue, results, segment assets, segment liabilities, total cost incurred to acquire segment assets,depreciation charge are all as reflected in the financial statements.

**l) Related Party Transactions**

Disclosure of transactions with Related Parties, as required by Ind AS 24 "Related Party disclosures"has been set out in a separate note. Related Parties as defined under clause 9 of the Ind AS 24 havebeen identified on the basis of representation made by management and information available with the Company.

3 **Inventories (Valued at lower of cost or net realisable value)** (Rupees in Lakhs)

| | As at 31-Mar-2023 | As at 31-Mar-2022 |
|---|---|---|
| Traded goods | 168.65 | - |
| | **168.65** | - |

4 **Trade Receivables** (Rupees in Lakhs)

| | As at 31-Mar-2023 | As at 31-Mar-2022 |
|---|---|---|
| **Other Receivables** | | |
| Unsecured, Considered good_TR | 226.30 | - |
| | **226.30** | - |

Notes :

a) The credit period given to customers ranges from 0 to 60 days.

b) Ageing schedule:

| Particulars | Not Due | Outstanding for following periods from due date of receipt | | | | | Total |
|---|---|---|---|---|---|---|---|
| | | Less than 6 months | 6 Months - 1 year | 1-2 years | 2-3 years | More than 3 years | |
| Undisputed Trade receivables - Considered good | - | 226.30 | - | - | - | - | **226.30** |
| Undisputed Trade receivables - which have significant increase in risk | - | - | - | - | - | - | - |
| Undisputed Trade receivables - credit impaired | - | - | - | - | - | - | - |
| Disputed Trade receivables - Considered good | - | - | - | - | - | - | - |
| Disputed Trade receivables - which have significant increase in risk | - | - | - | - | - | - | - |
| Disputed Trade receivables - credit impaired | - | - | - | - | - | - | - |
| Allowance for Credit Losses | - | - | - | - | - | - | - |

5 **Cash & cash equivalents** (Rupees in Lakhs)

| | As at 31-Mar-2023 | As at 31-Mar-2022 |
|---|---|---|
| Cash in Hand | 5.21 | 7.59 |
| Balances with banks | | |
| - In Current Account | 1.59 | 0.35 |
| | **6.80** | **7.94** |

6 **Short Term Loans & Advances** (Rupees in Lakhs)

| (Unsecured, considered good) | As at 31-Mar-2023 | As at 31-Mar-2022 |
|---|---|---|
| Short Term Loans & Advances | 359.53 | 37.40 |
| | **359.53** | **37.40** |

7 **Other Current Asset** (Rupees in Lakhs)

| (Unsecured, considered good) | As at 31-Mar-2023 | As at 31-Mar-2022 |
|---|---|---|
| Balance with Government Authorities | 0.27 | - |
| | **0.27** | - |

8 **Equity Share Capital**

| Equity Share Capital | As at 31-Mar-2023 | | As at 31-Mar-2022 | |
|---|---|---|---|---|
| | Numbers of Shares | Amount in Lakhs | Numbers of Shares | Amount in Lakhs |
| **Authorised shares** | | | | |
| Equity shares of Rs. 10/- each | - | - | 60,00,000 | 600.00 |
| Equity shares of Rs. 1/- each | 6,00,00,000 | 600 | - | - |
| **Issued, subscribed and fully paid-up shares** | | | | |
| Equity shares of Rs. 10/- each fully paid up | - | - | 6,95,360 | 69.54 |
| Equity shares of Rs. 1/- each fully paid up | 5,55,55,360 | 555.54 | - | - |
| | | 555.54 | 6,95,360 | 69.54 |

**a. Reconciliation of the shares outstanding at the beginning and at the end of the reporting period**

| Equity shares | As at 31-Mar-2023 | | As at 31-Mar-2022 | |
|---|---|---|---|---|
| | Numbers | Amount in Lakhs | Numbers | Amount in Lakhs |
| At the beginning of the year | 6,95,360 | 69.54 | 6,95,360 | 69.54 |
| Issued during the period | 4,86,00,000 | 486.00 | - | - |
| Outstanding at the end of the year | 4,92,95,360 | 555.54 | 6,95,360 | 69.54 |

**b. Terms / rights attached to equity shares**

Company has only one class of equity shares having a par value of Rs.10 per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation, the liquidator may divide amongst the members, in piece or kind, the whole or any part of the assets of the company, after distribution of all preferential amounts.

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

The Company does not have any Holding Company, Subsidiaries or

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

| Name of Shareholder | As at 31-Mar-2023 | | As at 31-Mar-2022 | |
|---|---|---|---|---|
| | Numbers | % holding | Numbers | % holding |
| Kapadia Finwealth Llp | 30,00,000 | 6.09% | - | - |
| Nishil Financial Advisors Llp | 30,00,000 | 6.09% | - | - |
| Noble Polymers Limited | 46,00,000 | 9.33% | - | - |
| | 1,06,00,000 | 21.50% | - | - |

**e. Shareholding of Promoters**

| Name of Promoter | As at 31-Mar-2023 | | As at 31-Mar-2022 | |
|---|---|---|---|---|
| | Numbers | % holding | Numbers | % holding |
| 1. Bhavin Suryakant Parikh HUF | 50,000 | 0.10% | 10,000 | 1.44% |
| 2. Purvi Bhavin Parikh | 3,000 | 0.01% | 300 | 0.04% |
| 3. Vishal MukeshKumar Shah | 2,60,000 | 0.53% | 34,320 | 4.94% |
| 4. Mittal MukeshKumar Shah | 3,24,000 | 0.66% | 34,460 | 4.96% |
| 5. Bhavik Suryakant Parikh HUF | 50,000 | 0.10% | - | - |
| Total | 6,87,000 | 1.39% | 79,080 | 11.37% |

**f. During the year Compnay has made Allotment of 48,60,000 equity shares of Rs. 10/- Face Value at a price of Rs. 10/- per equity share on a Preferential basis in accordance with the provisions of Chapter V of the SEBI (Issue of Capital and Disclosure Requirements) Regulations,**

**g. The companv has subdivided Its equlty shares ot face value Rs. 10I- (ten only) each fully patd-up tn Rs. 1/- (one only) each fulty paid-up effetctve 6th March, 2023. This has been considered for calculating welthted average number of shares. This has been considered for calculating welthted average number of shares.**

9 **Other Equity**

| | As at 31-Mar-2023 | As at 31-Mar-2022 |
|---|---|---|
| **General Reserve** | | |
| Opening Balance | 0.47 | 0.47 |
| Add/(Less) : During the year | - | - |
| Closing Balance | 0.47 | 0.47 |
| **Retained Earnings** | | |
| Balance as per last financial statements | (59.43) | (43.38) |
| Add : Profit / (Loss) for the year | 138.75 | (16.05) |
| Add : Other comprehensive income for the year | - | - |
| | 79.32 | (59.43) |
| **Total Reserves & Surplus** | 79.78 | (58.96) |

Note :

The portion of profits not distributed among the shareholders are termed as retained earnings. The Company may utilize the retained earnings for making investments for future growth and expansion plans, for the purpose of generating higher returns for the shareholders or for any other specified purpose.

10 **Current Borrowings**

(Rupees in Lakhs)

| | As at 31-Mar-2023 | As at 31-Mar-2022 |
|---|---|---|
| Unsecured Borrowings<br>-Others Borrowings | 94.49 | 33.47 |
| | 94.49 | 33.47 |

Notes :

(i) Unsecured Loan from others are repayable on Demand and it is interest free

11 **Trade Payables**

(Rupees in Lakhs)

| | As at 31-Mar-2023 | As at 31-Mar-2022 |
|---|---|---|
| Trade payables | | |
| - Total outstanding dues of micro and small enterprises | - | - |
| - Total outstanding dues of creditors other than micro and small enterprises | - | 1.29 |
| | - | 1.29 |

(Rupees in Lakhs)

| Particulars | Outstanding for following periods from due date of Payment | | | | | Total |
|---|---|---|---|---|---|---|
| | Not Due | Less than | 1-2 | 2-3 Years | More than 3 | |
| MSME | - | - | - | - | - | - |
| Others | - | - | - | - | - | - |
| Disputed dues - MSME | - | - | - | - | - | - |
| Disputed dues - Others | - | - | - | - | - | - |
| Total | - | - | - | - | - | - |

(Rupees in Lakhs)

| Particulars | Outstanding for following periods from due date of Payment | | | | | Total |
|---|---|---|---|---|---|---|
| | Not Due | Less than 1 year | 1-2 years | 2-3 Years | More than 3 years | |
| MSME | - | - | - | - | - | - |
| Others | - | 1.29 | - | - | - | 1.29 |
| Disputed dues - MSME | - | - | - | - | - | - |
| Disputed dues - Others | - | - | - | - | - | - |
| Total | - | 1.29 | - | - | - | 1.29 |

12 Provisions

(Rupees in Lakhs)

| | As at 31-Mar-2023 | As at 31-Mar-2022 |
|---|---|---|
| Provision for Income Tax | 30.00 | - |
| Provision for Expense | 1.74 | - |
| | 31.74 | - |

13 Revenue from Operations

(Rupees in Lakhs)

| | For the year ended 31-Mar-2023 | For the year ended 31-Mar-2022 |
|---|---|---|
| Revenue from Operations | 180.11 | - |
| Sales -Net of Tax | 53.49 | - |
| Commission Income | 7.25 | - |
| | 240.86 | - |

14 Other income

(Rupees in Lakhs)

| | For the year ended 31-Mar-2023 | For the year ended 31-Mar-2022 |
|---|---|---|
| Interest Income | 1.14 | - |
| Liability No Longer Required | - | 0.84 |
| | 1.14 | 0.84 |

15 Purchase of Stock in Trade

(Rupees in Lakhs)

| | For the year ended 31-Mar-2023 | For the year ended 31-Mar-2022 |
|---|---|---|
| Purchase of Shares | 220.53 | - |
| | 220.53 | - |

16 Changes In Inventories Of Stock-In-Trade

(Rupees in Lakhs)

| | For the year ended 31-Mar-2023 | For the year ended 31-Mar-2022 |
|---|---|---|
| Inventories at the beginning of the year | | |
| Traded goods | - | - |
| Inventories at the end of the year | | |
| Traded goods | 168.65 | - |
| | (168.65) | - |

17 Employee Benefits Expense

(Rupees in Lakhs)

| | For the year ended 31-Mar-2023 | For the year ended 31-Mar-2022 |
|---|---|---|
| Salaries, Wages & Bonus | 2.12 | 0.91 |
| | 2.12 | 0.91 |

18 Finance Costs

(Rupees in Lakhs)

| | For the year ended 31-Mar-2023 | For the year ended 31-Mar-2022 |
|---|---|---|
| Bank Charges | - | 0.12 |
| | - | 0.12 |

19 Other Expenses

(Rupees in Lakhs)

| | For the year ended 31-Mar-2023 | For the year ended 31-Mar-2022 |
|---|---|---|
| Legal and Professional Fees | 4.51 | - |
| Rates and Taxes | 2.67 | - |
| Electricity Expenses | 0.07 | - |
| Advertisment Exp. | 0.23 | 0.19 |
| Preferential IPO Expenses | 8.19 | 1.68 |
| RTA Fees | 0.85 | 0.66 |
| Non-Compliance Penalty | 0.41 | 12.89 |
| Rent Expenses | 0.60 | - |
| Payment to Auditors | - | - |
| Statutory Audit Fees | 0.70 | 0.35 |
| Repairs & Maintenance Expense | 0.45 | - |
| Miscellaneous Expenses | 0.58 | 0.09 |
| | 19.25 | 15.86 |

20 Income Tax Expense

a. Calculation of Deferred Tax Liability / Asset

(Rupees in Lakhs)

| | As at 31-Mar-2023 | As at 31-Mar-2022 |
|---|---|---|
| **Deferred Tax Liabilites** | | |
| Depreciation | - | - |
| **Deferred Tax Assets** | | |
| Carried Forward Losses & Allowances | - | - |
| | - | - |

During the current year, as per the Ind AS 12, "Income Taxes", the Company would have a net deferred tax asset, on account of unused tax losses. The deferred tax asset of Rs. 0.10 lacs will be recognised, as and when there is a virtual certainty that future taxable profit will be available against which the unused tax losses and unused tax credits can be utilised.

**b. Reconciliation of Income Tax Expense and the Accounting Profit mulitplied by India's tax rate :**

This note presents the reconciliation of Income Tax charged as per the Tax Rate specified in Income Tax Act, 1961 & the actual provision made in the Financial Statements as at 31st March 2023 & 31st March 2022 with breakup of differences in Profit as per the Financial Statements & as per Income Tax Act, 1961.

(Rupees in Lakhs)

| | For the year ended 31-Mar-2023 | For the year ended 31-Mar-2022 |
|---|---|---|
| Profit / (Loss) Before Tax as per the Statement of Profit & Loss | 168.75 | (16.05) |
| Tax Rate for Corporate Entity as per Income Tax Act, 1961 | 25.17% | 26.00% |
| **Tax Expense as per Income Tax Act, 1961.** | **42.47** | **(4.17)** |
| Tax on Current year losses for which no deferred tax asset is recognised | - | - |
| Tax Adjustment for earlier years | - | - |

21 **Financial Instruments and Risk Review**

**a. Fair Value Measurement and Hierarchy**

The Company's principal financial assets include trade cash and cash equivalents and other financial assets. The Company's principal financial liabilities comprise of borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations and projects.

**Fair Value Hierarchy :**

The fair value hierarchy is based on inputs to valuation techniques that are used to measure fair value that are either observable or unobservable and consists of the following three levels:

Level-1 : Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level-2 : Inputs are other than quoted prices included within Level-1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level-3 : Inputs are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part using a valuation model based on the assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

The following tables summarises carrying amounts of financial instruments of continuing operations by their categories and their levels in fair value hierarchy for each year end presented.

**As at 31-Mar-2023**

(Rupees in Lakhs)

| Particulars | FVTPL | Amortised Cost | Total |
|---|---|---|---|
| **Financial Assets** | | | |
| Cash and Cash Equivalents | - | 6.80 | 6.80 |
| **Total** | - | **7.08** | **7.08** |
| **Financial Liabilities** | | | |
| Borrowings | - | 94.49 | 94.49 |
| Trade Payables | - | - | - |
| **Total** | - | **94.49** | **94.49** |

**As at 31-Mar-2022**

(Rupees in Lakhs)

| Particulars | FVTPL | Amortised Cost | Total |
|---|---|---|---|
| **Financial Assets** | | | |
| Cash and Cash Equivalents | - | 7.94 | 7.94 |
| Other Financial Assets | - | - | - |
| **Total** | - | **7.94** | **7.94** |
| **Financial Liabilities** | | | |
| Borrowings | - | 33.47 | 33.47 |
| Trade Payables | - | 1.29 | 1.29 |
| Other Financial Liabilities | - | - | - |
| **Total** | - | **34.76** | **34.76** |

**b. Financial Risk Management Objective and Policies**

The Company's principal financial liabilities comprise borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations / projects. The Company's principal financial assets include mainly cash and cash equivalents and other assets. In the ordinary course of business, the Company is mainly exposed to risks resulting from interest risk, credit risk and liquidity risk.

**i) Interest risk**

The Company is exposed to changes in interest rates due to its financing and cash management activities. The Company's risk management activities are subject to the management, direction and control of Central Treasury Team of the Adani Group under the framework of Risk Management Policy for interest rate risk.

The risks arising from interest rate movements arise from borrowings with variable interest rates. However as on 31st March 2023 (Previous year: 31st March 2022) company does not have any borrowing which is at variable interest rate. Hence company doesn't have any interest rate risk.

**ii) Credit risk**

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a loss to the company. The company has adopted the policy of only dealing with creditworthy counter parties as a means of mitigating the risk of financial losses from default. The carrying amount of financial assets recorded in the financial statements represents the company's maximum exposure to credit risk. Cash are held with creditworthy financial institutions.The company maintains exposure in cash and cash equivalents, term deposits with bank.Credit limits and concentration of exposures are actively monitored by finance department of the company.

**iii) Liquidity risk**

The Company monitors its risk of shortage of funds using cash flow forecasting models. These models consider the maturity of its financial investments, committed funding and projected cash flows from operations. The Company's objective is to provide financial resources to meet its business objectives in a timely, cost effective and reliable manner and to manage its capital structure. A balance between continuity of funding and flexibility is maintained through the use of various types of borrowings. The company has an understanding with parent & other group entities to extend repayment terms of borrowings, if required.

**Maturity Profile of Financial Liabilites**

The tables below provide details regarding contractual maturities of financial liabilities as at the end of reporting date based on contractual & undiscounted values.

(Rupees in Lakhs)

| Particulars | Note | | Less than 1 Year | 1 to 5 Years | More than 5 years | Total |
|---|---|---|---|---|---|---|
| **As at 31st March, 2023 :** | | | | | | |
| Borrowings | 10 | | 94.49 | - | - | 94.49 |
| Trade Payables | 11 | | - | - | - | - |
| **Total** | | | **94.49** | - | - | **94.49** |

(Rupees in Lakhs)

| Particulars | Note | | Less than 1 Year | 1 to 5 Years | More than 5 years | Total |
|---|---|---|---|---|---|---|
| **As at 31st March, 2022 :** | | | | | | |
| Borrowings | 10 | | 33.47 | - | - | 33.47 |
| Trade Payables | 11 | | 1.29 | - | - | 1.29 |
| **Total** | | | **34.76** | - | - | **34.76** |

**iv) Capital Management**

For the purpose of the Company's capital management, capital includes issued capital and all other equity reserves attributable to the equity shareholders of the Company. The primary objective of the Company when managing capital is to safeguard its ability to continue as a going

The company monitors capital using gearing ratio, which is net debt (borrowings as detailed in note 9 less cash and bank balances) divided by total capital plus debt.

(Rupees in Lakhs)

| Particulars | As at 31-Mar-2023 | As at 31-Mar-2022 |
|---|---|---|
| Total Borrowings (Refer note 9) | 94.49 | 33.47 |
| Less: Cash and Bank Balances (Refer note 5) | 6.80 | 7.94 |
| Net Debt (A) | **87.68** | **25.53** |
| Total Equity (B) | 635.32 | 10.58 |
| Total Equity and Net Debt (C = A + B) | **723.00** | **36.11** |
| Gearing ratio | 12.13% | 70.71% |

22 **Contingent Liabilities & Commitments**

(Rupees in Lakhs)

| | As at 31-Mar-2023 | As at 31-Mar-2022 |
|---|---|---|
| Contingent Liabilities, to the extent not provided for | - | - |
| Commitments | | |
| Estimated amount of contracts remaining to be executed on capital accounts (net of advances) | - | - |
| | - | - |

23 **Disclosures under MSMED Act**

**Disclosures required under Section 22 of Micro, Small and Medium Enterprises Development Act, 2006**

(Rupees in Lakhs)

| | As at 31-Mar-2023 | As at 31-Mar-2022 |
|---|---|---|
| Principal amount remaining unpaid to any supplier as at the end of the year | - | - |
| Interest due thereon remaining unpaid to any supplier at the end of the year | - | - |
| The amount of interest paid along with the amounts of the payment made to the supplier beyond the | - | - |
| The amount of interest due and payable for the year | - | - |
| The amount of interest accrued and remaining unpaid at the end of the year | - | - |
| The amount of further interest due and payable even in the succeeding year, until such date when | - | - |

The Disclosure in respect of the amounts payable to Micro and Small Enterprises have been made in the financial statements based on the information received and available with the Company. Further in view of the Management, the impact of interest, if any, that may be payable in accordance with the provisions of the Act is not expected to be material. The Company has not received any claim for interest from any supplier as at the balance sheet date. These facts have been relied upon by the auditors.

24 **Related Parties**

Name of Promoter : Bhavin Suryakant Parikh HUF
Purvi Bhavin Parikh
Vishal Mukeshkumar Shah
Mittal Mukeshkumar Shah
Bhavik Suryakant Parikh huf

Key Management Personnel : Mr. Suryakant H Parikh, Managing Director
Mr. Bhavin Suryakant Parikh, Executive Director
Mr. Vishal Shah - Director
Mr. Prakash Rahevar, CFO

**Transactions with Related Parties :**

| Information in respect of Related Parties | As at 31-Mar-2023 | As at 31-Mar-2022 |
|---|---|---|
| Borrowing Repaid | | |
| Holding Company | 3,90,988.00 | - |
| Borrowing Received | | |
| Holding Company | - | - |
| Interest Expense | | |
| Holding Company | - | - |
| Services Availed / Reimbursment of Expenses | | |
| Holding Company | - | - |
| Fellow Subsidiary Company | - | - |
| Dues payable outstanding at the year end | | |
| Fellow Subsidiary Company | - | - |
| Holding Company | - | - |
| Unsecured Loan Balance Payable | | |
| Holding Company | - | - |

**Terms and Conditions of transactions with related parties :**

i) Transactions with Related Parties are shown net of taxes.

ii) The Company's material related party transactions and outstanding balances are with related parties with whom the Company routinely enters into transactions in the ordinary course of business and at arm's length basis.

GUJARAT TOOLROOM LIMITED
CIN : L45208GJ1981PLC006056
Notes forming part of the Financial Statements for the year ended 31st March, 2023

25 Ratio Analysis :

(Rupees in Lakhs)

| Name of Ratio | Particulars | Numerator / Denominator | As at 31-Mar-2023 | As at 31-Mar-2022 | % change in Ratio | Remarks (Refer note) |
|---|---|---|---|---|---|---|
| (a) Current Ratio | Ratio | | 6.03 | 1.30 | 362.54% | Current Ratio increases because of increase in inventory, trade receivable & short term loans & advances. |
| | Numerator | Current Assets | 761.55 | 45.34 | | |
| | Denominator | Current Liabilities | 126.23 | 34.76 | | |
| (b) Debt-Equity Ratio | Ratio | | 0.15 | 3.16 | -95.30% | Debt-Equity Ratio decreases due to infusion of share capital. |
| | Numerator | Total Borrowings | 94.49 | 33.47 | | |
| | Denominator | Shareholder's Fund | 635.32 | 10.58 | | |
| (c) Debt Service Coverage Ratio | Ratio | | NA | NA | NA | |
| | Numerator | EBITDA | - | - | | |
| | Denominator | Current Maturity of Long Term | - | - | | |
| (d) Return on Equity Ratio | Ratio | | 0.43 | (2.92) | -114.73% | Return on Euity increases due to increase in revenue profit & shareholder's fund. |
| | Numerator | PAT | 138.75 | (16.05) | | |
| | Denominator | Average Sharehold | 322.95 | 5.50 | | |
| (e) Inventory turnover ratio | Ratio | | NA | NA | NA | |
| | Numerator | Consumption of Stores and Spares | - | - | | |
| | Denominator | Average Inventory | - | - | | |
| (f) Trade Receivables turnover rat | Ratio | | NA | NA | NA | |
| | Numerator | Revenue from Ope | - | - | | |
| | Denominator | Average Trade Rec | - | - | | |
| (g) Trade payables turnover ratio | Ratio | | 29.84 | 22.03 | 35.46% | Trade Payables Turnover Ratio increases due to increase in expenses. |
| | Numerator | Operating | 19.25 | 15.86 | | |
| | Denominator | Average Trade Pay | 0.65 | 0.72 | | |
| (h) Net capital turnover ratio | Ratio | | NA | - | NA | |
| | Numerator | Revenue from Operations | 240.86 | - | | |
| | Denominator | Working Capital | - | 10.58 | | |
| (i) Net profit ratio | Ratio | | 0.57 | (19.11) | -103.00% | Net Profit Ratio increases due to increase in net profit |
| | Numerator | PAT | 138.75 | (16.05) | | |
| | Denominator | Total Income | 242.00 | 0.84 | | |
| (j) Return on Capital employed | Ratio | | 0.52 | (2.92) | -117.92% | Increase in sales & generating high return |
| | Numerator | Earning before Interest,Exception | 168.75 | (16.05) | | |
| | Denominator | Average Capital Em | 322.95 | 5.50 | | |
| (k) Return on investment | Ratio | | NA | NA | NA | |
| | Numerator | PAT | - | - | | |
| | Denominator | Shareholder's Fund | - | - | | |

26 **Events occurring after the Balance Sheet Date**

The Company evaluates events and transactions that occur subsequent to the balance sheet date but prior to approval of the financial statements to determine the necessity for recognition and/or reporting of any of these events and transactions in the financial statements.

27 **Earning Per Share (EPS)**

| | UOM | For the year ended 31-Mar-2023 | For the year ended 31-Mar-2022 |
|---|---|---|---|
| Profit / (Loss) attributable to Equity Shareholders | in Lakhs | 138.75 | (16.05) |
| Weighted average number of equity shares for calculating Basic EPS | in nos. | 245.90 | 6,95,360 |
| Weighted average number of equity shares for calculating Diluted EPS | in nos. | 245.90 | 6,95,360 |
| Face value of equity shares | ₹ | 10 | 10 |
| Basic Earning Per Share (in Rupees) | ₹ | 0.56 | (0.23) |
| Diluted Earning Per Share (in Rupees) | ₹ | 0.56 | (0.23) |

28 **Standards issued but not effective**

The amendments to standards that are issued, but not yet effective, up to the date of issuance of the Company's financial statements are disclosed below. The Company intends to adopt these standards, if applicable, as and when they become effective. The Ministry of Corporate Affairs (MCA) has notified certain amendments to Ind AS, through Companies (Indian Accounting Standards) Amendment Rules, 2023 on 31st March, 2023 and has amended the following standards:

1. Ind AS 101 - First-time adoption of Ind AS
2. Ind AS 102 - Share-based Payment
3. Ind AS 103 – Business Combinations
4. Ind AS 107 - Financial Instruments: Disclosures
5. Ind AS 109 – Financial Instruments
6. Ind AS 115 - Revenue from Contracts with Customers
7. Ind AS 1 - Presentation of Financial Statements
8. Ind AS 8 - Accounting Policies, change in Estimates and Errors
9. Ind AS 12 - Income Taxes
10. Ind AS 34 - Interim Financial Reporting

These amendments shall come into force with effect from April 01, 2023.
The Company is assessing the potential effect of the amendments on its financial statements. The Company will adopt these amendments, if applicable, from applicability date.

29 The Company's activities during the year revolve around development and operation of mines and minerals and/or all other allied activities. Considering the nature of Company's business, as well as based on reviews by the chief operating decision maker to make decisions about resource allocation and performance measurement, there is only one reportable segment in accordance with the requirements of Ind AS - 108 – "Operating Segments", prescribed under Companies (Indian Accounting Standards) Rules, 2015. As the Company is yet to commence commercial activities, no separate geographical segment is disclosed.

30 The Company does not have any transaction to report against the following disclosure requirements as notified by MCA pursuant to amendment to Schedule III:

1. Title deeds of immovable property not in the name of the Company
2. Crypto Currency or Virtual Currency
3. Benami Property held under Benami Transactions (Prohibition) Act, 1988 (45 of 1988)
4. Registration of charges or satisfaction with Registrar of Companies
5. Transaction with Struck off Companies
6. Related to Borrowing of Funds:
   - i. Borrowing obtained on the basis of Security of Current Assets
   - ii. Willful defaulter
   - iii. Utilization of borrowed fund and share premium
   - iv. Discrepancy in utilization of borrowings

31 **Other Disclosures**

The financial statements were approved for issue by the board of directors on 08.05.2023.
The company is not required to spend any amount under Corporate social resposibility.

As per our report of even date
For Abhisek Kumar & Associates
Chartered Accountants
Firm Registration Number : 130052W

SD/-
CA ABHISHEK AGARWAL
Proprietor
Membership No. 132305
Place : Ahmedabad
Date : 08.05.2023
UDIN:23132305BGXKQQ2009

For and on behalf of the board of directors of
GUJARAT TOOLROOM LIMITED

SD/-
Kalpesh Malvi
Managing Director, & CFO
DIN : 06880789
Place : Ahmedabad
Date : 08.05.2023

SD/-
Prakash Ishwar Takhatsingh
Director
DIN : 09832472
Place : Ahmedabad
Date : 08.05.2023

## ANNEXURE I

### GUJARAT TOOLROOM LIMITED

**Statement on Impact of Audit Qualifications (for audit report with modified opinion) submittedalong-with Annual Audited Financial Results - (*Standalone and Consolidated separately*)**

**Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2023**

[*See* Regulation 33 / 52 of the SEBI (LODR) (Amendment) Regulations, 2016] (Amount in Lakhs)

| I. | Sl. No. | Particulars | Audited Figures (as reported before adjusting for qualifications) | Adjusted Figures (audited figures after adjusting for qualifications) |
|---|---|---|---|---|
| | 1. | Turnover / Total income | 242 | 242 |
| | 2. | Total Expenditure | 73.25 | 73.25 |
| | 3. | Net Profit/(Loss) | 138.75 | 138.75 |
| | 4. | Earnings Per Share | 0.56 | 0.56 |
| | 5. | Total Assets | 761.55 | 761.55 |
| | 6. | Total Liabilities | 126.23 | 126.23 |
| | 7. | Net Worth | 635.32 | 635.32 |
| | 8. | Any other financial item(s) (as felt appropriate by the management) | - | |

| | | |
|---|---|---|
| II. | Audit Qualification (each audit qualification separately): | |
| | a. Details of AuditQualification: N.A | |
| | b. Type of Audit Qualification : N.A | |
| | c. Frequency of qualification: N.A | |
| | d. For Audit Qualification(s) where the impact is quantified by the auditor, Management'sViews: | |
| | e. For Audit Qualification(s) where the impact is not quantified by theauditor: N.A | |
| | (i) Management's estimation on the impact of auditqualification: | |
| | (ii) If management is unable to estimate the impact, reasons for thesame: | |
| | (iii) Auditors' Comments on (i) or (ii) above: | |
| | | |
| III. | Signatories: | |
| | • CEO/Managing Director: KALPESH MALVI (DIN: 06880789) | S/D |
| | • Audit Committee Chairman: KUNJAN VORA (DIN: 03612667) | S/D |
| | • Statutory Auditor: ABHISHEKKUMAR (ABHISHEK KUMAR & ASSOCIATES.) (M. No:132305) (F.R.No: 130052W) | S/D |
| | Place: 08/05/2023 | |
| | Date: Ahmedabad | |

# AUDITED FINANCIAL STATEMENTS FOR FISCAL 2022

**Independent Auditor's Report**
**To the Members of Gujarat Toolroom Limited**

**Report on the audit of the Standalone Financial Statements**

## Opinion

We have audited the accompanying Standalone Financial Statements of **Gujarat Toolroom Limited** ("the Company"), which comprise the Balance Sheet as at 31st March, 2022, the Statement of Profit and Loss (including other comprehensive income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "Standalone Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements, read with the emphasis of matter paragraph below, 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 Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2022,the loss and total comprehensive loss, changes in equity and its cash flows for the year ended on that date.

## Emphasis of Matter

We draw attention to the fact that the company has huge accumulated losses and do not have any operating revenue. These conditions indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. However, the accompanying financial statements have been prepared under the going concern assumption based on the undertaking from the management that they are looking for alternative business opportunities and do not have any intention to curtail the business.

Our opinion is not modified in respect of this matter.

## Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

## Description of Key Audit Matters

In our opinion and to the best of our information and according to the explanations given to us we have determined that there are no key audit matters to communicate in our report.

## Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone 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 independence requirements that are relevant to our audit of the standalone financial statements under.

## Independent Auditor's Report

### To the Members of Gujarat Toolroom Limited (Continue)

The provisions of the Act and the Rules made there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

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

The Company's board of directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexure to Board's Report, but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the standalone 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 standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

### Management's Responsibility for the Standalone 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 and presentation of these Standalone Financial Statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the applicable Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate 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 Standalone Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone 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 responsible for overseeing the Company's financial reporting process.

**Independent Auditor's Report**
**To the Members of Gujarat Toolroom Limited (Continue)**
**Auditor's Responsibility**

Our objectives are to obtain reasonable assurance about whether the standalone 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 standalone financial statements.

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

- Identify and assess the risks of material misstatement of the standalone 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.

- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, 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.

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

- 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 standalone 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.

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

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.

**Independent Auditor's Report**
**To the Members of Gujarat Toolroom Limited (Continue)**

**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 Act, we give in "Annexure A" statement on the matters specified in the paragraph 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;

   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 Balance Sheet, the Statement of Profit and Loss including other comprehensive income, the Statement of Cash Flows, and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;

   d) in our opinion, the aforesaid Standalone Financial Statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended;

   e) on the basis of the written representations received from the directors as on 31st March, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2022 from being appointed as a director in terms of Section 164(2) of the Act;

   f) 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";

   g) 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,as amended, in our opinion and to the best of our information and according to the explanations given to us:

      a. The Company does not have any pending litigations which would impact its financial position;

      b. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

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

      d. (i) The management has represented that, to the best of its knowledge and belief, no funds 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(s) or entity(ies), including foreign entities ("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 onbehalf of the Ultimate Beneficiaries;

**Independent Auditor's Report**
**To the Members of Gujarat Toolroom Limited (Continue)**

(ii) The management of the company has represented that, to the best of it's knowledge and belief, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("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; and

(iii) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under d (i) and d(ii) above, contain any material misstatement.

e. There were no amount of dividend declared or paid during the year by the company.

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

According to the information and explanations given to us and on the basis of our examination of the records of the Company, managerial remuneration has not been paid /provided. Accordingly, reporting under section 197(16) of the Act is not applicable.

**Registered Office:**
402-Sheel Complex,
Nr. Mithakhadi under Bridge,
Navrangpura, Ahmedabad– 380009

**By the Order of the Board**
**Gujarat Toolroom Limited**

Manish Shah
Director
DIN: 03060959

Vishal Shah
Managing Director
DIN: 03279724

**Place:** Ahmedabad
**Date:** 9th August, 2022

**Annexure - A to the Independent Auditor's Report**
**RE: Gujarat Toolroom Limited**

(Referred to in Paragraph 1 of our Report of even date)

The Annexure referred to in our Independent Auditor's Report to the members of the Company on the Standalone Financial Statements for the year ended 31st March, 2022, we report that:

(i) The company does not have any Property, Plant and equipment. Accordingly, the provision of clause 3(i)(a) to (e) of the Order are not applicable.

(ii) (a) The Company has not carried out any commercial activities during the year ended on 31st March, 2022 and hence it does not carry any Inventory. Accordingly, the provisions of clause 3 (ii) (a) of the Order are not applicable.

(b) According to the information and explanation given to us and the records produced to us for our verification, The company has not been sanctioned working capital limits in excess of Rs. 5 crore, in aggregate, at any point of time during the year, from banks or financial institutions on the basis of security of current assets. Accordingly, the provision of clause 3(ii)(b) of the Order are not applicable.

(iii) During the year the company has not made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the provisions of clause 3 (iii) (a) to (f) of the Order are not applicable.

(iv) According to the information and explanations given to us and representations made by the Management, the Company has not done any transactions covered under section 185 and 186 in respect of loans, investments, guarantees and security. Accordingly, the provisions of clause 3(iv) of the Order are not applicable.

(v) In our opinion, and according to the information and explanations given to us, the Company has not accepted any deposits or amounts which are deemed to be deposits from the public within the meaning of the directives issued by the Reserve Bank of India, provisions of section 73 to 76 of the Act, any other relevant provisions of the Act and the relevant rules framed thereunder. Accordingly, the provisions of clause 3(v) of the Order are not applicable to the Company.

(vi) According to the information and explanation given to us, the maintenance of cost records under section 148(1) of the Act as prescribed by the Central Government is not applicable to the company for the year under review. Accordingly, the provisions of clause 3(vi) of the Order are not applicable.

(vii) a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/accrued in the books of account in respect of undisputed statutory dues including Income-Tax, Provident fund, Employees' State Insurance, Goods and Service Tax and other statutory dues have generally been regularly deposited during the year by the Company with the appropriate authorities. As explained to us, the company did not have any dues on account of Duty of Customs and Duty of Excise.

According to the information and explanations given to us, no undisputed amounts payable in respect of Income-Tax, Provident fund, Employees' State Insurance, Goods and Service Tax and other statutory dues were in arrears as at 31st March, 2022, for a period of more than six months from the date they became payable.

b) According to the information and explanations given to us, there are no undisputed dues of Income-tax, Goods and Service Tax, and other statutory dues as at 31st March, 2022, which have not been deposited with the appropriate authorities on account of any dispute.

**Annexure - A to the Independent Auditor's Report**
**RE: Gujarat Toolroom Limited**

(Referred to in Paragraph 1 of our Report of even date)

(viii) There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under section 43 of the Income Tax Act, 1961.Accordingly, the provisions of clause 3(viii) of the Order are not applicable.

(ix) a) According to the information and explanations given to us and based on our examination of the records of the Company, the company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.

b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the company has not been declared willful defaulter by any bank or financial institution or government or any government authority or any other lender.

c) In our opinion and according to the information and explanations given to us, the company has not taken any term loans during the year under review. Accordingly, the provisions of clause 3(viii) of the Order are not applicable.

d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the company, we report that no funds raised on short-term basis have been used for long-term purposes by the company. Accordingly, the provisions of clause 3(ix)(d) of the Order are not applicable to the Company.

e) According to the information and explanations given to us and on an overall examination of the financial statements of the company, we report that the company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures. Accordingly, the provisions of clause 3(ix)(e) of the Order are not applicable to the Company.

f) According to the information and explanations given to us and procedures performed by us, we report that the company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.Accordingly, the provisions of clause 3(ix)(f) of the Order are not applicable to the Company.

(x) a) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the provisions of clause 3(x)(a) of the Order are not applicable to the Company.

b) According to the information and explanations given to us and on the basis of our examination of the records, the Company has not made any preferential allotment or private placement or not issued any fully or partly convertible debenture during the year under review. Accordingly, the provisions of clause 3(x) (b) of the Order are not applicable.

(xi) a) During the course of our examination of the books and records of the company, carried out in accordance with the generally accepted auditing practice in India, and according to the information and explanation given to us, we have neither come across any instance of material fraud by the company or on the company by its officers or employees has been noticed or reported during the year.

b) No report on any matter under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

c) As represented to us by the management, there are no whistle blower complaints received by the company during the year.

**Annexure - A to the Independent Auditor's Report**
**RE: Gujarat Toolroom Limited (Continue)**

(Referred to in Paragraph 1 of our Report of even date)

(xii) In our opinion, the Company is not a nidhi Company. Accordingly, the provisions of Clauses 3 (xii) (a) to (c) of the Order are not applicable.

(xiii) As per the information and explanation given to us and on the basis of our examination of the records of the Company, all the transactions with related parties are in compliance with section 177 and 188 of Companies Act 2013, where applicable, and all the details have been disclosed in Standalone Financial Statements as required by the applicable Indian Accounting Standards.

(xiv) In our opinion and based on our examination, the company is not required to have an internal audit system as per provisions of the Companies Act 2013.Accordingly, the provisions of clause 3(xiv) (a) &(b) of the Order are not applicable.

(xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions, within the meaning of Section 192 of the Act, with directors or persons connected with them. Accordingly, the provisions of clause 3(xv) of the Order are not applicable to the Company.

(xvi) a) In our opinion and according to the information and explanations given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of clause3(xvi) (a) of the Order are not applicable to the Company.

b) According to the information and explanations given to us and based on our examination of the records of the Company has not conducted any Non-Banking Financial or Housing Finance activities without a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act 1934.Accordingly, the provisions of clause 3(xvi) (b) of the Order are not applicable.

d) In our opinion and according to the information and explanations given to us, the company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, the provisions of clause 3(xvi) (c) & (d) of the Order are not applicable to the Company.

(xvii) The Company has incurred cash losses during the financial year of Rs. 16.05 Lacs and the company has incurred cash losses in the immediately preceding financial year of Rs. 4.49 Lacs.

(xviii) There is no resignation of the statutory auditors during the year in the company. Accordingly,the provisions of clause 3(xviii) of the Order are not applicable to the Company.

(xix) According to the information and explanations given to us and 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, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that company 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.

(xx) According to the information and explanations given to us and based on our examination of the records of the Company, section 135 is not applicable on the company. Accordingly,the provisions of clause 3(xx) of the Order are not applicable to the Company.

For, **DHARMESH PARIKH& COLLP**
Chartered Accountants
Firm Registration No. 112054W / W100725

Place : Ahmedabad
Date : 18/05/2022

**Anuj Jain**
Partner
**Membership No.** 119140
**UDIN:** 22119140AKYIZA9328

**Annexure – B to the Independent Auditor's Report**
**RE: Gujarat Toolroom Limited**

(Referred to in Paragraph 2(f) of our Report of even date)

Report on the Internal Financial Controls under Clause (i) of sub-section 3 of section 143 of the Companies Act 2013 (the act).

**Opinion**

We have audited the internal financial controls over financial reporting of the company as of 31st March, 2022 in conjunction with our audit of the Standalone Financial Statements of the company for the year ended on that date.

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 2022, 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.

**Management's Responsibilities 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 Companies Act, 2013.

**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) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. 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 controls 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 Standalone 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.

**Annexure – B to the Independent Auditor's Report**
**RE: Gujarat Toolroom Limited(continue)**

(Referred to in Paragraph 2(f) of our Report of even date)

**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 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 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 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.

For, **DHARMESH PARIKH& COLLP**
Chartered Accountants
Firm Registration No. 112054W / W100725

Place : Ahmedabad
Date : 18/05/2022

**Anuj Jain**
Partner
**Membership No.** 119140
**UDIN:** 22119140AKYIZA9328

## GUJARAT TOOLROOM LIMITED

### Balance Sheet as at 31st March 2022

(Amount in Lacs)

| Sr.No. | Particulars | Notes | As at 31-Mar-2022 | As at 31-Mar-2021 |
|---|---|---|---|---|
| | **ASSETS** | | | |
| | | | | |
| (I) | **Non-Current Assets** | | - | - |
| (II) | **Current Assets** | | | |
| | (a) Financial Assets | | | |
| | (i) Cash & Cash Equivalents | 3 | 7.94 | 5.03 |
| | (b) Other Current Assets | 4 | 37.40 | 37.40 |
| | | | | |
| | | | **45.34** | **42.43** |
| | | | | |
| | **Total ASSETS** | | **45.34** | **42.43** |
| | | | | |
| | **EQUITY AND LIABILITIES** | | | |
| | | | | |
| | **EQUITY** | | | |
| | (a) Equity Share Capital | 5 | 69.54 | 69.54 |
| | (b) Other Equity | 6 | (58.96) | (42.91) |
| | | | **10.58** | **26.63** |
| | **LIABILITIES** | | | |
| (I) | **Non-Current Liabilities** | | - | - |
| | | | - | - |
| | | | | |
| (II) | **Current Liabilities** | | | |
| | (a) Financial Liabilities | | | |
| | (i) Borrowings | 7 | 33.47 | 13.91 |
| | (ii) Trade Payables | 8 | 1.29 | 1.59 |
| | (b) Other Current Liabilities | 9 | - | 0.30 |
| | | | **34.76** | **15.80** |
| | | | | |
| | **Total EQUITY AND LIABILITIES** | | **45.34** | **42.43** |
| | | | | |
| Summary of significant accounting policies | | | | |
| | | | | |

As per our report of even date
For **Dharmesh Parikh & CO LLP**
Chartered Accountants
Firm Registration Number : 112054W/W100725

**Anuj Jain**
Partner
Membership No. 119140
**Place : Ahmedabad**
**Date : 18/05/2022**

For and on behalf of the board of directors of
**GUJARAT TOOLROOM LIMITED**

**Manish Shah** Director DIN : 03060959
**Vishal M Shah** Director DIN : 03279724

**Neha Ketan Jain** CFO
**Ziral P Soni** Company Secretary

**Place : Ahmedabad**
**Date : 18/05/2022**

# GUJARAT TOOLROOM LIMITED

## Statement of Profit and Loss for the year ended on 31st March 2022

(Amount in Lacs)

| Sr.No. | Particulars | Notes | For the year ended 31-Mar-2022 | For the year ended 31-Mar-2021 |
|---|---|---|---|---|
| a) | **Revenue** | | | |
| | Other Income | 10 | 0.84 | - |
| | **Total Income** | | **0.84** | - |
| b) | **Expenses** | | | |
| | Employee Benefits Expense | 11 | 0.91 | - |
| | Finance Costs | 12 | 0.12 | 0.01 |
| | Other Expenses | 13 | 15.86 | 4.48 |
| | **Total Expenses** | | **16.89** | **4.49** |
| | | | | |
| c) | **(Loss) Before Tax** | | **(16.05)** | **(4.49)** |
| | | | | |
| d) | **Tax Expense** | | | |
| | Current Tax | | - | - |
| | Deferred Tax | | - | - |
| | **Total Tax Expenses** | | - | - |
| | | | | |
| e) | **(Loss) For The Period** | | **(16.05)** | **(4.49)** |
| | | | | |
| f) | **Other Comprehensive Income** | | | |
| | - Item that will not be reclassified to Profit & Loss | | - | - |
| | - Income tax relating to items that will not be reclassified to profit or loss | | - | - |
| | - Item that will be reclassified to Profit & Loss | | - | - |
| | - Income tax relating to items that will be reclassified to Profit or Loss | | - | - |
| | **Total Other Comprehensive Income** | | - | - |
| | | | | |
| g) | **Total Comprehensive (Loss) for the Year** | | **(16.05)** | **(4.49)** |
| | | | | |
| h) | **Earning per Equity Share (Face value of Rs.10 each)** | 19 | | |
| | Basic | | (2.31) | (0.65) |
| | Diluted | | (2.31) | (0.65) |
| | Summary of significant accounting policies | | | |
| | | | | |

As per our report of even date
For **Dharmesh Parikh & CO LLP**
Chartered Accountants
Firm Registration Number : 112054W/W100725

**Anuj Jain**
Partner
Membership No. 119140
**Place : Ahmedabad**
**Date : 18/05/2022**

For and on behalf of the board of directors of
**GUJARAT TOOLROOM LIMITED**

**Manish Shah**
Director
DIN : 03060959

**Vishal M Shah**
Director
DIN : 03279724

**Neha Ketan Jain**
CFO

**Ziral P Soni**
Company Secretary

**Place : Ahmedabad**
**Date : 18/05/2022**

## GUJARAT TOOLROOM LIMITED

**Cash Flow Statement for the year ended on 31st March 2022.**

| Sr. No. | Particulars | For the year ended 31-Mar-2022 | For the year ended 31-Mar-2021 |
|---|---|---|---|
| I. | **CASH FLOW FROM OPERATING ACTIVITIES** | | |
| | | | |
| | (Loss) Before Tax | (16.05) | (4.49) |
| | | | |
| | **Adjustment on account of :** | | |
| | Finance Costs | 0.12 | 0.01 |
| | **Operating (Loss) Before Working Capital Changes** | **(15.93)** | **(4.48)** |
| | | | |
| | **Movements in Working Capital :** | | |
| | (Decrease) in Trade Payables | (0.30) | (6.25) |
| | Decrease in Current Assets | - | 5.00 |
| | Increase/(Decrease) in Current liabilities | (0.30) | 0.30 |
| | **Cash (used in) Operations** | **(16.53)** | **(5.43)** |
| | Less : Direct Taxes Paid | - | - |
| | **Net Cash (Used in) Operating Activities** | **(16.53)** | **(5.43)** |
| | | | |
| II. | **CASH FLOW FROM INVESTING ACTIVITIES** | | |
| | | | |
| | **Net Cash generated from/(used in) Investing Activities** | - | - |
| III. | **CASH FLOW FROM FINANCING ACTIVITIES** | | |
| | Proceeds from Current Borrowing | 19.56 | 10.20 |
| | Finance Costs Paid | (0.12) | (0.01) |
| | **Net Cash generated from Financing Activities** | **19.44** | **10.19** |
| | | | |
| | **Net Increase / (Decrease) in Cash & Cash Equivalents** | **2.91** | **4.76** |
| | Cash & Cash Equivalents at the beginning of the year | 5.03 | 0.27 |
| | **Cash & Cash Equivalents at the end of the year** | **7.94** | **5.03** |

| **Notes to Cash flow Statement :** | **For the year ended 31-Mar-2022** | **For the year ended 31-Mar-2021** |
|---|---|---|
| 1.Reconciliation of Cash and cash equivalents with the Balance Sheet: | | |
| Cash and cash equivalents as per Balance Sheet (refer note 3) | 7.94 | 5.03 |
| | **7.94** | **5.03** |

2. The Statement of Cash Flow has been prepared under the 'Indirect Method' set out in IND AS 7 'Statements of Cash Flow'.

3. As per the amendment in "Ind AS 7 Statement of Cash flows : Disclosure of changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes. This amendment has become effective from 1st April, 2017 and the required disclosure is made below. There is no other impact on the financial statements due to this amendment.

| Particulars | Balance as at April 01, 2021 | Cash Flows | Other Changes | Balance as at March 31, 2022 |
|---|---|---|---|---|
| Current Borrowings | 13.91 | 19.56 | - | 33.47 |
| Finance Costs paid | - | (0.12) | 0.12 | - |
| **Total** | 13.91 | 19.44 | 0.12 | 33.47 |

| Particulars | Balance as at April 01, 2020 | Cash Flows | Other Changes | Balance as at March 31, 2021 |
|---|---|---|---|---|
| Current Borrowings | 3.71 | 10.20 | - | 13.91 |
| Finance Costs paid | - | (0.01) | 0.01 | - |
| **Total** | 3.71 | 10.19 | 0.01 | 13.91 |

As per our report of even date
For **Dharmesh Parikh & CO LLP**
Chartered Accountants
Firm Registration Number : 112054W/W100725

**Anuj Jain**
Partner
Membership No. 119140
**Place : Ahmedabad**
**Date : 18/05/2022**

For and on behalf of the board of directors of
**GUJARAT TOOLROOM LIMITED**

**Manish Shah**
Director
DIN : 03060959

**Vishal M Shah**
Director
DIN : 03279724

**Neha Ketan Jain**
CFO

**Ziral P Soni**
Company Secretary

**Place : Ahmedabad**
**Date : 18/05/2022**

# GUJARAT TOOLROOM LIMITED

## Statement of Changes in Equity for the year ended on 31st March 2022

**A. Share Capital**

| Particulars | Number of Shares | Amount in Lacs |
|---|---|---|
| | | |
| **As at 1st April 2020** | **6,95,360** | **69.54** |
| | | |
| Changes in the Equity Share Capital | - | - |
| | | |
| **As at 31st March 2021** | **6,95,360** | **69.54** |
| | | |
| Changes in the Equity Share Capital | - | - |
| | | |
| **As at 31st March 2022** | **6,95,360** | **69.54** |
| | | |

**B. Other Equity**

**(Amount in Lacs)**

| Particulars | Retained Earnings | General Reserve | Total |
|---|---|---|---|
| | | | |
| **As at 1st April 2020** | **(38.89)** | **0.47** | **(38.42)** |
| | | | |
| Add : Total Comprehensive (Loss) for the year | (4.49) | - | (4.49) |
| | | | |
| **As at 31st March 2021** | **(43.38)** | **0.47** | **(42.91)** |
| | | | |
| Add : Total Comprehensive (Loss) for the year | (16.05) | - | (16.05) |
| | | | |
| **As at 31st March 2022** | **(59.43)** | **0.47** | **(58.96)** |

As per our report of even date
For **Dharmesh Parikh & CO LLP**
Chartered Accountants
Firm Registration Number : 112054W/W100725

**Anuj Jain**
Partner
Membership No. 119140
**Place : Ahmedabad**
**Date : 18/05/2022**

For and on behalf of the board of directors of
**GUJARAT TOOLROOM LIMITED**

**Manish Shah**
Director
DIN : 03060959

**Vishal M Shah**
Director
DIN : 03279724

**Neha Ketan Jain**
CFO

**Ziral P Soni**
Company Secretary

**Place : Ahmedabad**
**Date : 18/05/2022**

## Notes to Financial Statements for the year ended 31st March 2022

### 5 Share Capital

| Sr. No. | Particulars | As at 31-Mar-2022 | | As at 31-Mar-2021 | |
|---|---|---|---|---|---|
| | | Numbers of Shares | Amount in Lacs | Numbers of Shares | Amount in Lacs |
| | **Authorised shares** | | | | |
| | Equity Shares of Rs. 10/- each | 60,00,000 | 600.00 | 60,00,000 | 600.00 |
| | | | | | |
| | **Issued, subscribed fully paid-up shares** | | | | |
| | Equity shares of Rs. 10/- each fully paid up | 6,95,360 | 69.54 | 6,95,360 | 69.54 |
| | | | | | |
| | | **6,95,360** | **69.54** | **6,95,360** | **69.54** |

**a. Reconciliation of the shares outstanding at the beginning and at the end of the reporting period**

| | As at 31-Mar-2022 | | As at 31-Mar-2021 | |
|---|---|---|---|---|
| **Equity shares.** | **Numbers of Shares** | **Amount in Lacs** | **Numbers of Shares** | **Amount in Lacs** |
| At the beginning of the year | 6,95,360 | 69.54 | 6,95,360 | 69.54 |
| Issued during the period | - | - | - | - |
| Outstanding at the end of the year | **6,95,360** | **69.54** | **6,95,360** | **69.54** |

**b. Terms/ rights attached to equity shares**

Company has only one class of equity shares having a par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation, the liquidator may divide amongst the members, in piece or kind, the whole or any part of the assets of the company, after distribution of all preferential amounts.

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

The Company does not have any Holding Company, Subsidiaries or Associates.

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

| | As at 31-Mar-2022 | | As at 31-Mar-2021 | |
|---|---|---|---|---|
| **Equity Shares** | Number of shares | % holding | Number of shares | % holding |
| | - | - | - | - |
| | - | - | - | - |

**e. Shareholding of Promoters**

**i) Shares held by promoters as at March 31, 2022**

| Promoter name | No. of Shares | % of Total Shares | % Change during the year |
|---|---|---|---|
| 1. Bhavin Suryakant Parikh HUF | 10,000 | 1.44% | - |
| 2. Purvi Bhavin Parikh | 300 | 0.04% | - |
| 3. Vishal MukeshKumar Shah | 34,320 | 4.94% | - |
| 4. Mittal MukeshKumar Shah | 34,460 | 4.96% | - |
| **Total** | **79,080** | **11.38%** | **-** |

**ii) Shares held by promoters as at March 31, 2021**

| Promoter name | No. of Shares | % of Total Shares | % Change during the year |
|---|---|---|---|
| 1. Bhavin Suryakant Parikh HUF | 10,000 | 1.44% | - |
| 2. Purvi Bhavin Parikh | 300 | 0.04% | - |
| 3. Vishal MukeshKumar Shah | 34,320 | 4.94% | - |
| 4. Mittal MukeshKumar Shah | 34,460 | 4.96% | - |
| **Total** | **79,080** | **11.38%** | **-** |

**Notes to Financial Statements for the year ended 31st March 2022.**

1 **Corporate Information**

Gujarat Toolroom Limited (GTL or 'the company'), was originally incorporated as Private Limited Company on 25/03/1983 with the Registrar of Companies, Gujarat and consequently converted in to Limited company with effect from 11/09/1991. The Company is listed Company and its equity shares are presently listed at Bombay Stock Exchange & Ahmedabad Stock Exchange. The company currently do not have any significant business. However the management is working on other alternative business opportunities and are hopeful of revival in the near future.

2 **Summary of Significant Accounting Policies**

**a) Statement of Compliance**

Gujarat Toolroom Limited ('the Company') has adopted Indian Accounting Standards (referred to as "Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 with effect from 1st April 2016, in accordance with the notification issued by the Ministry of Corporate Affairs.

Upto the year ended March 31, 2016, the Company has presentated its financial statements in accordance with the requirements of previous GAAP, which includes the Standards notified under the Companies (Accounting Standards) Rules, 2006. The date of transition to Ind AS is 1st April, 2016.

**b) Basis of preparation and presentation of financial statements**

These financial statements have been prepared on historical cost basis, except for certain financial instruments that are measured at fair values at the end of each reporting period. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between the market participants at the measurement date.

In accordance with Ind AS 101 First-time Adoption of Indian Accounting Standard, the Company has presented a reconciliation of shareholders' equity as at 31st March, 2017 and 1st April, 2016 and of the comprehensive net income for the year ended 31st March, 2017 as reported under Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 ("Previous GAAP") to Ind AS financial statements.

The Financial statements are presented in INR except when otherwise stated.

**c) Use of Estimates**

The preparation of financial statements in conformity with Ind AS requires management to make certain estimates and assumptions that affect the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and differences between the actual results and the estimates are recognised in the periods in which the results are known / materialized.

**Estimates and assumptions are required in particular for:**

**i)** Recognition of deferred tax assets:

A deferred tax asset is recognised for all the deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilised. The management assumes that taxable profits will be available while recognising deferred tax assets.

**ii)** Recognition and measurement of other provisions:

The recognition and measurement of other provisions are based on the assessment of the probability of an outflow of resources, and on past experience and circumstances known at the balance sheet date. The actual outflow of resources at a future date may therefore vary from the figure included in other provisions.

**iii)** Defined benefit plans (Gratuity benefits):

The obligation arising from the defined benefit plan is determined on the basis of actuarial assumptions. Key actuarial assumptions include discount rate, trends in salary escalation and life expectancy.

**d) Current & Non-Current Classification**

All the assets and liabilities have been classified as current or non-current as per the company's normal operating cycle and other criteria set out in Schedule III to the Companies Act, 2013. Based on the nature of activities and time between the activities performed and their subsequent realisation in cash or cash equivalents, the company has ascertained its operating cycle as 12 months for the purpose of current / non-current classification of assets and liabilities.

**e) Cash And Cash Equivalents (for purposes of Cash Flow Statement)**

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

**f) Cash Flow Statement**

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

**g) Revenue Recognition**

**i)** i) Revenue from sale of goods is recognised, net of return and trade discounts, on transfer of significant risks and rewards of ownership to the buyer, which generally coincides with the delivery of goods to customer. Sales excludes sales tax and value added tax.

**ii)** Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

**h) 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. An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

For purposes of subsequent measurement, financial assets and liabilities are classified in various categories as under.

> at amortised cost
> fair value through other comprehensive income
> fair value through profit and loss account

Financial instruments are subsequently measured and accounted based on their category. All financial instruments of the Company are covered under Amortised Cost. After initial measurement, such financial assets and liabilities are subsequently measured using the effective interest rate (EIR) method. 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 in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss.

**Derecognition of Financial Assets**

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised when:

a) The rights to receive cash flows from the asset have expired, or

b) The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement

**Impairment of Financial Assets**

The Company applies simplified approach model for measurement and recognition of impairment loss on the financial assets and credit risk exposure.

Under the simplified approach the Company does not track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime expected credit losses (ECL) at each reporting date, right from its initial recognition.

**Derecognition of Financial Liability**

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

**i) Borrowing Costs**

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

**j) Segment Accounting**

In accordance with Companies (Indian Accounting Standard) Rules, 2015 (as amended), the company has determined its business segment as Mining Services. Since, there are no other business segments in which the company operates, there are no other primary reportable segments. Further since the company's services are limited to the operation of allocated mine, it operates in a single geographical segment. Therefore, the segment revenue, results, segment assets, segment liabilities, total cost incurred to acquire segment assets, depreciation charge are all as reflected in the financial statements.

**k) Related Party Transactions**

Disclosure of transactions with Related Parties, as required by Ind AS 24 "Related Party disclosures" has been set out in a separate note. Related Parties as defined under clause 9 of the Ind AS 24 have been identified on the basis of representation made by management and information available with the Company.

**l) Earnings Per Share**

The Basic EPS has been computed by dividing the income available to equity shareholders by the weighted average number of equity shares outstanding during the accounting year. The Diluted EPS has been computed using the weighted average number of equity shares and dilutive potential equity shares outstanding at the end of the year.

**m) Taxes on Income**

Tax expense comprises of current income tax and deferred tax.

i) Current Taxation

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 where the Company operates and generates taxable income.

Current tax items, relating to items recognised outside the statement of profit and loss, 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. Provision for current tax is recognised based on the estimated tax liability computed after taking credit for allowances and exemption in accordance with the Income Tax Act, 1961.

Current tax assets and liabilities are offset where the Company has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

**ii)** Deferred Taxation

Deferred tax is provided using the balance sheet approach on temporary differences between the tax bases of assets and liabilities and their carrying amounts in the financial statements at the reporting date. Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity).

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses to the extent it is probable that these assets can be realised in future.

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 liabilities are offset where a legally enforceable right exists to offset current tax assets and liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Deferred tax includes MAT tax credit. The Company reviews such tax credit asset at each reporting date to assess its recoverability.

**n) Provisions, Contingent Liabilities and Contingent Assets**

Provisions involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events and it is possible that there will be an outflow of resources. Contingent liabilities are not recognised but are disclosed in the notes. Contingent assets are not recognised in the financial statements. The nature of such assets and an estimate of its financial effect are disclosed in notes to the Financial Statements.

**3 Cash & Cash Equivalents**

| | As at 31-Mar-2022 | (Amount in Lacs) As at 31-Mar-2021 |
|---|---|---|
| i) Cash in Hand | 7.59 | 4.85 |
| ii) Balances with banks | | |
| - In Current Account | 0.35 | 0.18 |
| | **7.94** | **5.03** |

**4 Other Current Assets**

| | As at 31-Mar-2022 | (Amount in Lacs) As at 31-Mar-2021 |
|---|---|---|
| (Unsecured, Considered Goods) | | |
| Capital Advances | 37.40 | 37.40 |
| | **37.40** | **37.40** |

**6 Other Equity**

| | As at 31-Mar-2022 | (Amount in Lacs) As at 31-Mar-2021 |
|---|---|---|
| **General Reserve** | | |
| Opening Balance | 0.47 | 0.47 |
| Add/Less During the year | - | - |
| **Closing Balance** | **0.47** | **0.47** |
| **Surplus/ (Deficit) In Statement Of Profit And Loss** | | |
| Opening Balance | (43.38) | (38.89) |
| Add : (Loss) for the Year | (16.05) | (4.49) |
| **Net surplus/ (deficit) in the statement of profit and loss** | **(59.43)** | **(43.38)** |
| **Total Reserves and Surplus** | **(58.96)** | **(42.91)** |

Note: Retained earnings represents the amount that can be distributed by the Company as dividends considering the requirements of the Companies' Act, 2013.

7 **Current Borrowings**

(Amount in Lacs)

| | As at 31-Mar-2022 | As at 31-Mar-2021 |
|---|---|---|
| Unsecured borrowings | | |
| - Others | 33.47 | 13.91 |
| | | |
| | **33.47** | **13.91** |

Note: Borrowing is repayable on demand and it is interest free

8 **Trade Payables**

(Amount in Lacs)

| | As at 31-Mar-2022 | As at 31-Mar-2021 |
|---|---|---|
| Trade payables | | |
| - Micro, small and medium enterprise (refer note 17) | - | 0.84 |
| - Other than Micro, small and medium enterprise | 1.29 | 0.75 |
| | | |
| | **1.29** | **1.59** |

9 **Other Current Liabilities**

(Amount in Lacs)

| | As at 31-Mar-2022 | As at 31-Mar-2021 |
|---|---|---|
| Statutory Dues Payable (includes TDS ) | - | 0.30 |
| | **-** | **0.30** |

10 **Other Income**

| | For the year ended 31-Mar-2022 | For the year ended 31-Mar-2021 |
|---|---|---|
| Liability No Longer Required | 0.84 | - |
| | **0.84** | **-** |

11 **Employee Benefits Expense**

(Amount in Lacs)

| | For the year ended 31-Mar-2022 | For the year ended 31-Mar-2021 |
|---|---|---|
| Salaries & Bonus | 0.91 | - |
| | **0.91** | **-** |

12 **Finance Costs**

| | For the year ended 31-Mar-2022 | For the year ended 31-Mar-2021 |
|---|---|---|
| Bank Charges | 0.12 | 0.01 |
| | **0.12** | **0.01** |

## 13 Other Expenses

| | For the year ended 31-Mar-2022 | For the year ended 31-Mar-2021 |
|---|---|---|
| Advertisement Expenses | 0.19 | 0.24 |
| **Payment to Auditors** | | |
| - Statutory Audit Fees | 0.35 | 0.30 |
| Legal & Filing Fees | 1.68 | 3.73 |
| Printing & Stationery | 0.01 | - |
| Non Compliance Penalty | 12.89 | - |
| RTA Fees | 0.66 | 0.14 |
| Website Development Charges | 0.08 | 0.08 |
| | **15.86** | **4.48** |

## 14 Fair Value Measurement and Hierarchy

Since the Company does not have any financial asset or liability measured at fair value, disclosure of fair value hierarchy and disclosure of category-wise assets and liabilities is not relevant. All financial assets and liabilities of the Company have been valued at amortised cost and their values are not expected to be different than those presented in financial statements.

## 15 Financial Instruments And Risk Review

The Company's principal financial liabilities comprise provisions, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations / projects. The Company's principal financial assets include mainly cash and cash equivalents, trade receivables, loans and other financial assets. In the ordinary course of business, the Company is mainly exposed to risks resulting from interest risk, credit risk and liquidity risk .

**Interest risk**

The Company is exposed to changes in interest rates due to its financing, investing and cash management activities. The Company's risk management activities are subject to the management, direction for interest rate risk.

**Credit risk**

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a loss to the company. The company has adopted the policy of only dealing with creditworthy counter parties as a means of mitigating the risk of financial losses from default. The carrying amount of financial assets recorded in the financial statements represents the company's maximum exposure to credit risk. Cash are held with creditworthy financial institutions.

**Liquidity risk**

The Company monitors its risk of shortage of funds using cash flow forecasting models. These models consider the maturity of its financial investments, committed funding and projected cash flows from operations. The Company's objective is to provide financial resources to meet its business objectives in a timely, cost effective and reliable manner and to manage its capital structure. A balance between continuity of funding and flexibility is maintained through the use of various types of borrowings.

## 16 Contingent Liabilities & Commitments

(Amount in Lacs)

| | As at 31-Mar-2022 | As at 31-Mar-2021 |
|---|---|---|
| Contingent Liabilities, to the extent not provided for Commitments | - | - |
| Estimated amount of contracts remaining to be executed on capital accounts (net of advances) | - | - |

## 17 Disclosures under MSMED Act

On the basis of the information and records available with management, outstanding dues to the Micro and Small enterprise as defined in the MSMED Act, 2006 are disclosed as below.

| Particulars | For the year ended 31-Mar-2022 | For the year ended 31-Mar-2021 |
|---|---|---|
| Principal amount remaining unpaid to any supplier as at the year end. | - | - |
| Interest due thereon. | - | - |
| Amount of interest paid by the company in terms of section 16 of the MSMED, along with the amount of the payment made to the supplier beyond the appointed day during the accounting year. | - | - |
| Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding the interest specified under the MSMED. | - | - |
| Amount of interest accrued and remaining unpaid at the end of the accounting year. | - | - |
| Amount of further interest remaining due and payable even in succeeding years. | - | - |

## 18 Related Parties

| | | |
|---|---|---|
| Holding Company | : | Nil |
| Subsidiary Company | : | Nil |
| Fellow Subsidiaries & Associates | : | Nil |
| (with transactions during the year) | | |
| Key Management Personnel | : | Mr. Suryakant H Parikh, Managing Director<br>Mr. Bhavin Suryakant Parikh, Executive Director<br>Mr. Vishal Shah - Director<br>Mr. Prakash Rahevar, CFO |

**Terms and conditions of transactions with related parties**

Outstanding balances (if any) of related parties at the year-end are unsecured. There have been no guarantees received for any related party receivables or payables. Transaction entered into with related party are made on terms equivalent to those that prevail in arm's length transactions.

(Amount in Lacs)

| Transactions With related parties | For the year ended 31-Mar-2022 | For the year ended 31-Mar-2021 |
|---|---|---|
| Remmuneration | - | - |

**Balance with related parties**: NIL

**19 Earning Per Share (EPS)**

(Amount in Lacs)

| | For the year ended 31-Mar-2022 | For the year ended 31-Mar-2021 |
|---|---|---|
| | | |
| (Loss) for calculation of basic and diluted EPS | (16.05) | (4.49) |
| | | |
| Weighted average number of equity shares for calculating Basic EPS | 6,95,360 | 6,95,360 |
| Weighted average number of equity shares for calculating Diluted EPS | 6,95,360 | 6,95,360 |
| Face value of equity shares | 10 | 10 |
| | | |
| Basic Earning Per Share (in Rupees) | (2.31) | (0.65) |
| Diluted Earning Per Share (in Rupees) | (2.31) | (0.65) |

**21 Standards issued but not effective**

The amendments to standards that are issued, but not yet effective, up to the date of issuance of the Company's financial statements are disclosed below. The Company intends to adopt these standards, if applicable, as and when they become effective. The Ministry of Corporate Affairs (MCA) has notified certain amendments to Ind AS, through Companies (Indian Accounting Standards) Amendment Rules, 2022 on 23rd March, 2022. These amendments maintain convergence with IFRS by incorporating amendments issued by International Accounting Standards Board(IASB) into Ind AS and has amended the following standards:

1. Ind AS 101 - First-time adoption of Ind AS
2. Ind AS 103 – Business Combinations
3. Ind AS 109 – Financial Instruments
4. Ind AS 16 – Property, Plant and Equipment
5. Ind AS 37 – Provisions, Contingent Liabilities and Contingent Assets
6. Ind AS 41 – Agriculture

These amendments shall come into force with effect from April 01, 2022.

The Company is assessing the potential effect of the amendments on its financial statements. The Company will adopt these amendments, if applicable, from applicability date.

**22 Going Concern**

As at March 31, 2022, the Company has incurred net loss of Rs.16.05 lacs (March 31, 2021 Rs. 4.49 lacs) and has net worth of Rs. 10.58 lacs (March 31, 2021 Rs. 26.63 lacs).The company has huge accumulated losses and do not have any operating revenue. These conditions indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern.

**23 Previous Year Comparatives**

Previous year's figures have been recast, regrouped and rearranged, wherever necessary to conform to this year's classification. Further, the figures have been rounded off to the nearest rupee.

**24 Approval of financial statements**

The financial statements were approved for issue by the board of directors on 18/05/2022.

As per our report of even date
For **Dharmesh Parikh & CO LLP**
Chartered Accountants
Firm Registration Number : 112054W/W100725

**Anuj Jain**
Partner
Membership No. 119140
**Place : Ahmedabad**
**Date : 18/05/2022**

For and on behalf of the board of directors of
**GUJARAT TOOLROOM LIMITED**

**Manish Shah**
Director
DIN : 03060959

**Vishal M Shah**
Director
DIN : 03279724

**Neha Ketan Jain**
CFO

**Ziral P Soni**
Company Secretary

**Place : Ahmedabad**
**Date : 18/05/2022**

# MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

*Some of the information contained in this section, including information with respect to our business plans and strategies, contain forward-looking statements that involve risks and uncertainties. This section should be read in conjunction with the sections titled "**Risk Factors**", "**Industry Overview**" and "**Management's Discussion and Analysis of Financial Condition and Results of Operations**" on pages 60, 242 and 229, respectively, as wellas the financial information included in the section titled "**Financial Information**" on page 91. Unless otherwise stated, the financial information used in this section is derived from our Consolidated Financial Information. OurFinancial Year ends on March 31 of each year, so all references to a particular fiscal or Financial Year are to the twelve-month period ended March 31 of that year. Our actual results of operations may differ materially fromthose expressed in or implied by these forward-looking statements.*

*Unless the context otherwise requires, references to "our Company" are to Gujarat Toolroom Limitedon a standalone basis, while references to "we", "us" or "our" (including in the context of any financial or operational information) are to Gujarat Toolroom Limited and its Subsidiaries on a consolidated basis.*

*Statements in this Placement Document that are not historical facts may be forward-looking statements. Such statements are subject to certain risks, uncertainties and assumptions that could cause our actual financial performance to differ materially from the conditions contemplated in such forward-looking statements. Under no circumstances should the inclusion of such information herein be regarded as a representation, warranty or prediction with respect to the accuracy of the underlying assumptions by us or any other person, or that these results will be achieved or are likely to be achieved. Our actual results could differ materially from those anticipated in these forward looking statements as a result of certain factors and contingencies that could affect our financial condition, results of operations and cash flows. You are also advised to read the sections titled, **"Forward-Looking Statements"** and **"Risk Factors"** beginning on pages 24 and 60 respectively of this Placement Document, which discuss a number of factors or contingencies that could affect our business, financial condition and results of operations. You are cautioned not to place undue reliance on these forward-looking statements. Unless otherwise indicated, industry and market data used in this section has been derived from industry publications and other publicly available information. Unless otherwise indicated, financial, operational, industry and other related information included herein with respect to any particular year refers to such information for the relevant calendar year.*

## OVERVIEW

Our company was originally incorporated as private limited Company under the Companies Act, 1956 as Pirnmatic Engineering Private Limited vide certificate of incorporation dated March 25, 1983 issued by Registrar of Companies, Gujarat. Subsequently, a fresh certificate of incorporation dated December 31, 1990 was issued by Registrar of Companies, Gujarat, pursuant to change of name of our Company from Pirnmatic Engineering Private Limited to Kunal Fabricators Private

Limited. Subsequently, a fresh certificate of incorporation dated September 11, 1991, was issued by Registrar of Companies, Gujarat, pursuant to change of name of our Company from Kunal Fabricators Private Limited to Gujarat Toolroom Private Limited. Subsequently, the name of the company was changed to Gujarat Toolroom Limited pursuant to conversion into a public company vide shareholder's approval dated 5th September 1991 and vide fresh certificate of incorporation dated September 11, 1991, issued by Registrar of Companies, Gujarat. Our Company successfully launched its IPO and get listed in BSE w.e.f. May 28, 1992. The equity shares of our Company were listed on BSE, bearing Scrip symbol 'GUJTLRM' and ISIN 'INE145J01032'.

Started in 1983 as a precision toolroom the company was having technical collaboration with Schober AG Switzerland with the object of bringing world class injection mould technology to India. Stamag Ag. Thun Switzerlanda Company engaged in manufacturing of injection moulds was acquired in 1995 by Gujarat Toolroom Limited. The Control of the Management of the Company was changed w.e.f. June 30, 2011 in favour of Mr. Mukesh N. Shah and Mr. Suresh (Suryakant) H. Parikh and Associates with the approval of the shareholders of the Company as per the Regulation 12 of SEBI (Substantial Acquisition of Shares and Takeovers) Regulation 1997. During the year 2015-16 the Scheme of Capital Reduction of the Company was confirmed by the Hon'ble High Court of Gujarat vide its Order dated January 11, 2016 and pursuant to the same with the filing of said Order on January 25, 2016 the Scheme became effective from April 01, 2015 (Appointed date). Currently there is no identified promoter / promoter group in the Company.

In the year 2023-24, we started trading of Silver Conductive Ink and subsequently also started trading of Agriculture Commodities and Construction Materials.

**BUSINESS OF THE COMPANY**

Our company is engaged in a diversified trading business, dealing in a wide range of products including Agriculture Commodities, Construction Materials and Silver Conductive Ink. Each segment of our trading operations is managed with a focus on quality, market demand, and efficient logistics, ensuring we maintain a competitive edge in the industry.

**AGRICULTURAL COMMODITY**

The company has established its presence in agro commodity trading business. The trading of agriculture commodities is one of the areas of our business. Our operations in this segment are supported by a deep understanding of market trends, seasonal variations, and global demand-supply dynamics. We leverage our network of suppliers and buyers to execute large-scale transactions, ensuring that we can offer competitive prices and timely deliveries. The company places a strong emphasis on quality control and sustainability, ensuring that the commodities we trade meet domestic standards.

The company deal into various agricultural products in various millets like bajra, castor seeds, sorghum etc. The company received bulk order from the traders and wholesalers, which is fulfilled by the orders placed to our dealers.

## CONSTRUCTION MATERIALS

In the construction materials segment, we trade in a wide range of products including steel, In the construction materials segment, we trade in a wide range of products including steel, various range of TMT bars, and other building materials. Our focus in this area is on providing high-quality materials that meet the rigorous demands of the construction industry. The company has established partnerships with suppliers to ensure a steady supply of materials at competitive prices.

## SILVER CONDUCTIVE INK

Our Company is engaged in the business of trading of Silver Conductive Ink. Our business in purely depends on the demand and supply of Silver Ink in the markets and we Import it from Hong Kong. Presently, we are dealing with single supplier of this Silver Ink. We procure our inks from suppliers based in the international market. Our 100% sales in domestic market and in order to compete in the Conductive Ink market, we are in the process of creating and maintaining independent sales and distribution network for our products within the domestic market.

The trading of these products is influenced by various factors such as global market trends, and demand and supply.

## GEMS AND JEWELLERY

The Company deals in Gems and Jewellery through its wholly owned subsidiaries.

Our Company has incorporated two a wholly owned subsidiary company one named as GTL GEMS DMCC in the region of United Arab of Emirates. The company will be engaged in the trading of diamond in UAE. Our aim is to provide excellent customer service. The second wholly owned subsidiary company named GUJARAT TOOLROOM ZAMBIA LIMITED in the region of Zambia. It aspires to become a leading export-focused company in gold exploration, mining, extraction, and jewellery processing, adhering to responsible and environmentally friendly practices. We will endeavor to maintain close relationships with our suppliers and customers, which allows us to provide efficient and reliable services. We also stay up-to-date with market trends and developments, which helps us make informed decisions and stay ahead of the competition.

The range of diamonds we trade in purely depends on the demand and supply of diamonds in the markets.

Find below the current financials of the company:

(₹ in Lakhs)

| Sl No. | | Six months ended September 30, 2024 (Consolidated Limited Review) | Six months ended September 30, 2023 (Limited Reviewed) | Fiscal 2024 | Fiscal 2023 | Fiscal 2022 |
|---|---|---|---|---|---|---|
| 1 | Revenue from operations | 53,538.50 | 15,777.84 | 55,543.36 | 240.86 | - |
| 2 | EBITDA | 5,244.28 | 423.77 | 7,801.70 | 168.75 | (15.93) |
| 3 | Net Profit | 4,913.22 | 317.83 | 7,312.14 | 138.75 | (16.05) |

*Notes: Net Profit means profit for the half/year*

Our revenue from operations has grown by 22,960.44% from Fiscal 2023 to Fiscal 2024. Our EBITDA has grown by 4523.23% from ₹ 168.75 Lakhs in Fiscal 2023 to ₹ 7,801.70 Lakhs in Fiscal 2024. Our Net Profit has grown by 5170.01% from ₹138.75 Lakhs in Fiscal 2023 to ₹ 7,312.14 Lakhs in Fiscal 2024 respectively.

**FACTORS AFFECTING RESULTS OF OPERATIONS AND FINANCIAL CONDITION**

We are a company engaged in the Trading of Silver Conductive Ink, Agricultural Commodities and Construction Material. Our results of operations have been, and will continue to be, affected by a number of events and actions, some of which are beyond our control including the performance of the Indian economy and the Silver Conductive Ink, Agricultural Commodities and Construction Material.

However, there are some specific items that we believe have impacted our results of operations, and in some cases, may continue to impact our results of operations on a consolidated level. In this section, we discuss some of the significant factors that we believe have or could have an impact on our revenue and expenditure.

- General economic and business conditions in the markets in which we operate and in the local, regional and national economies;
- Changes in political and social conditions in India or in countries that we may enter, the monetary and interest rate policies of India and other countries, inflation, deflation, unanticipated turbulence in interest rates, equity prices or other rates or prices;
- Our reliance on third party suppliers for our products;
- Our dependence on few clients for a significant portion of our revenues
- Loss of one or more of our key customers and/or suppliers;
- Inability to collect our dues and receivables from, or invoice our unbilled services to, our customers, our results of operations;
- The performance of the financial markets in India and globally;

- Any adverse outcome in the regulatory proceedings in which we are involved;
- Our ability to retain and hire key employees or maintain good relations with our workforce
- Market fluctuations and industry dynamics beyond our control;
- Occurrence of natural or man-made disasters could adversely affect our results of operations and financial condition.
- Changes in foreign exchange rates or other rates or prices;
- Other factors beyond our control;
- Our ability to manage risks that arise from these factors;
- Changes in domestic and foreign laws, regulations and taxes and changes in competition in our industry and, inability to obtain, maintain or renew requisite statutory and regulatory permits and approvals or noncompliance with and changes in, safety, health and environmental laws and other applicable regulations, may adversely affect our business, financial condition, results of operations and prospects.

**SIGNIFICANT ACCOUNTING POLICIES**

1. **Basis of Preparation**

These financial statements have been prepared in accordance with the Indian Accounting Standards (INDAS) to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013, as applicable. The financial statements have been prepared under the historical cost convention on accrual basis, except for certain financial instruments which are measured at fair value.

2. **Use of estimates**

The preparation of financial statements requires the management of the Company to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosures relating to the contingent liabilities as at the date of the financial statements and reported amounts of income and expense during the year. Examples of such estimates include provisions for doubtful receivables, provision for income taxes, the useful lives of depreciable Property, Plant and Equipment and provision for impairment. Future results could differ due to changes in these estimates and the difference between the actual result and the estimates are recognised in the period in which the results are known / materialise.

3. **Property, Plant and Equipment**

Property, Plant and Equipment are stated at cost, less accumulated depreciation / amortisation. Costs include all expenses incurred to bring the asset to its present location and condition.

4. **Depreciation / amortisation**

In respect of Property, Plant and Equipment (other than freehold land and capital work-in-progress) acquired during the year, depreciation/amortisation is charged on a Written Down Value Method.

| Type of Assets | Period |
|---|---|
| Buildings | 30 Years |
| Plant and Equipment | 15 Years |
| Medical Equipment & Plant | 13 Years |
| Furniture and Fixtures | 10 Years |

| | |
|---|---|
| Electrical equipment | 5 Years |
| Computers | 3 Years |
| Software | 3 Years |

**5. Leases**

Assets taken on lease by the Company in its capacity as lessee, where the Company has substantially all the risks and rewards of ownership are classified as finance lease. Such a lease is capitalised at the inception of the lease at lower of the fair value or the present value of the minimum lease payments and a liability is recognised for an equivalent amount. Each lease rental paid is allocated between the liability and the interest cost so as to obtain a constant periodic rate of interest on the outstanding liability for each year.

Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest with the lessor, are recognised as operating leases. Lease rentals under operating leases are recognised in the statement of profit and loss on a straight-line basis.

**6. Impairment**

At each balance sheet date, the management reviews the carrying amounts of its assets included in each cash generating unit to determine whether there is any indication that those assets were impaired. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of impairment. Recoverable amount is the higher of an asset's net selling price and value in use. In assessing value in use, the estimated future cash flows expected from the continuing use of the asset and from its disposal are discounted to their present value using a pre-tax discount rate that reflects the current market assessments of time value of money and the risks specific to the asset. Reversal of impairment loss is recognised as income in the statement of profit and loss.

**7. Investments**

Long-term investments and current maturities of long-term investments are stated at cost, less provision for other than temporary diminution in value. Current investments, except for current maturities of long-term investments, comprising investments in mutual funds, government securities and bonds are stated at the lower of cost and fair value.

**8. Revenue recognition**

Revenue from the sale of agricultural goods are recognised upon delivery, which is when title passes to the customer.
Revenue is reported net of discounts.

Dividend is recorded when the right to receive payment is established. Interest income is recognised on time proportion basis taking into account the amount outstanding and the rate applicable.

## 9. Taxation

Current income tax expense comprises taxes on income from operations in India and in foreign jurisdictions. Income tax payable in India is determined in accordance with the provisions of the Income Tax Act, 1961. Tax expense relating to foreign operations is determined in accordance with tax laws applicable in countries where such operations are domiciled.

Minimum Alternative Tax (MAT) paid in accordance with the tax laws in India, which gives rise to future economic benefits in the form of adjustment of future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax after the tax holiday period. Accordingly, MAT is recognised as an asset in the balance sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with it will fructify.

Deferred tax expense or benefit is recognised on timing differences being the difference between taxable income and accounting income that originate in one period and is likely to reverse in one or more subsequent periods. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date.

Advance taxes and provisions for current income taxes are presented in the balance sheet after off-setting advance tax paid and income tax provision arising in the same tax jurisdiction for relevant tax paying units and where the Company is able to and intends to settle the asset and liability on a net basis.

The Company offsets deferred tax assets and deferred tax liabilities if it has a legally enforceable right and these relate to taxes on income levied by the same governing taxation laws.

## 10. Foreign currency transactions

Income and expense in foreign currencies are converted at exchange rates prevailing on the date of the transaction. Foreign currency monetary assets and liabilities other than net investments in non-integral foreign operations are translated at the exchange rate prevailing on the balance sheet date and exchange gains and losses are recognised in the statement of profit and loss. Exchange difference arising on a monetary item that, in substance, forms part of an enterprise's net investments in a non-integral foreign operation are accumulated in a foreign currency translation reserve.

## 11. Inventories

Raw materials are carried at the lower of cost and net realisable value. Cost is determined on a weighted average basis. Purchased goods-in-transit are carried at cost. Work-in-progress is carried at the lower of cost and net realisable value. Stores and spare parts are carried at lower of cost and net realisable value. Finished goods produced or purchased by the Company are carried at lower of cost and net realisable value. Cost includes direct material and labour cost and a proportion of manufacturing overheads.

### 12. Provisions, Contingent liabilities and Contingent assets

A provision is recognised when the Company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which reliable estimate can be made. Provisions (excluding retirement benefits and compensated absences) are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent liabilities are not recognised in the financial statements. A contingent asset is neither recognised nor disclosed in the financial statements.

### 13. Cash and cash equivalents

The Company considers all highly liquid financial instruments, which are readily convertible into known amount of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents.

## RESULTS OF OPERATIONS

| Particulars | For the Year Ended March | | For the Year Ended March | | For the Year Ended March | |
|---|---|---|---|---|---|---|
| | **2024*** | **% of Total Revenue** | **2023@** | **% of Total Revenue** | **2022@** | **% of Total Revenue** |
| **Revenue:** | | | | | | |
| Revenue From Operations | 55,543.36 | 99.55% | 240.86 | 99.53% | 0 | 0.00% |
| Other Income | 249.00 | 0.45% | 1.14 | 0.47% | 0.84 | 100.00% |
| **Total Revenue** | **55,792.36** | **100.00%** | **242.00** | **100.00%** | **0.84** | **100.00%** |
| Cost of Materials Consumed | 28,950.59 | 51.89% | 220.53 | 91.13% | 0 | ^ |
| Purchase of Stock-in-Trade | 24,851.79 | 44.54% | 0.00 | 0.00% | 0 | |
| Change in inventory of finished goods, work-in-progress and Stock-in-Trade | -6,010.38 | -10.77% | -168.65 | -69.69% | 0 | |
| Employee Benefits Expenses | 28.26 | 0.05% | 2.12 | 0.88% | 0.91 | |
| Finance costs | 0.00 | 0.00% | 0.00 | 0.00% | 0.12 | |

| | | | | | | |
|---|---|---|---|---|---|---|
| Depreciation and amortization expenses | 3.23 | 0.01% | 0.00 | 0.00% | 0 | |
| Other Expenses | 170.39 | 0.31% | 19.25 | 7.95% | 15.86 | |
| | | | | | | |
| **Total expenses** | **47,993.89** | **86.02%** | **73.25** | **30.27%** | **16.89** | **2010.71%** |
| | | | | | | |
| **Profit/(Loss) before exceptional items and tax** | **7,798.47** | **13.98%** | **168.75** | **69.73%** | **-16.05** | ^ |
| **Tax expense: -** | 486.33 | 0.87% | 30.00 | 12.40% | 0 | 0.00% |
| | | | | | | |
| **Profit/(Loss) for the period** | **7,312.14** | **13.11%** | **138.75** | **57.33%** | **-16.05** | ^ |

**on the basis of Audited Consolidated Financial Statements*
*@ on the basis of Audited Standalone Financial Statements*
*^Not Meaningful*

**Comparison of FY 2023-24 with FY 2022-23**

It is important to note that the financial results for the fiscal year 2023-24 are prepared on a consolidated basis, while the financial results for the fiscal year 2022-23 were prepared on a standalone basis. As a result, direct comparisons between the two fiscal years may not provide an accurate representation of the company's overall performance due to differences in the scope of consolidation. Investors are advised to consider this distinction when evaluating the financial performance and trends across the periods under review.

**Comparison of FY 2022-23 with FY 2021-2022**

Financial Year 2023 compared to Financial Year 2022

**Total Revenue:**
Our total revenue for the Fiscal 2023 was ₹242.00 Lakhs as compared to ₹ 0.84 Lakhs for the Fiscal 2022, representing an increase of 28,709.52 %. Total revenue comprises of:

**Revenue from Operations**

Our revenue from operations for the Fiscal 2023 was ₹240.86 Lakhs as compared to ₹ nil for the Fiscal 2022, representing resumption of materialising the revenue generating business activities of the Company.

**Other income**

Other income for the Fiscal 2023 was ₹1.14 Lakhs as compared to ₹ 0.84 Lakhs for the Fiscal 2022, representing an increase of 35.71 %.

**Expenses:**

Our total expenditure for the Fiscal 2023 was ₹73.25 Lakhs as compared to ₹ 16.89 Lakhs for the Fiscal 2022, representing an increase of 333.69%. Total expenditure comprises of:

**Cost of Goods traded**

The purchase of Stock in trade for the Fiscal 2023 was ₹51.88 Lakhs as compared to ₹ nil for the Fiscal 2022, due to the resumption of business activities in the Company.

**Employee benefit expenses**

Employee benefit expense for the Fiscal 2023 was ₹2.12 Lakhs as compared to ₹ 0.91 Lakhs for the Fiscal 2022. This increase was due to increase in the salary & wages of employees.

**Finance cost**

Finance cost for the Fiscal 2023 was ₹Nil as compared to ₹ 0.12 Lakhs for the Fiscal 2022. The increase in finance cost is due to increase in Fees and Bank charges.

**Depreciation And Amortization Expense**

Depreciation and Amortization Expense for the Fiscal 2023 was ₹Nil as compared to ₹ nil for the Fiscal 2022. This is due to nil Property, Plant & Equipment.

**Other expenses**

Other expenses for the Fiscal 2023 were ₹19.25 Lakhs as compared to ₹15.86 Lakhs for the Fiscal 2022, representing a increase of 21.37%. The increase was mainly due increase in Rent, Rates & Taxes, and legal, professional and consultancy charges.

**Profit/(loss) before tax**

Profit/ (loss) before Tax for Fiscal 2023 was ₹168.75 Lakhs as compared to ₹ (16.05) Lakhs for Fiscal 2022, representing a positive yield on the capital employed. This increase was primarily due to increase in revenue from operations.

**Tax expenses**

Total tax expense for the Fiscal 2023 was ₹30.00 Lakhs as compared to ₹ Nil for Fiscal 2022.

**Profit/(loss) after tax**

For the reasons discussed above, the profit / (loss) after tax for the Fiscal 2023 was ₹138.75 Lakhs as compared to ₹ (16.05) Lakhs for the Fiscal 2022.

**Result of Operations for the Half Yearly Ended September 30, 2024, and September 30, 2023:**

| Particulars | For the Half Year Ended September (Consl) | | For the Half Year Ended September | |
|---|---|---|---|---|
| | September 2024* | % of Total Revenue | September 2023@ | % of Total Revenue |
| Revenue: | | | | |
| Revenue From Operations | 53,538.50 | 100.00% | 15,777.84 | 100.00% |
| Other Income | 0.20 | 0.00% | 0.00 | 0.00% |
| **Total Revenue** | **53,538.69** | **100.00%** | **15,777.84** | **100.00%** |
| | | | | |
| Cost of Materials Consumed | 34,551.52 | 64.54% | 0.00 | 0.00% |
| Purchase of Stock-in-Trade | 7,233.74 | 13.51 | 15,354.59 | 97.32 |
| Change in inventory of finished goods, work-in-progress and Stock-in-Trade | 6,009.27 | 112.09 | (40.13) | (0.25) |
| Employee Benefits Expenses | 17.76 | 0.03 | 2.14 | 0.01 |
| Finance costs | 4.20 | 0.01 | - | - |
| Depreciation and amortization expenses | 19.81 | 3.59 | - | - |
| Other Expenses | 482.12 | 0.90 | 37.47 | 0.24 |
| | | | | |
| **Total expenses** | **48,318.43** | **90.25** | **15,354.07** | **0.10** |
| **Profit/(Loss) before exceptional items and tax** | **5,220.27** | **9.75** | **423.77** | **2.69** |
| **Tax expense: -** | 307.05 | **0.57** | 105.94 | 0.68 |
| | | | | |
| **Profit/(Loss) for the period** | **4,913.22** | **9.18** | **317.83** | **2.01** |

**On the basis of Audited Consolidated Financial Statements*
*@ on the basis of Audited Standalone Financial Statements.*

It is important to note that the financial results for the half Year ended September 30, 2024, are prepared on a consolidated basis, while the financial results for the for the half Year ended September 30, 2023 were prepared on a standalone basis. As a result, direct comparisons between the two- half Year ended may not provide an accurate representation of the company's overall performance due to differences in the scope of consolidation. Investors are advised to consider this distinction when evaluating the financial performance and trends across the periods under review.

**Quantitative and Qualitative Disclosures about Market Risk**

Market risk is the risk of loss related to adverse changes in market prices, including interest rates. In the normal course of business, we are exposed to certain market risks including interest rate risk, Liquidity risk and credit risk.

**Interest rate risk**

Interest rate risk results from changes in prevailing market interest rates, which can cause a change in the fair value of fixed-rate instruments and changes in the interest payments of the variable-rate instruments. Our operations are funded to a certain extent by borrowings. Our current loan facilities carry interest at variable rates as well as fixed rates. We mitigate risk by structuring our borrowings to achieve a reasonable, competitive cost of funding. There can be no assurance that we will be able to do so on commercially reasonable terms, that our counterparties will perform their obligations, or that these agreements, if entered into, will protect us adequately against interest rate risks.

**Liquidity risk**

Adequate and timely cash availability for our operations is the liquidity risk associated with our operations. Our Company's objective is to all time maintain optimum levels of liquidity to meet its cash and collateral requirements. We employee prudent liquidity risk management practices which inter-alia means maintaining sufficient cash and the availability of funding through an adequate amount of committed credit facilities.

**Credit Risk**

We are exposed to the risk that our counterparties may not comply with their obligations under a financial instrument or customer contract, leading to a financial loss. We are exposed to credit risk from our operating activities, primarily from trade receivables.
We consider our customers to be creditworthy counterparties, which limits the credit risk, however, there can be no assurance that our counterparties may not default on their obligations, which may adversely affect our business and financial condition.

**Material Frauds**

There are no material frauds committed against our Company in the last three financials year.

Unusual or Infrequent Events or Transactions

Except as described elsewhere in this Placement Document, there have been no events or transactions to our knowledge which may be described as "unusual" or "infrequent".

Known trends or uncertainties that have had or are expected to have a material adverse impact on sales, revenue or income from continuing operations

**Future changes in the relationship between costs and revenues**

Other than as described in the section titled ***'Risk Factors'*** and ***'Management's Discussion and Analysis of Financial Condition and Results of Operations'*** beginning on pages 60 and 229 respectively, and elsewhere in this Placement Document, there are no known factors to our knowledge which would have a material adverse impact on the relationship between costs and income of our Company. Our Company's future costs and revenues will be determined by demand/supply situation, government policies and other economic factors

**Competitive Conditions**

We expect competition in our business from existing and potential competitors to intensify. We face competition from both organised and unorganised players in the market. We believe our expertise and quality service offerings with distinguished experience will be key to overcome competition posed by such players. We believe that the principal factors affecting competition in our business

include client relationships, reputation, and the quality and pricing of our services. We have developed certain competitive strengths over a period which have been discussed in section titled ***'Risk Factor'*** & ***'Our Business'*** beginning on pages 60 and 264 of this document.

## INDUSTRY OVERVIEW

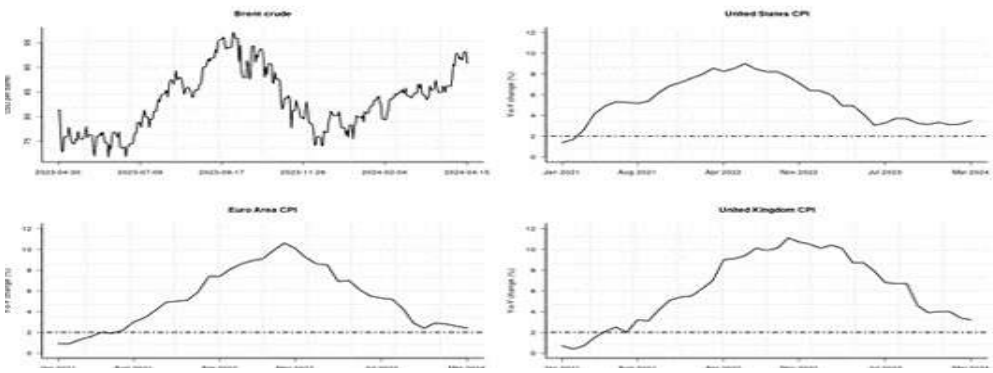
*The information contained in **'Industry Overview'** in this section is derived from publicly available sources. Neither we, nor any other person connected with the Issue has independently verified this information. Industry sources and publications generally state that the information contained therein has been obtained from sources generally believed to be reliable, but that their accuracy, completeness, and underlying assumptions are not guaranteed and their reliability cannot be assured. Industry publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends.*

*Data in this section may have been re-classified by us for the purposes of presentation. The accuracy and completeness of the industry sources and publications referred to by us, and the underlying assumptions on which such sources and publications are based, are not guaranteed and their reliability cannot be assured. Industry sources and publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends. Industry sources and publications may also base their information on estimates, projections, forecasts and assumptions that may prove to be incorrect. Further, statements in this section that are not statements of historical fact constitute "forward-looking statements". Such forward-looking statements are subject to various risks, assumptions and uncertainties and certain factors could cause actual results to materially differ. Accordingly, prospective investors should not base their investment decision, or otherwise place undue reliance, on this information.*

### GLOBAL ECONOMIC OVERVIEW

Against a background of multiple geo-political disruptions, global growth is expected to maintain a pace of slow but steady recovery. Estimated to have grown at 2.3 percent in 2023, the global economy is projected to grow at the same rate in 2024 and 2025. Growth in advanced economies is expected to rise marginally from 1.6 percent in 2023 to 1.7 percent in 2024 and 1.8 percent in 2025, while emerging and developing economies are projected to grow at 4.2 percent in 2024 and 2025. There are of course considerable variations in growth across countries around these global and group averages. In the United States, growth is projected to rise to 2.7 percent in 2024 before moderating to 1.9 percent in 2025. Growth in the Euro area is expected to pick up from 0.4 percent in 2023 to 0.8 percent in 2024 and 1.5 percent in 2025. Growth in China is expected to slow down to 4.6 percent in 2024 and 4.1 percent in 2025, mainly due to the protracted crisis in the property sector.

**Figure 1: Global inflation moderating but slightly elevated owing to rising oil prices**



Global inflation has eased from the peaks seen around the middle of 2022 but remains above target levels. Commodity prices have rebounded in recent months after moderating in 2023. Oil prices in particular have risen with ongoing wars in Ukraine and Gaza. It is likely that the recent hardening of commodity prices will delay the rate cut cycles in many economies.

(Source:https://www.nipfp.org.in/publications/policy-briefs/fy-2023-24-year-end-macroeconomic-review/)

**INDIAN ECONOMIC OUTLOOK**

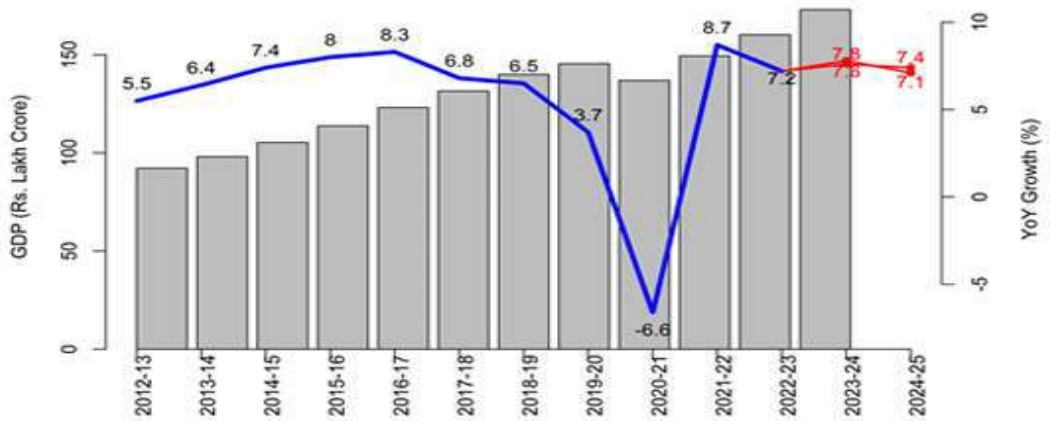
India, the third-largest economy in the world in Purchasing Power Parity (PPP) terms and the fifth-largest in market exchange rates, has reinforced the country's belief in its economic resilience as it has withstood the internal and external challenges alike such as of mitigating external imbalances caused by the Russian-Ukraine conflict without losing growth momentum in the process. The Indian economy appears to have moved on addressing the challenges posed by the pandemic, staging a full recovery, ahead of many nations and positioning itself to ascend to the pre-pandemic growth path in Financial Year (FY) 2023-24.

India's recovery from the pandemic was relatively quick, and growth in the upcoming year will be supported by solid domestic demand and a pickup in capital investment. Incipient signs of a new private sector capital formation cycle are visible and more importantly, compensating for the private sector's caution in capital expenditure, the government raised capital expenditure substantially.

(Source: CareEdge Research, Industry Sources)

Real GDP growth in India was a robust 7.6 per cent in FY 2023-24 (Second Advanced Estimate, Central Statistical Organisation), up from 7 per cent in FY 2022-23. The growth spurt in FY 2023-24 was driven by double digit growth of 10 per cent in capital formation (Capex) which, in turn, was led by high public sector capex. At the sectoral level, high non-agricultural growth was broad based with 9 per cent growth in industry and 7.5 per cent growth in services. However, agriculture performed poorly, recording a growth of only 0.7 per cent. This is mainly due to uneven rainfall, volatile weather conditions, and reduction in wheat acreage in response to softening of wheat prices with the easing of Black Sea supply disruption.

**Growth forecast at 7.1-7.4 for FY 2024-25**




Source: MOSPI; Bhattacharya, Chakravartti and Mundle (2019), Bhattacharya, Bhandari and Mundle (2023)

The growth projections are derived from two alternative forecasting models, one based on high frequency indicators (NIPFPhf) and the other based on annual indicators (NIPFPaf). The models had

forecast annual growth rates of 7.8 per cent and 7.6 per cent respectively compared to the actual outcome of 7.6 per cent. The forecasts for FY 2024-25 based on the high frequency indicators model and annual frequency indicators model are, respectively, 7.1 per cent and 7.4 per cent. These are marginally higher than projections from the World Bank, IMF and RBI (Table 1). Our high frequency indicators model growth forecasts for the four quarters of FY 2024-25 are the same as or marginally higher than the RBI quarterly forecasts.

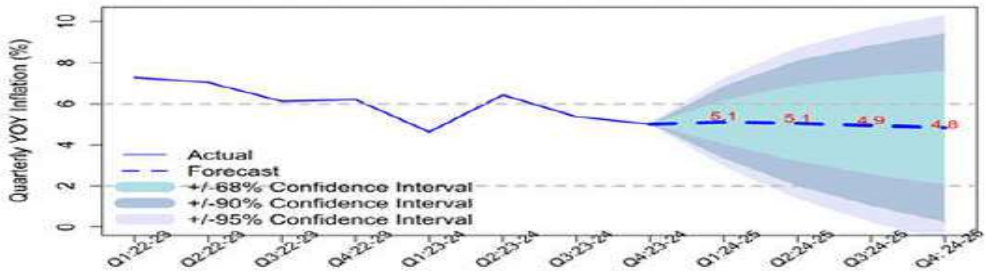
**Table 1: Comparable forecasts by other organisations**

| | FY 23-24 | Q1 2024-25 | Q2 2024-25 | Q3 2024-25 | Q4 2024-25 | FY 24-25 |
|---|---|---|---|---|---|---|
| NIPFP hf | **7.8** | **7.2** | **6.9** | **7.3** | **7.1** | **7.1** |
| NIPFPaf | **7.6** | | | | | **7.4** |
| RBI | 7 | 7.2 | 6.8 | 7 | 6.9 | 7 |
| Actual (MOSPI, SAE) | 7.6 | | | | | |
| IMF | 7.8 | | | | | 6.8 |
| World Bank | 7.5 | | | | | 6.6 |

**Source:** NIPFP; MOSPI; RBI; IMF; World Bank

**Inflation** remained at 5.4 per cent in FY 2023-24, within the 6% upper limit of RBI's tolerance band. It had exceeded the upper limit in July and August, 2023-24 due to high inflation in prices of vegetables, pulses, and milk & milk products. Food price inflation remained elevated at 7.5 per cent in FY 2023-24, while energy declined from September 2023. Core inflation was declining in FY 2023-24 but rebounded in the last two months, mainly on account of services.

**Figure 3: FY 24-25 inflation forecast of NIPFP at 5 per cent, still above 4 per cent target**

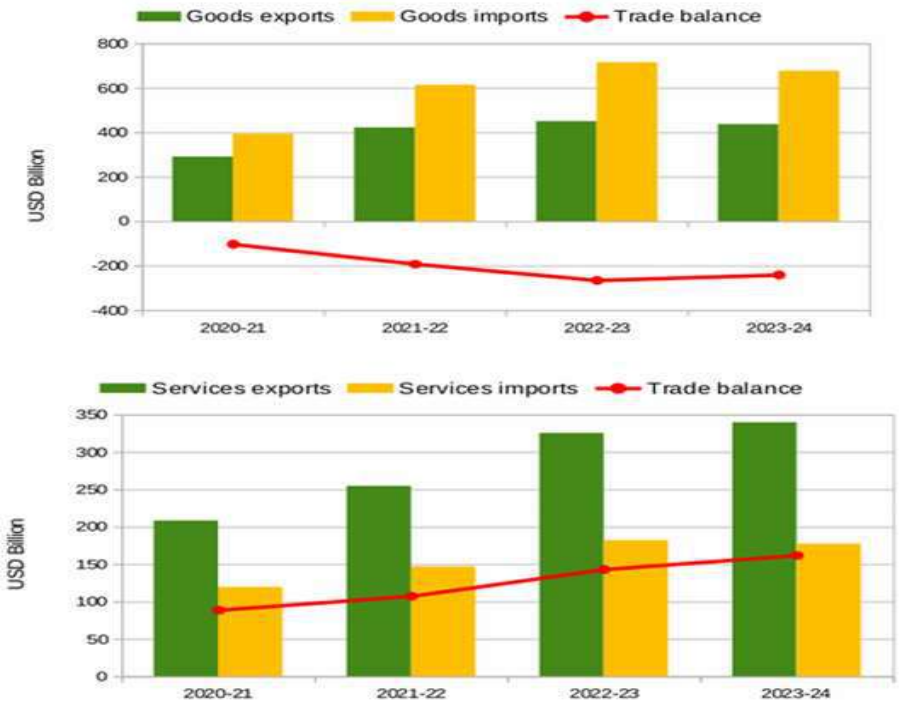



**Source:** Bhattacharya & Kapoor, 2020

For FY 2024-25 we forecast an annual inflation rate of 5 per cent, still above the 4 per cent RBI target, but within the tolerance band (Figure 3). However, the forecast is subject to upside risks on account of persisting high food price inflation and the rebound of global crude oil prices. Our quarterly inflation forecasts for Q1, Q2, Q3 and Q4 are respectively 5.1 per cent, 5.1 per cent, 4.9 per cent and 4.8 per cent. The corresponding forecasts by RBI are 4.5 per cent, 4.9 per cent, 3.8 per cent and 4.6 per cent respectively.

In the **external sector**, India's merchandise exports for FY 2023-24 were USD 437.06 Billion as against USD 450.5 Billion during FY 2022-23 (April-March), a decline of 3 percent (Figure 4). Merchandise exports fell for the first time in four years (since 2020-21) owing to geo-political tensions and export curbs on food items such as rice, wheat and sugar. However, merchandise imports declined by a steeper 5.5 percent. This helped narrow the merchandise trade deficit to USD 238.4 billion as compared to USD 265 billion in FY 2022-23. However, the overall trade deficit improved by 35 percent to USD 78 billion due to the buoyant services export (Figure 4). The services trade surplus at USD 162 billion in FY 2023-24 was more than USD 143 billion recorded in 2022-23.

**Figure 4: External Sector: Current account**




**Source:** Ministry of Commerce and Industry, CMIE Economic Outlook

## CONSTRUCTION PRODUCT INDUSTRY OVERVIEW

The Company is engaged in the supply of Construction materials which is majorly depend upon the development of Real Estate Industry.

The real estate sector is one of the most globally recognized sectors. It comprises of four sub-sectors - housing, retail, hospitality, and commercial. The growth of this sector is well complemented by the growth in the corporate environment and the demand for office space as well as urban and semi-urban accommodation. The construction industry ranks third among the 14 major sectors in terms of direct, indirect and induced effects in all sectors of the economy.

In India, the real estate sector is the second-highest employment generator, after the agriculture sector. It was also expected that this sector will incur more non-resident Indian (NRI) investment, both in the short term and the long term. Bengaluru was expected to be the most favored property investment destination for NRIs, followed by Ahmedabad, Pune, Chennai, Goa, Delhi and Dehradun.

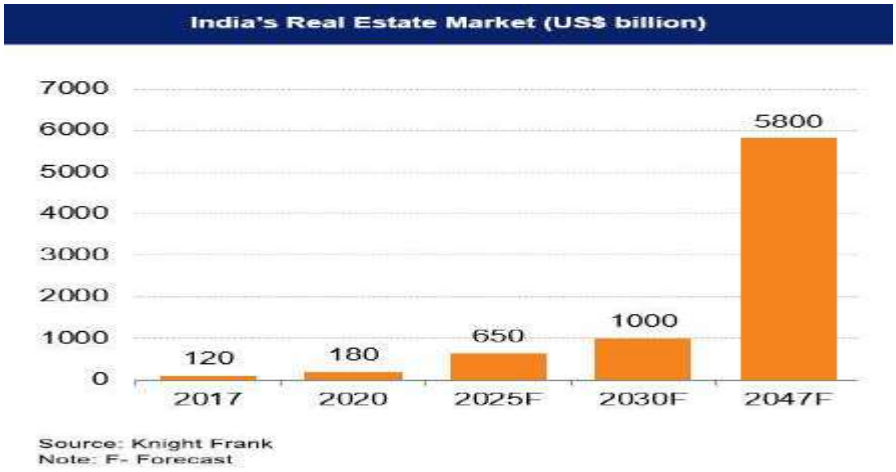
**Market Size**

By 2040, the real estate market will grow to Rs. 65,000 crore (US$ 9.30 billion) from Rs. 12,000 crore (US$ 1.72 billion) in 2019. Real estate sector in India is expected to reach US$ 1 trillion in market size by 2030, up from US$ 200 billion in 2021 and contribute 13% to the country's GDP by 2025. Retail, hospitality, and commercial real estate are also growing significantly, providing the much-needed infrastructure for India's growing needs.

India's real estate sector is expected to expand to US$ 5.8 trillion by 2047, contributing 15.5% to the GDP from an existing share of 7.3%.

In FY23, India's residential property market witnessed with the value of home sales reaching an all-time high of Rs. 3.47 lakh crore (US$ 42 billion), marking a robust 48% YoY increase. The volume of sales also exhibited a strong growth trajectory, with a 36% rise to 379,095 units sold. Indian real estate developers operating in the country's major urban centers are poised to achieve a significant feat in 2023, with the completion of approximately 558,000 homes.

In 2023, demand for residential properties surged in the top 8 Indian cities, driven by mid-income, premium, and luxury segments despite challenges like high mortgage rates and property prices.




India's physical retail landscape is poised for a substantial boost, with nearly 41 million sq. ft of retail developments set to be operational between 2024 and 2028 across the top 7 cities, encompassing projects in various stages from construction to planning.

For the first time, gross leasing in India's top 7 markets surpassed the 60 million sq ft mark, reaching an impressive total of 62.98 million sq ft, marking a substantial 26.4% increase compared to the previous year. Notably, the December quarter emerged as the busiest quarter on record, with gross leasing hitting 20.94 million sq ft.

Technology companies held the highest share in leasing activity at 22% during first quarter of 2024.Engineering and manufacturing (E&M) companies accounted for 13%, and banking, financial services and insurance account for 12%. Flexible space operators increased by 48%, showcasing their notable contributions.

According to Savills India, real estate demand for data centers is expected to increase by 15-18 million sq. ft. by 2025.In 2023, office absorption in the top seven cities stood at 41.97 million Sq. ft. and Gross Leasing Volume is at 62.98 million sq. ft. Fresh real estate launches across India's top seven cities grabbed a 41% share in the first quarter of 2023 (January-March), marking an increase from the 26% recorded in the same period four years ago. Out of approximately 1.14 lakh units sold across the top seven cities in the first quarter of 2023, over 41% were fresh launches.In 2021-22, the

commercial space was expected to record increasing investments. For instance, in October 2021, Chintels Group announced to invest Rs. 400 crore (US$ 53.47 million) to build a new commercial project in Gurugram, covering a 9.28 lakh square feet area. The transactions of commercial real estate doubled and reached 1.5 million sq. ft. in Q1 of 2023.

According to the Economic Times Housing Finance Summit, about three houses are built per 1,000 people per year compared with the required construction rate of five houses per 1,000 population. The current shortage of housing in urban areas is estimated to be ~10 million units. An additional 25 million units of affordable housing are required by 2030 to meet the growth in the country's urban population.

**Investments/Developments**

Indian real estate sector has witnessed high growth in the recent times with rise in demand for office as well as residential spaces. The Private Equity Investments in India's real estate sector, stood at US$ 4.2 billion in 2023. The Private Equity Investments in India's real estate sector, stood at US$ 3 billion in the first half of 2024.India's real estate sector saw a three-fold increase in foreign institutional inflows, worth US$ 26.6 billion during 2017-2022. Exports from SEZs reached US$ 157.2 billion in FY23 and grew ~28% from US$ 133 billion in FY22. In July 2021, the Securities and Exchange Board of India lowered the minimum application value for Real Estate Investment Trusts from Rs. 50,000 (US$ 685.28) to Rs. 10,000-15,000 (US$ 137.06 - US$ 205.59) to make the market more accessible to small and retail investors. Construction is the third-largest sector in terms of FDI inflow. FDI in the sector (including construction development & activities) stood at US$ 60.53 billion from April 2000-March 2024.

**Government Initiatives**

Government of India along with the governments of respective States has taken several initiatives to encourage development in the sector. The Smart City Project, with a plan to build 100 smart cities, is a prime opportunity for real estate companies. Below are some of the other major Government initiatives:

- In Budget 2024-25, Under PM Awas Yojana Urban 2.0, housing needs for 1 crore urban poor and middle-class families will be met with a Rs. 10 lakh crore (US$ 120.16 billion) investment, including Rs. 2.2 lakh crore (US$ 26.44 billion) in central assistance over the next 5 years.
- In the 2024-25 interim Budget, Finance Minister Nirmala Sitharaman announced a boost for India's affordable housing sector by adding 2 crores more houses to the flagship scheme PMAY-U.
- In the Union Budget 2023-24, the Finance Ministry announced a commitment of Rs. 79,000 crore (US$ 9.64 billion) for PM Awas Yojana, which represents a 66% increase compared to last year.
- In October 2021, the RBI announced to keep benchmark interest rate unchanged at 4%, giving a major boost to the real estate sector in the country. The low home loan interest rates regime was expected to drive the housing demand and increase sales by 35-40% in the festive season in 2021.
- Under Union Budget 2021-22, tax deduction up to Rs. 1.5 lakh (US$ 2,069.89) on interest on housing loan, and tax holiday for affordable housing projects have been extended until the end of fiscal 2021-22.
- The Atmanirbhar Bharat 3.0 package announced by Finance Minister Ms. Nirmala Sitharaman in November 2020 included income tax relief measures for real estate developers and homebuyers for primary purchase/sale of residential units of value up to Rs. 2 crore (US$ 271,450.60) from November 12, 2020, to June 30, 2021).
- In order to revive around 1,600 stalled housing projects across top cities in the country, the Union Cabinet approved the setting up of Rs. 25,000 crore (US$ 3.58 billion) alternative investment fund (AIF).

- Government created an Affordable Housing Fund (AHF) in the National Housing Bank (NHB) with an initial corpus of Rs. 10,000 crore (US$ 1.43 billion) using priority sector lending short fall of banks/financial institutions for micro financing of the HFCs.
- As of December 31, 2022, India had formally approved 425 SEZs, and as of January 2023, 270 SEZs are operational. Most special economic zones (SEZs) are in the IT/ BPM sector.

**Road Ahead**

The Securities and Exchange Board of India (SEBI) has given its approval for the Real Estate Investment Trust (REIT) platform, which will allow all kind of investors to invest in the Indian real estate market. It would create an opportunity worth Rs. 1.25 trillion (US$ 19.65 billion) in the Indian market in the coming years. Responding to an increasingly well-informed consumer base and bearing in mind the aspect of globalization, Indian real estate developers have shifted gears and accepted fresh challenges. The most marked change has been the shift from family-owned businesses to that of professionally managed ones. Real estate developers, in meeting the growing need for managing multiple projects across cities, are also investing in centralized processes to source material and organize manpower and hiring qualified professionals in areas like project management, architecture and engineering.

The residential sector was expected to grow significantly, with the central government aiming to build 20 million affordable houses in urban areas across the country by 2022, under the ambitious Pradhan Mantri Awas Yojana (PMAY) scheme of the Union Ministry of Housing and Urban Affairs. Expected growth in the number of housing units in urban areas will increase the demand for commercial and retail office space.

The current shortage of housing in urban areas was estimated to be ~10 million units. An additional 25 million units of affordable housing are required by 2030 to meet the growth in the country's urban population.

The growing flow of FDI in Indian real estate is encouraging increased transparency. Developers, in order to attract funding, have revamped their accounting and management systems to meet due diligence standards. Indian real estate was expected to attract a substantial amount of FDI with US$ 8 billion capital infusion by FY22.

(Source: https://www.ibef.org/industry/real-estate-india)

As a major construction material, steel has evolved over the years with new innovations in the form of TMT steel bars.

India is the second-largest steel producer globally and around 65 per cent of steel consumption is in construction sector including infrastructure and real estate. This shows the importance of steel in construction. TMT steel bars are one of the major steel products and are used as reinforcement bars in building the supportive frames of modern infrastructure. The demand for TMT steel bars is on the rise with the growing construction activities in the country.

The country accounted for 7.6% of world crude steel production during the year 2023 - only next to China. Steel industry's contribution to national GDP is over 2%. Government of India's increasing emphasis on rapid infrastructural development across sectors coupled with the provision for Rs 11.1 lakh crore i.e.3.3% of GDP for capital expenditure having been earmarked in the 2024-25 interim Union Budget will further give fillip to the steel sector.

The TMT bar market in India is expected to grow in the coming years, driven by the country's expanding construction industry:

- **Market size**

The TMT rebar market in India is estimated to be between Rs 1,30,000 crore and Rs 1,40,000 crore.

- **Consumption**

In 2023, India consumed 50.3 million tonnes of TMT bars, which is up from 46 million tonnes in the previous year.

- **Production**

In 2023, domestic manufacturers produced 51 million tonnes of TMT bars, which is up from 47.2 million tonnes in 2022.

- **Demand**

The demand for TMT bars is expected to reach 190 million tonnes by 2030.

- **Government initiatives**

The government's initiatives to improve infrastructure quality and sustainability are expected to drive the growth of the TMT bar market.

Some challenges facing the TMT bar market include:

- Volatility in raw material prices
- Competition between organized and unorganized players
- Changing policies and regulations
- Rising production cost
- Poor logistical infrastructures
- High power tariff

(Source: https://adukiaindustries.com/indias-future-analyzing-tmt-bar-market-size/, https://constructiontimes.co.in/tmt-steel-bars-the-workhorse-of-indian-construction-industry, https://firstconstructioncouncil.com/tmt_bar)

## AGRICULTURE INDUSTRY OVERVIEW

***Robust Demand***

- Factors contributing to the sharp growth in demand for processed foods include increasing urbanization, increasing disposable incomes, changing spending patterns/ priorities, the emergence of nuclear families, and the growing need for convenience foods in dual-income nuclear families.

- The demand for organic products in the Indian market is growing and is anticipated to rise with a CAGR of 25.25% between 2022-27.
- A total of 521.27 LMT rice has been anticipated for procurement for the upcoming KMS 2023-24, up from 496 LMT produced during the previous KMS 2022-23.

***Attractive Opportunities***

- Entry of foreign players has been key to sustainable growth in some sectors such as dairy.
- Trends indicate a sharp increase in on-the-go eating, snacking in between meals, switching to healthier eating alternatives, pre-cooked ready-to-eat meals, and increasing consumption of organic foods. This has led to a host of new opportunities in the consumer foods market for both domestic and international companies to build a stake in this fast-growing processed food market.

***Policy Support***

- Online, Competitive, Transparent Bidding System with 1.74 crore farmers and 2.39 lakh traders put in place under the National Agriculture Market (e-NAM) Scheme.
- A new sub-scheme of PM Matsya Sampada Yojana with a targeted investment of Rs. 6,000 crore (US$ 729 million) to be launched to further enable activities of fishermen, fish vendors, and MSEs, improve value chain efficiencies and expand the market.
- Through several Digital Initiatives, such as the National e-Governance Plan in Agriculture, the construction of Digital Public Infrastructure, digital registries, etc., the government has taken various steps to ensure access to IT across the nation.

**India Millets Market**

The India millet market is expected to grow at a CAGR of 15.9% from 2024 to 2029. Millets are small grains considered superfoods rich in essential nutrients such as iron, magnesium, phosphorus, and fiber. They are traditional grains consumed in India and were rendered as 'orphan crops' in the 1960s with the advent of the Green Revolution. India currently produces about 80% of the millet produced in Asia and 20% of the global produce in 138 hectares of land, producing 173 lakh tonnes of millets annually, as per Ministry of Agriculture and Farmer’s Welfare. India's primary millet export destinations include the UAE, Nepal, Saudi Arabia, Libya, Oman, Egypt, Tunisia, Yemen, the UK, and the USA. The types of millets exported from India consist of Pearl Millet (Bajra), Finger Millet (Ragi), Canary, Sorghum (Jowar), and Buckwheat. India features over 500 start-ups operating in the millet value-added chain, with 250 start-ups incubated by the Indian Institute of Millets Research under the Rashtriya Krishi Vikas Yojana - Raftar. Millet product exports from India totalled USD 34.32 million in 2021-22, compared to USD 26.97 million in 2020-21 and USD 28.5 million in 2019-20, as reported by Press Information Bureau.

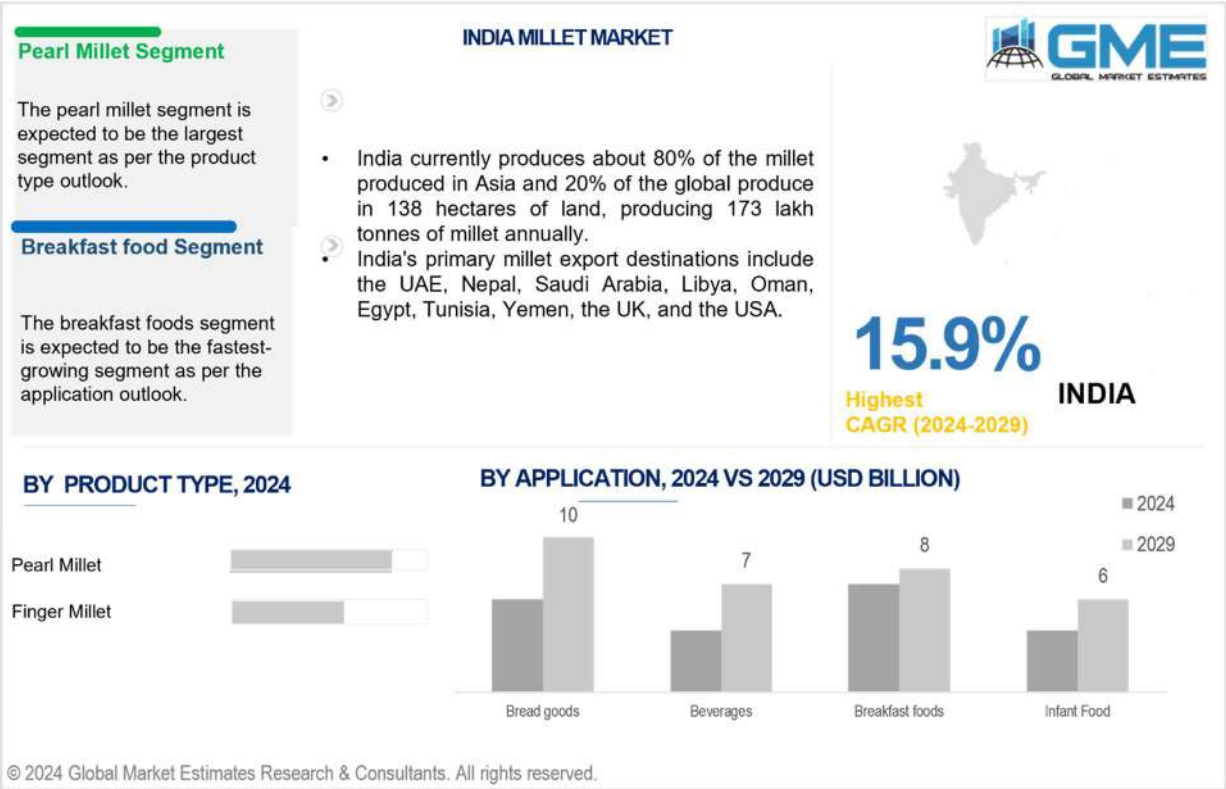
Factors like rising health awareness and demand for environmentally sustainable agricultural practices are driving the market growth. Changes in lifestyle and eating habits lead to various health issues, such as obesity, diabetes, and heart disease. Millets, rich in minerals and proteins like calcium and iron, offer potential protection against these diseases. This increased awareness among city residents about the health benefits of millet consumption is expected to boost market growth in the future. Millets are known for their ability to thrive in different climates with minimal irrigation and in low-nutrient environments. They also show improved growth and productivity with minimal synthetic fertilizer use and are resilient to environmental pressures. Investing in research and development for value-added millet products can open up new revenue opportunities and meet changing consumer preferences.

One of the main challenges in the market is the limited availability of high-quality seeds. Lack of processing facilities at the village level and long distances between production and processing facilities have led to higher costs for processed millet products.

**India Millet Market: By Product Type**

Based on product type, the market is segmented into finger millet, pearl millet, kodo millet, foxtail millet, proso millet, barnyard millet, and little millet. The pearl millet segment is expected to hold the largest share of the market during the forecast period. It has high drought tolerance and can thrive in arid and semi-arid regions where other crops struggle to grow, making it a reliable option for farmers in such areas. Pearl millet has a relatively short growing season, allowing for quicker harvests than other grains. Its versatility in culinary applications, from traditional dishes to modern food products, along with its nutritional value, contributes to its widespread popularity among consumers.

The finger millet segment is projected to grow fastest during the forecast period. Finger millet meets the growing demand for gluten-free items among people with gluten sensitivity, as it lacks gluten. It's packed with nutrients like calcium, vitamins, and fiber.




(Source: https://www.globalmarketestimates.com/market-report/india-millet-market-4526#:~:text=Millet%20product%20exports%20from%20India,reported%20by%20Press%20Information%20Bureau.)

- The government has allocated significant funds for the development of the millet sector. Odisha, for instance, has invested over INR 2,500 crores to support millet farmers. Additionally, the Ministry of Agriculture and Farmers Welfare is working to increase millet production and consumption by funding sustainable production practices, creating awareness campaigns, and developing markets and value chains. These initiatives aim to boost both production and consumer demand for millets.

- The growth of the millets market has had a positive impact on rural economies by providing additional income sources for farmers. The market has spurred the development of new food products and culinary innovations, enhancing the diversity of diets and food choices available to consumers.

- The state of Karnataka dominates the India Millets Market due to favorable climatic conditions, government support, and a strong tradition of millet cultivation. Karnataka's production of millet is driven by initiatives such as the "Raitha Siri" scheme, which promotes millet farming and provides financial assistance to farmers.

**India Millets Market Growth Drivers**

- Health and Nutritional Benefits: This nutritional profile has garnered attention among health-conscious consumers. According to a 2023 report from the Indian Institute of Millets Research, the demand for millets increased by 1.2 times due to their high fiber content, which aids in digestive health and weight management.

- Sustainability and Climate Resilience: Millets are highly resilient to climate change and require less water compared to other staple crops like rice and wheat. This characteristic makes them an attractive option for sustainable agriculture. This shift towards sustainable farming practices is a key driver for the market.

- Rising Demand for Gluten-Free Products: The gluten-free food market is expanding rapidly due to the increasing prevalence of gluten intolerance and celiac disease. APEDA, a government agency, has launched a variety of affordable, gluten-free millet products such as biscuits, peanut butters, and ready-to-eat meals and millets, being naturally gluten-free, are a preferred choice in this segment.

**India Millets Market Challenges**

- Low productivity: Over the past decade, production of sorghum, pearl millet, and other millets like finger millet has either stagnated or declined. Millet cultivation is associated with low yields and profitability, which discourages farmers from growing them. It is also hindered by soil major and micronutrient deficiencies.

- Limited Consumer Awareness: While awareness of millet's health benefits is increasing, a significant portion of the population remains unaware. The survey findings highlight that around 1.17 billion people, remain unaware of the health benefits of millets. This gap in awareness is a significant barrier to increasing millet consumption and market penetration.

- Competition from Other Staple Crops: Millets were staple foods in India but gradually got marginalized after the Green Revolution as it faces stiff competition from more established staple crops like rice and wheat. This competitive pressure limits the market share of millets.

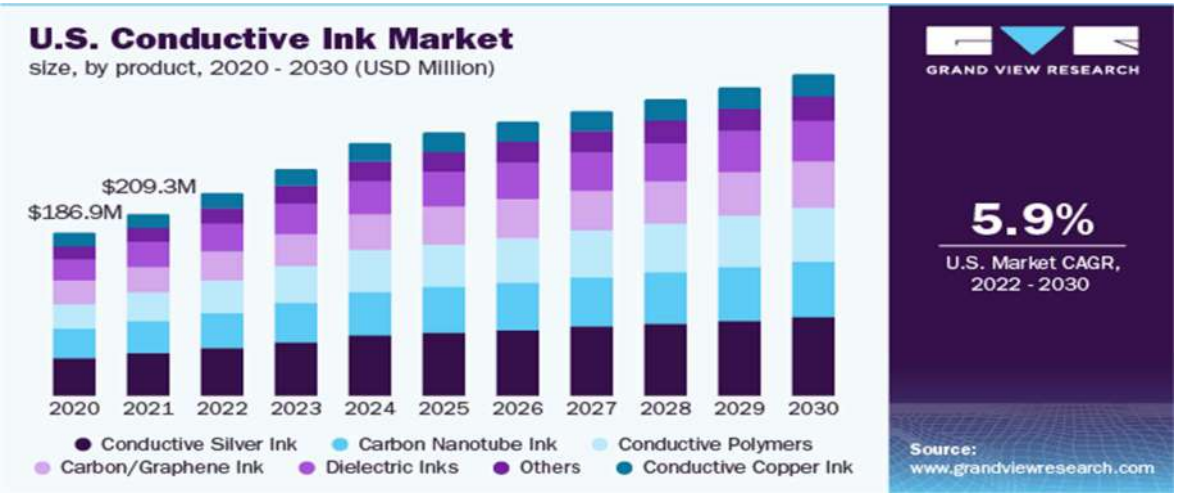
**India Millets Market Government Initiatives**

- Research and Development Funding: The Indian Council of Agricultural Research (ICAR) allocated INR 500 crore in 2024 for millet research and development. This funding is directed towards improving millet varieties, enhancing yield, and developing pest-resistant strains. Such advancements are expected to increase millet production efficiency and output.

- Export Promotion Schemes: To boost millet exports, the government introduced new export promotion schemes in 2024, aiming to increase millet export volumes by 200,000 metric tons by 2026. These schemes include financial incentives for exporters and support for participating in international trade fairs, helping Indian millets reach global markets.

**SILVER CONDUCTIVE INK**

The global conductive ink market size was valued at USD 2756.9 million in 2021 and is expected to expand at a compound annual growth rate (CAGR) of 6.0 % from 2022 to 2030. Growth in the market can be attributed to several critical factors such as strong demand from the end-use industries. Possesses certain inherent advantages such as better electrical conductivity and strong resistance to oxidation. Conductive silver ink products find use in markets such as medical devices, consumer electronics, and alternative energy solutions. The products also find applications in polymer thick-film circuitry, EMI, and RFI shielding of polyimide flexible circuits, membrane switches, and coatings for tantalum capacitors. The inks are used on various substrates such as Mylar, Kapton, Polycarbonate, Glass, Polyester, Polyimide, Teflon and Silicone Surfaces, and ITO-coated Surfaces.

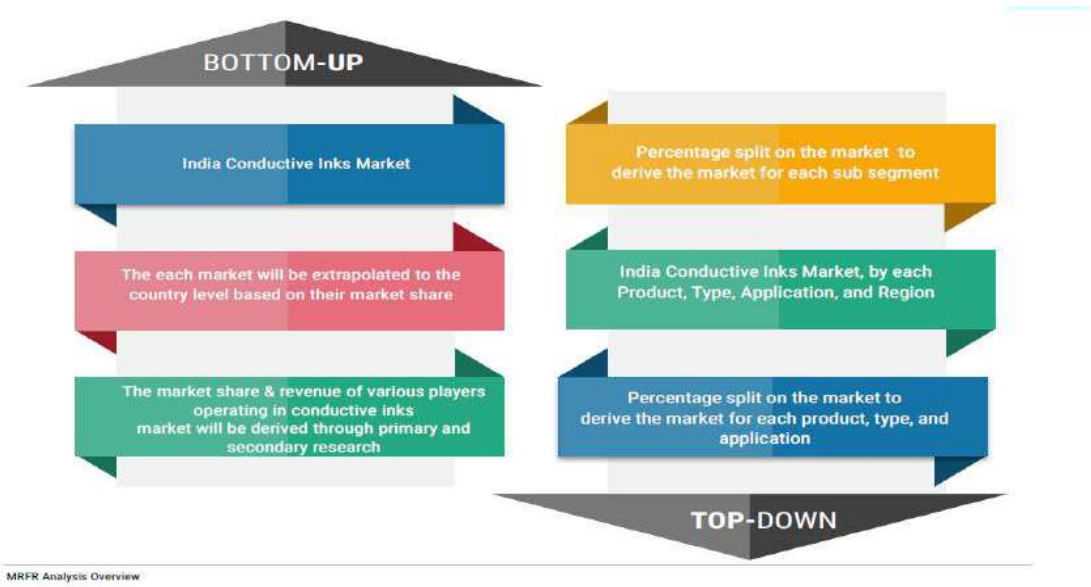


(Source: https://www.grandviewresearch.com/industry-analysis/conductive-ink-market)

**INDIA CONDUCTIVE INKS MARKET RESEARCH**

**BOTTOM-UP APPROACH**

In the bottom-up approach, the revenue of key companies and their shares in the market are assessed to deduce the market size. More than 15 key players operating in the conductive inks market are studied. The segmental revenue of each player is analyzed and the size for the conductive inks market is extracted from the segmental/product revenue with the help of secondary and primary research. The extracted size for the market is then validated with industry experts and partner consultants. This derived market size contributes to around 65%–70% of the total India market share in terms of revenue for the conductive inks market. Using the data triangulation method, the overall India market size is estimated.




**TOP-DOWN APPROACH**

The overall market size is then used in the top-down procedure to estimate the size of the other sub-markets with the help of percentage splits of the market segments from secondary and primary research. The demand-side analysis is conducted, in which the expenditure of major industry players

in each region is studied.

As a part of the market engineering, both top-down and bottom-up approaches are utilized along with data triangulation models to derive and verify the market sizes and forecast over the coming years.

**PRICING, TRADE AND MARKET BREAKDOWN APPROACH**

**Market Pricing Approach**

Market pricing analysis and forecast is conducted by subject matter experts by analyzing the supply-demand scenario of the market. In addition to that, the pricing is established through benchmarking suitable alternative products and regional markets. Thereafter, the figures are confirmed by conducting primary interviews with industry experts from companies across the value chain. Value addition at each step of the supply chain is collected by finding the profit margin of various stakeholders in the supply chain. Primary respondents include prominent and niche participants in the market such as raw material suppliers, manufacturers, traders, distributors, and end users.

**Net Trade Analysis Approach**

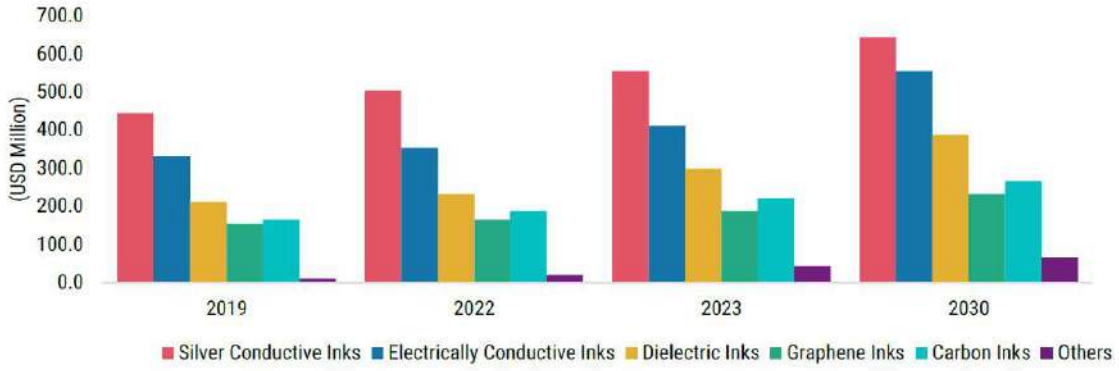
Market trade analysis is formulated by mining imports and exports by region, by country, and product. Authentic secondary by country are used, which provides import and export database for HS commodities for countries along with some paid data sources are used. Moreover, the import-export by region is calculated by balancing country wise production, demand, and consumption. In order to validate the overall trade detailed interviews with industry experts using a designed detailed questionnaire/discussion guide are carried out. The industry experts include the manufacturer, supplier/ distributor, exporter, importer, custom service agents at ports.

**Market Share Analysis Methodology**

Market share analysis comprises the breakdown of production capacities, annual production, utilization rates, and segmental revenue of the prominent players in the market. The analysis is conducted by analysts by carrying in-depth analysis of the key financials which include revenue analysis, COGS (Cost of Goods Sold), and analysis of price offered of prominent companies active in various regions. The market share analysis is established by conducting primary interviews across the value chain with supply side industry experts as well as demand side end users, in order to advance data accuracy for market share and brand analysis.

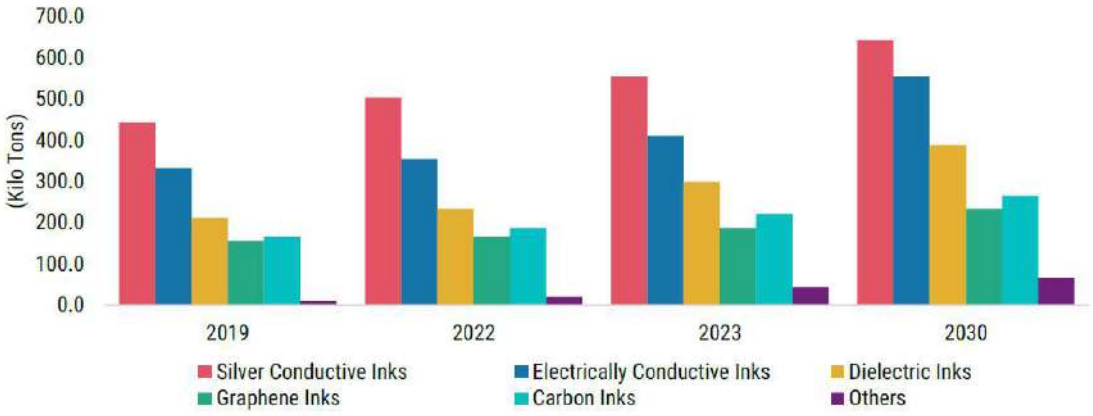
**INDIA CONDUCTIVE INKS MARKET, BY PRODUCT**

INDIA CONDUCTIVE INKS MARKET, BY PRODUCT, 2019–2030 (USD MILLION)




Source: Industry Expert, Secondary Research, and MRFR Analysis

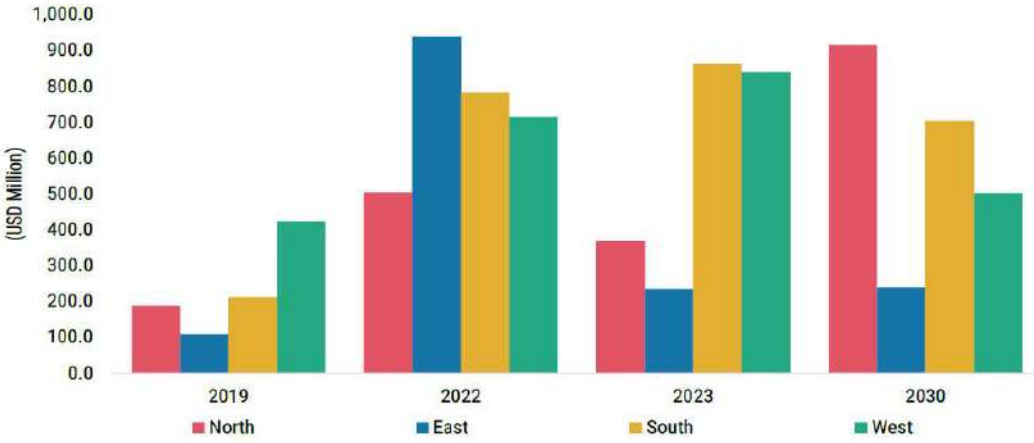
**INDIA CONDUCTIVE INKS MARKET, BY PRODUCT, 2019–2030 (KILO TONS)**




Sources: Industry Expert, Secondary Research, and MRFR Analysis

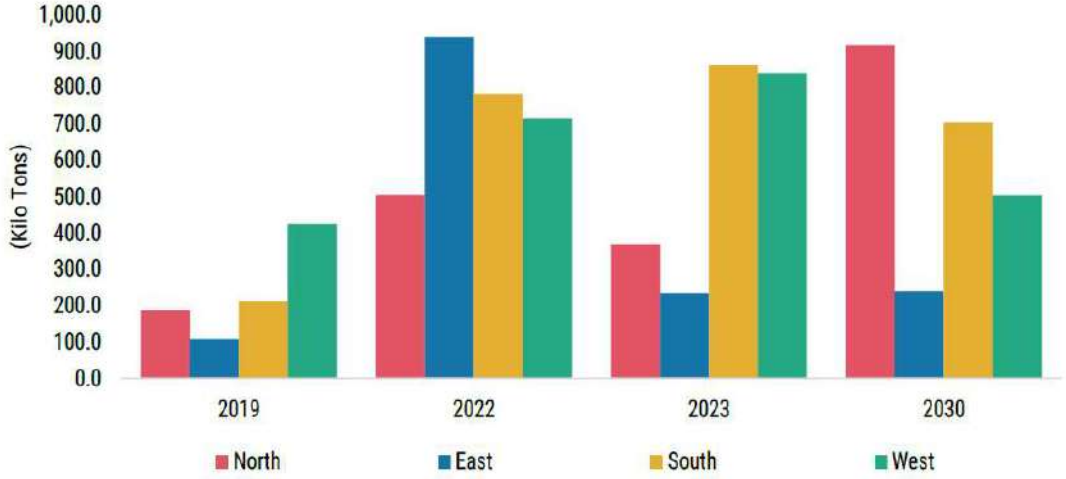
**INDIA CONDUCTIVE INKS MARKET, BY REGION**

INDIA CONDUCTIVE INKS MARKET, BY REGION, 2019–2030 (USD MILLION)




Source: Industry Expert, Secondary Research, and MRFR Analysis

INDIA CONDUCTIVE INKS MARKET, BY REGION, 2019–2030 (KILO TONS)




Source: Industry Expert, Secondary Research, and MRFR Analysis

## GEMS & JEWELLERY INDUSTRY

As of January 2022, India's gold and diamond trade contributed ~7% to India's Gross Domestic Product (GDP). The gems and jewellery sector has employs ~5 million. Based on its potential for growth and value addition, the Government declared the gems and jewellery sector as a focus area for export promotion.

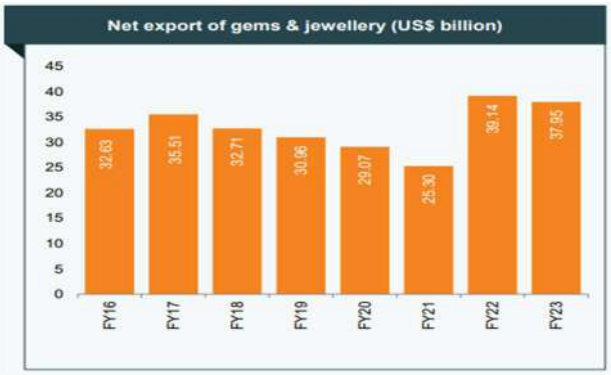
The Government has undertaken various measures recently to promote investment and upgrade technology and skills to promote 'Brand India' in the international market. The Government has permitted 100% FDI in the sector under the automatic route, wherein the foreign investor or the Indian company do not require any prior approval from the Reserve Bank or the Government of India. The Indian Government also signed a Comprehensive Economic Partnership Agreement (CEPA) with the United Arab Emirates (UAE) in March 2022, this will allow the Indian Gems and Jewellery industry to further boost exports. CEPA will provide the industry with duty-free access to the UAE market. India's Gems Jewellery Export Promotion Council (GJEPC) aims to triple its exports to the UAE post the CEPA**.**

### Market Size

India's gems and jewellery market size was at US$ 78.50 billion in FY21. Growth in exports is mainly due to revived import demand in the export market of the US and the fulfilment of orders received by numerous Indian exhibitors during the Virtual Buyer-Seller Meets (VBSMs) conducted by GJEPC.

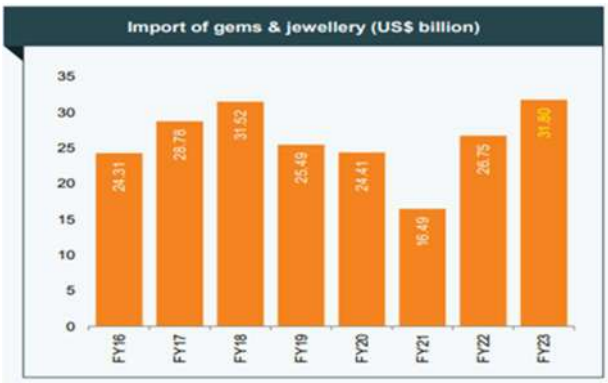
In FY24, India's gems and jewellery exports were at US$ 22.27 billion, a 14.94% decline compared to the previous year's period. Exports of gems & jewellery at stood at US$ 2074.85 million in April 2024.

### Net export and import of gems & jewellery:




From April-December 2022, India's gems and jewellery exports were at US$ 28.6 billion, a 6.28% rise compared to the previous year's period. While the exports during April-March 2023 stood at US$ 37.95 billion.

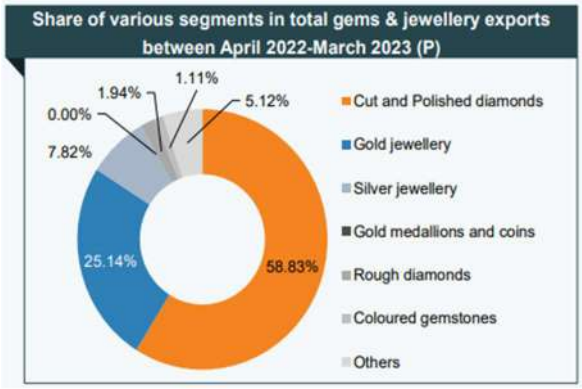
During April-November 2022, the gem and jewellery exports to the UAE, Belgium, Singapore, Thailand, and Switzerland have shown a rise.

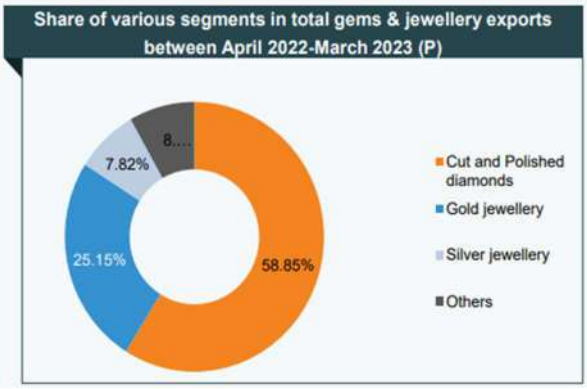



Between April-February 2023, India's gems and jewellery imports stood at US$ 31.8 billion.

In December 2022, India's gems and jewellery imports were at US$ 2.27 billion, a 18.69% decline as compared to the same period, the previous year.

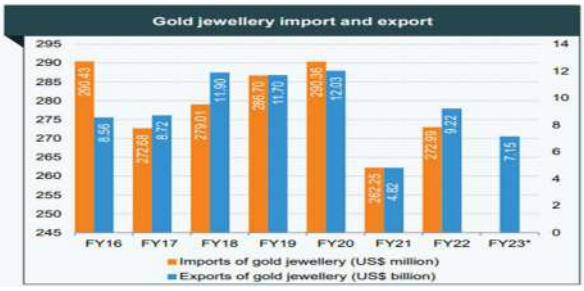
**Share of various segments of gems & jewellery in total exports:**




- Indian exports of gems & jewellery comprise various items such as cut and polished diamonds, silver and gold jewellery, gold medallions and coins, rough diamonds, colored gemstones and others.
- In FY23, cut and polished diamonds accounted for the highest share of exports (58.83%), followed by gold jewellery (25.14%) and silver jewellery (7.82%).
- Gold jewellery accounted for the second-highest share (25.14%) and silver jewellery accounted for 7.82% in FY23.
- Rough diamonds accounted for 1.94% of the total gems & jewellery exports in FY23.

**Export and import of top jewellery segments:**




- In FY23*, exports of cut and polished diamonds stood at US$ 25.04 billion.
- In March 2023, India's cut and polished diamond exports stood at US$ 1.60 billion.
- In FY22, the exports of gold jewellery stood at US$ 9.12 billion whereas the imports of gold jewellery stood at US$ 272.99 million.
- From April 2022-March 2023, the provisional exports of gold jewellery stood at US$ 9.42 billion.

## KEY CHALLENGES FOR JEWELLERY IN INDIA

- **Shortage of skilled labor:**
  One of the key challenges for the industry to scale up their operations is the scarcity of trained people. To have access to a large talent pool, the supply of craftsmen/artisans that come through generations must be supplemented by new talents who have been professionally taught. Moreover, the industry's on-the-job training strategy results in lengthier training times and gaps in the availability of skilled labour and standardization, particularly in the fragmented sector. This is compounded by infrastructural deficiencies, lower need for institution-trained personnel in the fragmented sector, and the industry's limited appeal to the younger generation of workers.

- **Short lived fashion and design preferences:**
  Exporters do not have enough design development centres or the resources to constantly innovate new designs to keep up with the changing trends among international purchasers. In an era of high diamond, gold, and silver prices, global marketing necessitates changing fashion in the gems and jewellery segment. According to the market demand, manufacturers can produce specific types of gems and jewellery products. However, as a result of the changing trend, demand for certain types of products begins to decline and eventually ceases. The manufacturer's money is blocked in the older designs, and this results in a pile-up of unsold stock.

- **Dependency on imports for raw materials:**
  The availability of raw materials is crucial to the gems and jewellery business. In India, a large percentage of raw materials are imported, as the domestic supply is limited. The raw material is converted into finished goods that are sold in the domestic and international market.

  India is a net importer of raw gold and meets over 90% of its gold requirement through imports. The total gold imported (in value terms) by India was Rs. 3,441 billion in FY22 and Rs. 2,258 billion in 9M FY23. Gold is imported from Switzerland, South Africa, the United Arab Emirates, and Australia, among other countries. Raw pearls, precious and semi-precious stones, and other items are imported from Belgium, the United Kingdom, and Hong Kong.

  Rough diamonds account for more than half of all G&J imports (66%). The total rough diamond imports during– April 2022 - January 2023 stand at Rs 1,118 billion in value terms and 1064.82 lakhs carats in volume terms. India imports rough diamonds primarily from Belgium, the United Kingdom, Israel, and the United Arab Emirates.

- **Impact of global slow-down**
  The Unites States, Hong Kong, UAE and Belgium are key export Destinations for Indian G&J industry. The United States accounted for about 37% to total exports of gems and jewellery in FY22. Persistent high inflation rates and slowdown in these economies will have an adverse impact on the gems and jewellery exports from India.

## GROWTH DRIVERS OF GEMS & JEWELLERY SECTOR IN INDIA:

*(Source: https://www.ibef.org/download/1690789781_Gems-and-Jewellery-May-2023.pdf)*

## ADVANTAGE

**GROWING DEMAND**

- India's gems and jewellery exports reached US$ 39.45 billion in 2021-22, a 54.68% rise from the previous year In 2021.
- In 2022, India ranks first among the top exporters in cut & polished diamonds, and second in gold jewellery, silver jewellery and lab-grown diamonds.

**INCREASING INVESTMENTS**

- The total foreign direct investment (FDI) inflows in the gems and jewellery sector during 2021-22 stood at US$ 58.77 billion.
- In September 2021, Malbar Group invested Rs. 750 crore (US$ 100 million) in a gold refinery and jewellery unit in Hyderabad.

**POLICY SUPPORT**

- The Government has permitted 100% FDI under the automatic route in this sector.
- The Government has reduced custom duty on cut and polished diamond and colored gemstones from 7.5% to 5% and NIL.

**ATTRACTIVE OPPORTUNITIES**

- India's gold demand will witness a sharp upswing to top 800 tonnes in 2023.
- In the fourth quarter of 2022 demand for gold rose stood at 219.7 tonnes

## INVESTMENTS/DEVELOPMENTS

Cumulative FDI inflows in diamond and gold ornaments stood at US$ 1,213.06 million between April 2000-March 2022, according to the Department for Promotion of Industry and Internal Trade. Some of the key developments in this industry are listed below:

- In February 2022, GJPEC organized a four-day Internal Jewellery Show Signature 2022, where 850 exhibitors had participated and there were more than 400 international vistors, buyers, and delegations from the US, UAE, Egypt, Nepal, Uzbekistan, and Bangladesh.

- In September 2021, Malabar Group invested Rs. 750 crore (US$ 100 million) in a gold refinery and jewellery unit in Hyderabad.

- In May 2021, GJEPC and Embassy of India, Morocco, co-hosted the 'India Global Connect' to better understand the present business climate in the gems and jewellery sector and seek trade prospects for manufacturers, exporters and importers from both countries.

- The GJEPC will organise its first International Gems and Jewellery Show (IGJS) outside the country, in Dubai, from August 14-16, 2021. It will also hold a five-day physical exhibition—India International Jewellery show (IIJS-2021)—in Bengaluru from September 15-19, 2021, in a first such event outside Mumbai. GJPEC sources said that >250 buyers have registered and >95 stalls have been booked for Dubai IGJS 2021. There will be 150 booths having products such as plain gold, gold-studded jewellery, diamond-studded jewellery, silver jewellery, loose diamonds and gemstones.

- In June 2021, Tanishq launched antimicrobial jewellery in certain markets as a pilot project. Currently, the range is available in stores across Chennai and Lucknow, with further launches planned in Kolkata and Hyderabad followed by other key markets. Antimicrobial jewellery is being offered in categories such as chains and rings, which feature special-coated layers that self-disinfect the surface and impede any further microbial growth.

- In June 2021, the World Gold Council and Gem and Jewellery Export Promotion Council signed an agreement to promote gold jewellery in India. Under the agreement terms, both partners will jointly fund a multi-media marketing campaign that would aim to increase awareness, relevance and adoption of gold jewellery amongst Indian consumers, especially in millennials and Gen Z.

- In April 2021, Malabar Gold & Diamonds announced to invest Rs. 1,600 crore (US$ 214 million) in FY22 to launch 56 stores, of which 40 would be in India and 16 across global markets. In India, stores will be opened in Tamil Nadu, Telangana, Andhra Pradesh, Karnataka, Maharashtra, Delhi, West Bengal, Uttar Pradesh, Odisha and Kerala. In July 2021, the company announced hiring of >5,000 staff, across its retail operations, brand headquarters and regional offices in the country.

- In March 2021, Joyalukkas collaborated with IBM Global Business Services to design, develop and deploy a new cloud-native e-commerce platform across 11 countries including India, the UAE, the US, the UK, Singapore, Malaysia, Bahrain, Qatar, Saudi Arabia, Kuwait and Oman.

- In February 2021, Reliance expanded its e-commerce arm, Jio Mart, to jewellery with silver coins of 5gm and10 gm, and gold coins of 1gm, 5gm and 10gm.

- Reliance's in-house jewellery brand, Reliance Jewels, which has 93 flagship showrooms and 110 shop-in-shops in 105 cities in the country, will fulfil the orders for the new segment.

**GOVERNMENT INITIATIVES**

- In the Union Budget 2023-24, the government proposed to increase the import duty on silver dore, bars, and articles to 10% to align them with that of gold and platinum.

- India has signed an FTA with the UAE which will further boost exports and is expected to reach the target of US$ 52 billion.

- The Government has reduced custom duty on cut and polished diamond and colored gemstones from 7.5% to 5% and NIL.

- Revised SEZ Act is also expected to boost exports of gems and jewellery.

- In September 2021, Ms. Anupriya Patel, Minister of State for Commerce and Industry said that reforms such as the revamped gold monetization scheme, reduction in import duty of gold, hallmarking and others would help the industry grow. The market export target is US$ 43.75 billion for 2021.

- The government has reduced import duty for Gold & Silver (from 12.5% to 7.5%) and Platinum & Pallidum (from 12.5% to 10%) to bring down the prices of precious metals in the local market.

- Indian Government made hallmarking mandatory for Gold Jewellery and Artefacts. A period of one year is provided for implementation i.e. till January 2021.

- In December 2020, All India Gem and Jewellery Domestic Council (GJC) welcomed the decision to make hallmarking compulsory from June 2021 in a phased manner; urged the government to examine the key concerns of the industry for smooth implementation of the initiative.

- Hallmarking of gold jewellery is set to begin from June 15, 2021. In view of the COVID-19 pandemic, the government accepted request of stakeholders to provide jewellers some more time to prepare for implementation and resolve issues. Earlier, the date of implementation was June 01, 2021.

- In December 2020, the Finance Ministry notified that the amendment under Prevention of Money Laundering Act (PMLA), notifying dealers in precious metals and stones, will maintain records of cash transactions worth Rs. 10 lakh (US$ 13.61 thousand) or more cumulatively with a single customer.

**ROAD AHEAD**

In the coming years, growth in the gems and jewellery sector would largely be contributed by the development of large retailers/brands. Established brands are guiding the organized market and are opening opportunities to grow. Increasing penetration of organized players provides variety in terms of products and designs. Online sales are expected to account for 1–2% of the fine jewellery segment by 2021–22. Also, the relaxation of restrictions on gold import is likely to provide a fillip to the industry.

The improvement in availability along with the reintroduction of low-cost gold metal loans and likely stabilization of gold prices at lower levels is also expected to drive volume growth for jewellers over the short to medium term. India has 450 organized jewellery manufacturers, importers & exporters and is the hub for jewellery manufacturing. These players have benefited greatly due to the increasing liberal policies by the government. The demand for jewellery is expected to be significantly supported by the recent positive developments in the industry. India's gems and jewellery industry is expected to reach US$ 100 billion by 2027.

(Source: https://www.ibef.org/industry/gems-jewellery-india)

## OUR BUSINESS

*Some of the information in this section, including information with respect to our plans and strategies, contain forward-looking statements that involve risks and uncertainties. Before deciding to invest in the Equity Shares, Shareholders should read this entire Placement Document. An investment in Equity Shares involves a high degree of risk.*

*For the purpose of discussion of certain risks in connection with investment in the Equity Shares, you should read* ***"Risk Factors"*** *beginning on page* 60 *of this Placement Document, and for the purpose of discussion of the risks and uncertainties related to those statements, as well as for the discussion of certain factors that may affect our business, financial condition or results of operations, you should read* ***"Financial Information"*** *and* ***"Management's Discussion and Analysis of Financial Condition and Results of Operations"*** *beginning on pages 91 and* 229 *of this Placement Document, respectively. Our actual results may differ materially from those expressed in or implied by these forward-looking statements. Unless otherwise stated, the financial information used in this section is derived from our Financial Statements.*

**Brief History**

Our company was originally incorporated as private limited Company under the Companies Act, 1956 as Pirnmatic Engineering Private Limited vide certificate of incorporation dated March 25, 1983 issued by Registrar of Companies, Gujarat. Subsequently, a fresh certificate of incorporation dated December 31, 1990 was issued by Registrar of Companies, Gujarat, pursuant to change of name of our Company from Pirnmatic Engineering Private Limited to Kunal Fabricators Private Limited. Subsequently, a fresh certificate of incorporation dated September 11, 1991, was issued by Registrar of Companies, Gujarat, pursuant to change of name of our Company from Kunal Fabricators Private Limited to Gujarat Toolroom Private Limited. Subsequently, the name of the company was changed to Gujarat Toolroom Limited pursuant to conversion into a public company vide shareholder's approval dated 5th September 1991 and vide fresh certificate of incorporation dated September 11, 1991, issued by Registrar of Companies, Gujarat. Our Company successfully launched its IPO and get listed in BSE w.e.f. May 28, 1992. The equity shares of our Company were listed on BSE, bearing Scrip symbol 'GUJTLRM' and ISIN 'INE145J01032'.

Started in 1983 as a precision toolroom the company was having technical collaboration with Schober AG Switzerland with the object of bringing world class injection mould technology to India. Stamag Ag. Thun Switzerlanda Company engaged in manufacturing of injection moulds was acquired in 1995 by Gujarat Toolroom Limited. The Control of the Management of the Company was changed w.e.f. June 30, 2011 in favour of Mr. Mukesh N. Shah and Mr. Suresh (Suryakant) H. Parikh and Associates with the approval of the shareholders of the Company as per the Regulation 12 of SEBI (Substantial Acquisition of Shares and Takeovers) Regulation 1997. During the year 2015-16 the Scheme of Capital Reduction of the Company was confirmed by the Hon'ble High Court of Gujarat vide its Order dated January 11, 2016 and pursuant to the same with the filing of said Order on January 25, 2016 the Scheme became effective from April 01, 2015 (Appointed date). Currently there is no identified promoter / promoter group in the Company.

In the year 2023-24, we started trading of Silver Conductive Ink and subsequently also started trading of Agriculture Commodities and Construction Materials.

**BUSINESS OF THE COMPANY**

Our company is engaged in a diversified trading business, dealing in a wide range of products including Agriculture Commodities, Construction Materials and Silver Conductive Ink. Each segment of our trading operations is managed with a focus on quality, market demand, and efficient logistics, ensuring we maintain a competitive edge in the industry.

**AGRICULTURAL COMMODITY**

The company has established its presence in agro commodity trading business. The trading of agriculture commodities is one of the areas of our business. Our operations in this segment are supported by a deep understanding of market trends, seasonal variations, and global demand-supply dynamics. We leverage our network of suppliers and buyers to execute large-scale transactions, ensuring that we can offer competitive prices and timely deliveries. The company places a strong emphasis on quality control and sustainability, ensuring that the commodities we trade meet domestic standards.

The company deal into various agricultural products in various millets like bajra, castor seeds, sorghum etc. The company received bulk order from the traders and wholesalers, which is fulfilled by the orders placed to our dealers.

**Products and Services**

We primarily deal in a wide array of agricultural products which are explained below-

| Sr. No. | Name of the product | Description |
|---|---|---|
| 1 | **BAJARA SEEDS** | Bajra seeds, also known as pearl millet, are valuable for their high yield potential and nutritional benefits. These medium-maturing hybrids typically take about 80-90 days to mature and are particularly suited for the Kharif season. They produce excellent fodder with a high Stover yield, making them favorable for both grain and fodder production. Rich in fiber, antioxidants, and vitamins, bajra seeds contribute to health by helping prevent diseases, including certain types of cancer. |
| 2 | **JOWAR SEEDS** | Jowar seeds, derived from the Sorghum bicolor plant, produce a semi-compact plant that typically reaches a height of 5-6 feet. They yield pearly white grains known for their good lustrous quality and nutritional benefits. Jowar is a staple food in rural areas of India and parts of Africa, providing high fiber, non-gluten content, and essential minerals. The crop matures in about 90-100 days and is also valued for its fodder quality, making it suitable for livestock feed. |

| | | |
|---|---|---|
| 3 | **CORN SEEDS** | Corn seeds are specialized products designed for agricultural use, with various types catering to different growing conditions and farmer needs. For example, Pioneer Brand corn hybrid seeds are developed with local farmers in mind, ensuring they are tested for optimum performance in specific conditions to maximize profitability. Flint corn seeds are noted for their round shape and hard, dense endosperm, making them suitable for certain culinary uses and conditions. Additionally, non-treated corn seeds are easy to plant, care for, and are resilient, allowing them to thrive in diverse growing environments.<br>It's essential for farmers to choose the right type of corn seed based on their specific agricultural context to enhance yield and sustainability. Always verify the specific characteristics and suitability of corn seeds before purchase. |
| 4 | **RAGI SEEDS** | Ragi or Finger millet is an excellent source of natural calcium which helps in strengthening bones for growing children and aging people. Regular consumption of finger millet is good for bone health and keeps diseases such as osteoporosis at bay and could reduce risk of fracture. It can contribute to antioxidant activity of the millet foods, which is an important factor in health, aging and metabolic diseases. Ragi's phytochemicals help in slowing digestion process. This helps in controlling blood sugar level in condition of diabetes. |
| 5 | **SOYABEAN** | Soybean is one of the important food crops, which is rich in protein and vegetable oil. Soybean is the only legume with ample amount of essential omega-3 fatty acid and alpha-linolenic acid. In addition, biotin, which is recognized as an essential nutrient factor, is included at a higher concentration in soybean compared to vegetables, fruits, and most meat products. |

**CONSTRUCTION MATERIALS**

In the construction materials segment, we trade in a wide range of products including steel, In the construction materials segment, we trade in a wide range of products including steel, various range of TMT bars, and other building materials. Our focus in this area is on providing high-quality materials that meet the rigorous demands of the construction industry. The company has established partnerships with suppliers to ensure a steady supply of materials at competitive prices.

**Products and Services**

We primarily deal in a wide array of steel products which are explained below-

| Sr. No. | Name of the product | Description |
|---|---|---|
| 1. | **TMT Bars** | TMT bars or Thermo-Mechanically Treated bars are high-strength reinforcement bars having a tough outer core and a soft inner core. TMT bars are one of them most important construction materials that are widely used for building homes, multi-storeyed high rise, bridges, flyovers and other civil engineering structures. This is because TMT bars ensures high strength to the structures and improve their longevity. The properties of TMT bars include super ductility, superior strength, and weld ability. Moreover, TMT bars are earthquake resistant. This makes them ideal for use in Construction Industry. |
| 2. | **Angles** | Angle bars are steel bars that are used as support for corners and outer rims that are used for various walls and surfaces. Angle bars are applied to surfaces using drilled fastening methods or through welding. Angle bars are usually L shaped, and when fitted together, can create inside angles and outside angles. These bars are used in order to offer astrengthened cross section or horizontal support to the structures being built. Without steel angle bars and steel reinforcement, a building's foundation will collapse due to the pressure that concrete alone creates. Angle bars are especially useful in protecting edges and corners in order for them to hold their shape. |
| 3. | **MS Bars** | Mild steel bars or MS Bars are used for tensile stress of RCC (Reinforced cement concrete) slab beams etc. in reinforced cement concrete work. These steel bars are plain in surface and are roundsections of diameter from 6 to 50 mm. These rods are manufactured in long lengths and can be cut quickly and bent easily without damage. Mild steel is used for remelting, alloying and manufacturing of fabrication of various structures. Steel is generally made of low Carbon and Silicon. The yield strength values are very low for Mild Steel; Therefore, it is not used for special purpose of reinforcing and heavy structure manufacturing. |
| 4. | **Channels** | Steel channels are used ideally as support and guide rails. These are roll-formed products. There are certain variations that are available in the channels category, the categorization is mainly on the shape of the channel, the varieties are- J Channels, Hat channels, U channels, Hemmed channels etc. The steel angles are used in construction, appliances, transportation, making signposts, used in wood flooring for athletic purposes, installing and making windows and doors. |

| | | |
|---|---|---|
| 5. | **HR SHEETS** | HR sheets or hot rolled sheets are steel sheets that are soft enough to bend flat on itself in any direction, without cracking. They are ductile enough for shallow drawing used in variety of industries in the domestic market.<br><br>Hot rolled steel sheets and coils find a wide range of applications in structural and general engineering, welded pipes and tubes, automobile manufacturing and LPG cylinders to name a few. The grades can vary accordingly. |

**SILVER CONDUCTIVE INK**

Our Company is engaged in the business of trading of Silver Conductive Ink. Our business in purely depends on the demand and supply of Silver Ink in the markets and we Import it from Hong Kong. Presently, we are dealing with single supplier of this Silver Ink. We procure our inks from suppliers based in the international market. Our 100% sales in domestic market and in order to compete in the Conductive Ink market, we are in the process of creating and maintaining independent sales and distribution network for our products within the domestic market.

The trading of these products is influenced by various factors such as global market trends, and demand and supply.

**Specifications and Description of Silver Conductive Ink**

There are many types of conductive ink available in the market, but the silver conductive ink is the best in terms of conductivity and printability. This product formulation is manufactured from three main components, such as Silver (Ag) nanopowder, adhesive or binder polymer, and solvent. It is also known as Nano-silver printing ink.

It primarily used for flexible substrate printing, where it screens printed on the insulated surface of the plastic, PET, acrylic, and many other plastic components to make a conductive circuit. Since the electronics devices require multiple interconnect and electrode, hence the silver ink is the best solution to fulfill its requirements. The viscosity plays a vital role in inject and screen printing, which can be optimized through the concentration of solvent and patented adhesive.

Our silver conductive ink dried at room temperature with excellent curing time, whereas the flexibility of a substrate does not affect after getting cured. The resistivity of ink is less than 0.003 ohms/sq.cm. The researchers may calculate the resistivity by using the 4-probe method. The used adhesive is itself conductive; hence the silver conductive paste is highly durable and conductive. We also supply the silver ink conductive pen.

The silver used in ink is 99.9% pure nanopowder with uniform particle size. The loading percentage varies as per the application. It majorly used for wearable electronics, touchscreens, smartphones, 3D printing, OLEDs, battery electrodes, membrane circuits, printed circuit boards (PCB), Switchable films, and many more. It also used in inkjet printing technology. Some people used it for their existing printers with slight modifications. In many places, it used for indirect soldering applications where it places as a sandwich between the

insulated substrate and copper tape.

**Silver Conductive Ink Applications:**

- Digital Printing
- Solar cell
- Optoelectronics
- Radio-frequency identification (RFID)
- Photovoltaics
- Bio-sensors
- Printed electronics industry
- Aerospace

**Safety Features of Silver Conductive Ink**

- Ventilation is a must during operation.
- It is advisable to avoid skin contact.
- Cover nose and face with a better-quality mask.
- Wash affected area immediately to avoid prolonged contact.
- Keep in a dry and cool place.
- Close bottle cape tightly to avoid the vaporization of a volatile solvent.
- Do not place the product up to children's reach.
- Do not consume.
- The shelf life is short, hence use it as soon as possible after open the seal.

**GEMS AND JEWELLERY**

The Company deals in Gems and Jewellery through its wholly owned subsidiaries.

Our Company has incorporated two a wholly owned subsidiary company one named as GTL GEMS DMCC in the region of United Arab of Emirates. The company will be engaged in the trading of diamond in UAE. Our aim is to provide excellent customer service. The second wholly owned subsidiary company named GUJARAT TOOLROOM ZAMBIA LIMITED in the region of Zambia. It aspires to become a leading export-focused company in gold exploration, mining, extraction, and jewellery processing, adhering to responsible and environmentally friendly practices. We will endeavor to maintain close relationships with our suppliers and customers, which allows us to provide efficient and reliable services. We also stay up-to-date with market trends and developments, which helps us make informed decisions and stay ahead of the competition.

The range of diamonds we trade in purely depends on the demand and supply of diamonds in the markets.

Our range of products includes multiple categories of shape, cut, size and colour. Primarily, Round Brilliant and All Fancy shape, 0.18 carats upto15.00 carats Size and D to N colour with all type of Fancy colour diamonds are demanded by our customers. Stocks of various shaped diamonds will be maintained depending on customer demand. We will procure our diamonds from suppliers based in the international market. We deal with only reputed suppliers. Trust, reliability, quality and authenticity of diamonds is the upmost priority in diamond business. Further, the sales of our rough

and polished diamonds depend on the kind of our customer with whom we are dealing with. Such as our polished diamonds are majorly purchased by jewellery manufacturers, jewellery wholesalers, jewellery retailers, jewellery traders, diamond wholesalers, diamond retailers and our rough diamonds are majorly purchased by rough diamond traders and diamond manufacturers.

In order to compete in the diamond market, an independent sales and distribution network for our products within the domestic markets will be created and maintained. Furthermore, to ensure customer satisfaction, a quality supply of diamonds, timely delivery of orders, and the purchase-sale of authentic diamonds, our suppliers and customers will be dealt with on mutually agreed terms. Additionally, long-term and stable relationships will be developed and maintained with key suppliers and key customers, although formal contracts have not been entered into with either of them.

**OUR SUBSIDIARY COMPANY PRODUCT PORTFOLIO**

- GTL GEMS DMCC (GGD):

Engaged in trading of Pearls & Precious Stones, Non-Manufactured Precious Metal and Jewellery

- GUJARAT TOOLROOM ZAMBIA LIMITED:

Engaged in gold exploration, mining, extraction and jewellery processing.

**MAIN OBJECTS OF OUR COMPANY:**

1. To carry on the business of ginners, spinners, weavers, manufacturers, knitters, crimpers, texturizers, twisters, sizers, dyers, bleachers, printers, processors, packers and bakers of cotton, jute, hemp silk, art silk, rayon, nylon, strechion, polyester, polypropylene man-made synthetic fibers, staple fibers, wool and any other fibrous wool and any other fibrous materials and generally the business of manufacturing, spinning, knitting, waving, texturing, twisting, crimping, sizing, dyeing, bleaching, printing, finishing packing and selling of yarn of all types, cloth of all types, linen and fabrics of all types and importing, exporting, buying, selling and /or otherwise dealing in cotton, jute, hemp, silk, art silk, rayon, strechlon, polyester, viscose, polypropylene, man-made synthetic fibers, wool and other fibrous materials, yarn, cloth, linen and fabrics and generally to carry on the business of cloth merchants, yarn merchants, fiber merchants, importers, exporters, manufacturers, purchasers and settlers.

2. To carry on the business of buying, selling, manufacturing, ginning, dyeing, bleaching, cleaning, pressing and packing of wastes cotton, linen, silk, jute, hemp, flax, polyester, nylon, strechlon and other fibrous materials and things capable of being used for dyeing, bleaching and processing and to buy or sell or otherwise deal in all such goods whether treated or processed by company or not and to engage in any business relating to the use or disposal of any products of the Company.

3. To carry on the business of manufacturing, buying, selling, exchanging, converting, importing, exporting, processing, twisting, texturing, crimping, dyeing, sizing, handling or dealing in Pre oriented yarn, rayon filament yarn, Polyester filament yarn, Nylon filament yarn, Acrylic filament yam, Polypropylene filament yarn or other allied products, bye-products or substances or substitutes for all or any of the yarn for Textiles or other use as may be practicable or deemed expedient.

4. To carry on the business of developing, maintaining and operating construction and development of housing projects and commercial projects either individually or as joint venture with any other company/firm/individual/consultant whether local or foreign.

5. To undertake construction or direct the management of construction of Industrial and other property buildings, lands and estates of any kind acquiring the land directly or through any agency on behalf of other and also to acquire, buy, sell hire let on hire, construct or otherwise deal in any movable or immovable property which the company may think it favorable with a view to release or lease or otherwise.

6. To carry on the business of any or all the objects of the company by way of entering into an agreement with the central Government or a state Government or a local authority or any other statutory body on build-Operate-Transfer (BOT) or on Build Own-Operate-Transfer (BOOT) basis, Build-own-Lease-Transfer (BOLT) scheme wherein the company will provide the necessary and crucial components of infrastructure system, own them for a stipulated period and may or may not maintain or operate the same. Also, the company will lease the asset of all or necessary and crucial components of the infrastructure for maintenance and operation and shall ultimately transfer to the Government bodies or authorities.

7. To purchase any land, plot(s) of land or immovable property or any right or interest therein either singly or jointly or in Partnership with any person(s) or Body corporate or partnership Firm and to develop and construct thereon residential, commercial complex(es) either singly or jointly or in partnership as aforesaid, comprising offices for sale or self-use or for earning rental income thereon by letting out individual units comprised in such building(s) or to purchase any movable or immovable property including industrial, commercial, residential, or farm lands, plots, buildings, houses, apartments, flats or areas within or outside the limits of Municipal Corporation of registered office of the company or other local bodies, anywhere within the Domain of India.

8. To purchase for resale and to trade in land and house and other immoveable property of any tenure and any interest therein, and to create, sell and deal in freehold and leasehold ground rents, and to deal in trade by way of sale, or otherwise with land and house property and any other immovable property whether real or personal and to construct, execute, operate, improve, develop, manage, all kinds of works, public or otherwise which expression in this memorandum includes roads, railways, and cinema houses, markets, public and other buildings and all other works and conveniences of public or private utility, to apply for purchase or otherwise acquire any contracts, decrease, concessions, for or in relation to the construction, execution, carrying out equipment, improvement, administration, or control of all such works and conveniences as aforesaid and to undertake, execute, carry out, dispose of or otherwise turn to account the same.

9. To acquire or trade or arbitrage or jobbing or trading in shares, stocks, debenture, debenture stock, bonds, obligation or securities by original subscription, exchange, of securities otherwise and to subscribe for the same either conditionally or otherwise, to guarantee the subscription thereof issued or guaranteed by any government, state, public body, or authority, firm, body corporate or any other entity or persons in India or elsewhere by own money of the shareholders only. To carry on in India or elsewhere the business of goldsmiths, silver smiths, jewellers, gem and diamond merchants and of acquiring and trading, importing, exporting, buying, selling in all kind of metals, bullion, gold, silver, platinum, and other complimentary item, dealers, traders, in metals, bullion, gold, silver, ornaments and jewellery , to carry on the trading in bullion, silver and jewellery items whether as wholesalers or retailers, exporters, importers, job-workers, consignors, contractors, vendors, stockiest, distributors of other varieties of materials whatsoever such items and promote brands in the line of business.

**CHANGES IN MEMORANDUM OF ASSOCIATION**

Except as stated below there has been no change in the Memorandum of Association of our Company since its Incorporation:

| Year | Particulars |
|---|---|
| 1990 | Change in the name of the Company from Pirnmatic Engineering Private Limited to Kunal Fabricators Private Limited.<br>Alteration of Main Objects of the Company. |
| 1991 | Change in the name of the Company from Kunal Fabricators Private Limited to Gujarat Toolroom Private Limited |
| 1991 | Change in the name of the Company from Gujarat Toolroom Private Limited to Gujarat Toolroom Limited |
| 2011 | Alteration of Memorandum of Association for change of object of the Company |
| 2022 | Alteration of Memorandum of Association for change of object of the Company |
| 2022 | Increase in Authorised Capital to Rs. 6 crs. |
| 2023 | Alteration of Memorandum of Association for change of object of the Company |
| 2023 | Adoption of New Memorandum of Association & Article of Association |
| 2023 | Increase in Authorised Capital to Rs.56 crs. |
| 2024 | Increase in Authorised Capital to Rs.100 crs. |

**DETAILS OF OUR WHOLLY OWNED SUBSIDIARY COMPANIES**

Our Company consists of two foreign wholly owned subsidiary companies. Details as mentioned below:

- GTL GEMS DMCC (GGD) bearing Certificate Number is DMCC198188 was formed as a company with limited liability on October 19, 2023, in the Registrar of Companies of the Dubai Multi Commodities Centre Authority (DMCCA) in Country of United Arab Emirates (UAE). The main objects of the Company are to carry out activities related to trading of Pearls & Precious Stones, Non-Manufactured Precious Metal and Jewellery.

- GUJARAT TOOLROOM ZAMBIA LIMITED (GTZL) bearing LCO number 120230058886 was formed as a company being a Private Company Limited by shares on October 31, 2023, vide Certificate of Incorporation from the ''Patents & Companies Registration Agency'' as per the Companies Act, 2017 in the Republic of Zambia. The Subsidiary Company aspires to become a leading export-focused company in gold exploration, mining, extraction and jewellery processing, adhering to responsible and environmentally friendly practices.

**OUR COMPETITIVE STRENGTHS**

1. **Cordial relationship with our customer**
   We believe our major customer have contributed significantly in the growth of our business. We have cordial relationship with our customer which have enabled us to understand and cater to diverse requirements of such customer and to develop new design for these customers.

2. **Experienced Management**
   We believe that our experienced management have significantly contributed to the growth of our business operations. We believe our management team has established good reputation for our Company with our customers and has been instrumental in our growth by being able to rapidly respond to market opportunities, customer demands and competitive environment and bring innovations to our business, marketing and strategy.

3. **Customer Satisfaction**
   We believe in making mutually beneficial relationship with our customers by providing them optimum quality of product at highly affordable market prices. In a zest to attain maximum customer satisfaction, we assure accurate and timely delivery of these jewelleries, at the customer's end.

4. **Quality of our products**
   Our strength lies in understanding the requirement of the customer and our execution capabilities. This has enabled us to get repeat orders from our existing customers and attract new customers. We believe that the intricacies of our designs and quality of our products finish enable us to get better margins on our products.

**OUR BUSINESS AND MARKETING STRATEGY**

Marketing silver conductive ink in the Indian market requires a strategic approach that leverages technological advancements while catering to the specific demands of local industries. Our focus will be on targeting key sectors such as electronics, automotive, and renewable energy, where the applications of conductive ink, including printed circuits and flexible electronics, are rapidly expanding. We will prioritize educating potential customers on the distinct advantages of silver conductive ink over traditional materials like copper or aluminum, emphasizing its superior conductivity, flexibility, and cost-efficiency. As wearable electronics and IoT devices gain traction, we will position silver conductive ink as a crucial enabler of innovation in these fields. To foster product integration and adoption, we will collaborate with R&D institutions, universities, and tech startups, showcasing the ink's role in next-generation technologies.

To maximize visibility, we will leverage digital marketing channels and participate in industry-specific expos, targeting key decision-makers. Additionally, we will localize marketing materials in

regional languages and implement competitive pricing strategies to make the product accessible to small and medium-sized enterprises. Offering technical support, product demonstrations, and working with local distributors will be central to building long-term relationships and trust. Furthermore, we will highlight the eco-friendly nature of silver conductive ink, aligning with India's growing emphasis on sustainability and appealing to environmentally conscious businesses.

In Construction product and agricultural product segment, Customer-Centric Approach like transparency, timely delivery, and quality assurance build long-term trust is of great importance. Also Diversified Portfolios like Catering to multiple income groups and needs helps reduce dependency on specific segments.

For Jewellry business the company strategy always revolves around ascertaining supply of superior quality and authentic diamonds to our customers. Further, customer satisfaction, timely delivery of orders and purchase-sell of authentic diamonds is also our prime focus. We believe that the above strategies shall help the company grow in many ways, only when we develop and maintain long-term and stable relationships with our key suppliers and key customers. Further, to ensure continuous support from our reliable and existing suppliers, we work with them on mutual agreed terms. This helps us in sourcing the right quality and authenticated diamonds from them. Continuous and periodically review of business operation, sales and marketing strategy and distribution strategy, shall help us improve our internal processes and systems thereby increasing our business growth at a faster rate. These strategies will also contribute towards maximizing and sustaining returns to all stakeholders and assist us to compete with the unorganized and organized players in the similar line of business.

**PROCESS FLOW AND KEY EVENTS:**

**Customer Inquiry:**

- A potential customer makes an inquiry about a specific product or service.
- The inquiry may include details such as quantity, specifications, delivery requirements, and any other relevant information.

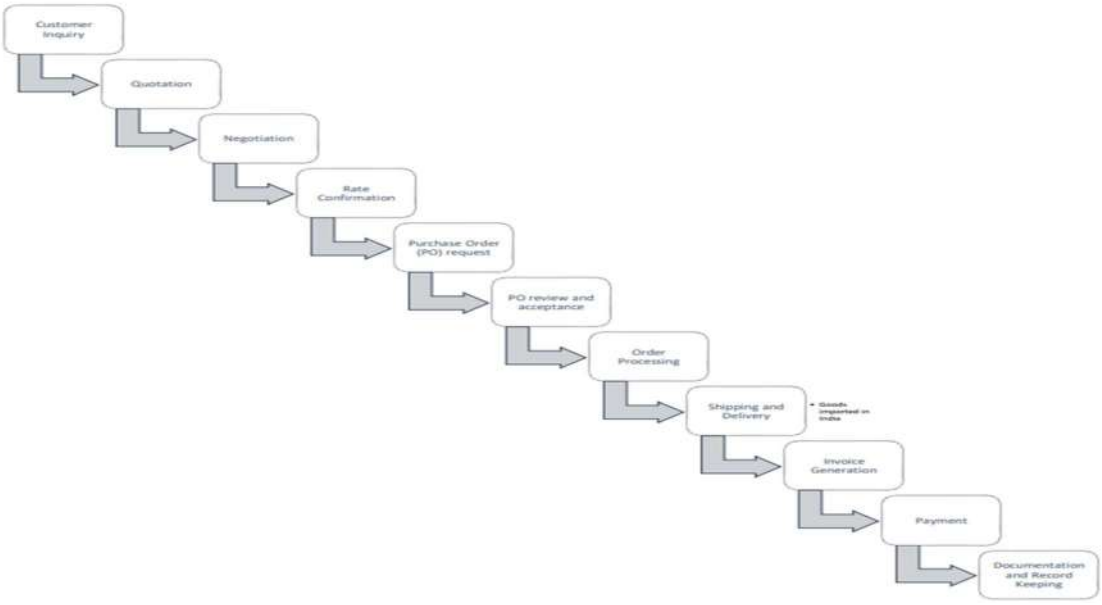
**Quotation:**

- The trading company prepares a quotation in response to the customer's inquiry.
- The quotation includes details such as product or service specifications, unit prices, terms and conditions, and any applicable taxes or fees.
- The trading company submits the quotation to the customer for review.

**Negotiation:**

- There may be negotiations between the trading company and the customer regarding pricing, terms, or other conditions.

The chronology of events in a trading company typically involves several steps, from the initial inquiry to the issuance of a purchase order. Here's a general outline of the key events:




**Rate Confirmation:**

- Once both parties agree on the terms, a rate confirmation or agreement is reached. This document outlines the finalized terms, including prices, quantities, and delivery schedules.

**Purchase Order (PO) Request:**

- The customer generates a purchase order (PO) based on the agreed-upon terms.
- The PO includes details such as product specifications, quantities, agreed prices, delivery instructions, and any other relevant information.

**PO Review and Acceptance:**

- The trading company reviews the purchase order to ensure it aligns with the previously agreed-upon terms.
- If everything is in order, the trading company accepts the purchase order.

**Order Processing:**

- The trading company initiates the order processing, which may involve coordinating with suppliers, arranging for production, or securing the necessary inventory.

**Shipping and Delivery:**

- Once the products are ready, the trading company arranges for shipping and delivery according to the terms specified in the purchase order.

**Invoice Generation:**

- After delivery, the trading company generates an invoice based on the terms outlined in the purchase order.

**Payment:**

- The customer processes the payment based on the invoice terms.

**Documentation and Record Keeping:**

- Both the trading company and the customer maintain records of the transaction, including the purchase order, invoice, and any relevant correspondence.

## RAW MATERIAL AND OTHER SUPPLIERS

Our Company is a trading company, and our major trading item is agricultural commodities, construction materials, silver conductive ink and other materials. Further, the wholly owned subsidiary company based at Dubai (UAE) deals in trading of Engaged in trading of Pearls & Precious Stones, Non-Manufactured Precious Metal and Jewellery. The other subsidiary based at Jambia, engaged in gold exploration, mining, extraction and jewellery processing.

## CUSTOMERS

Major conglomerates and institutions are customers for the agricultural and construction products of the company. They place order with the company which in return places orders with manufacturers and procures material for the conglomerates and corporates.

Corporates and industries dealing in Digital Printing, Optoelectronics, Radio-frequency identification (RFID), Photovoltaics, Bio-sensors, Printed electronics industry are the customers for purchase of Silver Conductive Ink.

We believe in making mutually beneficial relationships with our customers by providing them with optimum quality Pearls & Precious Stones, Non-Manufactured Precious Metal and jewellery pieces at highly affordable market prices. In a zest to attain maximum customer satisfaction, we assure accurate and timely delivery of these jewelleries, at the customer's end.

## COMPETITION

With respect to Construction material and agricultural products business we operate in a highly competitive market and there are large numbers of players in organized sector as well as in unorganized sector. Our competition primarily depends on the transparency, timely delivery, and quality assurance. Building long-term trust is of great importance.

The competition in the Indian market for silver conductive ink is expected to intensify as the demand for advanced materials in industries like electronics, automotive, and renewable energy continues to grow. While there are several local and international players offering similar products, the market is still in a developing phase, which presents both opportunities and challenges. Competitors include well-established global companies with significant R&D capabilities, as well as domestic manufacturers focusing on cost-effective solutions tailored to Indian market needs.

The competitive landscape is marked by variations in product quality, pricing, and the ability to provide customized solutions. International companies often emphasize high-performance products with advanced technology, while local firms may differentiate themselves through affordability and local customer service. As more industries explore the potential of printed electronics, flexible circuits, and IoT devices, competitors are increasingly focusing on innovation, sustainability, and product adaptability. Additionally, factors such as partnerships with local distributors, customer support, and after-sales service play a critical role in gaining a competitive edge. To stay ahead in this evolving market, continuous product innovation, localized marketing efforts, and building strong

relationships with key industry players will be essential.

With respect to Jewelley business we operate in a highly competitive market and there are large numbers of players in organized sector as well as in unorganized sector. Our competition primarily depends on the quality and authenticity of diamonds purchased and sold in the market. Besides these, other factors like price, shape, cut, colour, size, category, after-sales service and timely delivery also play an important role in competing with our unorganized sector and from both small and big regional and national players. Our experience in this business has enabled us to provide quality products in response to customer 's demand for best quality.

**UTILITIES & INFRASTUCTURE FACILITIES**

***Infrastructure Facilities***

Our registered office is located at 404 - 4th floor, Samarth Co. Op. H. Soc, Nr. Silicon Tower, Nr. Law Garden, Ellishbridge, Ahmedabad Ellisbridge, Ahmedabad, Ahmadabad City, Gujarat-380006, India. and is well equipped with computer systems, internet connectivity, other communication equipment, security, and other facilities, which are required for our business operations to function smoothly.

***Power***

Our Company has made adequate arrangements for its power requirements. The requirement of power is only for office purposes and met through power Supplier Company.

***Water***

Water is required only for drinking and sanitary purposes and adequate water sources are available. The requirements are fully met at the existing premises.

**Collaborations**

We do not have any collaborations currently.

**Human Resources**

The Company's Human Resources philosophy is to establish and build a strong performance and competency driven culture with greater sense of accountability and responsibility. The Company has taken pragmatic steps for strengthening organizational competency through involvement and development of employees as well as installing effective systems for improving the productivity, equality and accountability at functional levels. With the changing and turbulent business scenario, the Company's basic focus is to upgrade the skill and knowledge level of the existing human assets to the required level by providing appropriate leadership at all levels motivating them to face the hard facts of business, inculcating the attitude for speed of action and taking responsibilities. In order to keep the employee's skill, knowledge and business facilities updated, ongoing in house and external training is provided to the employees at all levels. The effort to rationalize and streamline the workforce is a continuous process. As on this date, our Company had a workforce of 18, which may increase further as the Company's business is in expansion.

| Details | Total |
|---|---|
| Director | 3 |
| Company Secretary | 1 |
| Accounts & Administration | 7 |
| Operations | 7 |
| **Total** | **18** |

**Corporate Social Responsibility**

As, Section 135 of the Companies Act, 2013 ('the Act,') is not applicable to the Company and further, the Company has not developed and implemented any Corporate Social Responsibility policy and CSR Committee according the same.

**Health Safety and Environment**

We are committed to complying with applicable health, safety and environmental regulations and other requirements in our operations. To help ensure effective implementation of our safety policies and practices, at the beginning of each project we identify potential material hazards, evaluate all material risks and institute, implement and monitor appropriate risk mitigation measures.

**OPPORTUNITIES**

- Growing demand for skilled professionals in various sectors
- Partnerships with private organizations to provide skilling opportunities
- Expansion into new geographies

**THREATS**

- Competition from established players in the market
- Economic slowdown and reduced government spending on skill development
- Regulatory changes impacting the industry

**OUR STRENGTHS**

- Loyal and renowned customer base
- Huge market having unabsorbed demand
- Strong past record for skill development initiatives
- Experienced trainers and subject matter experts
- Presence across multiple states in India

**BUSINESS STRATEGIES**

Our business strategy always revolves around ascertaining supply of superior quality and authentic diamonds to our customers. Further, customer satisfaction, timely delivery of orders and purchase-sell of authentic diamonds is also our prime focus. We believe that the above strategies shall help the company grow in many ways, only when we develop and maintain long-term and stable relationships with our key suppliers and key customers. Further, to ensure continuous support from our reliable and existing suppliers, we work with them on mutual agreed terms. This helps us in sourcing the right quality and authenticated diamonds from them. Continuous and periodically review of business

operation, sales and marketing strategy and distribution strategy, shall help us improve our internal processes and systems thereby increasing our business growth at a faster rate. These strategies will also contribute towards maximizing and sustaining returns to all stakeholders and assist us to compete with the unorganized and organized players in the similar line of business.

In Construction Material and agricultural products Segment, Customer-Centric Approach like transparency, timely delivery, and quality assurance build long-term trust is of great importance. Also Diversified Portfolios like Catering to multiple income groups and needs helps reduce dependency on specific segments.

**OUR PROPERTIES**

| Details of the Deed / Agreement | Particulars of the property | Consideration/ License Fee/Rent | Tenure | Usage |
|---|---|---|---|---|
| 14th September, 2024 | 404 - 4th floor, Samarth Co. Op. H. Soc., Nr. Silicon Tower, Nr. Law Garden, Ellisbridge, Ahmedabad 380006, Gujarat, India | Leased | 11 month 29 days | Registered Office |

**Intellectual Property**

As on the date of this Placement Document, our company does not hold any intellectual property.

## ORGANIZATIONAL STRUCTURE

### Corporate History

Our Company was incorporated as "Pirnmatic Engineering Private Limited" on March 25, 1983, under the provisions of the Companies Act, 1956, and the certificate of incorporation was granted by the Registrar of Companies, Gujarat.

Subsequently, a fresh certificate of incorporation dated December 31, 1990, was issued by Registrar of Companies, Gujarat, pursuant to change of name of our Company from Pirnmatic Engineering Private Limited to Kunal Fabricators Private Limited.

Subsequently, a fresh certificate of incorporation dated September 11, 1991, was issued by the Registrar of Companies, Gujarat pursuant to change of name of our Company from Kunal Fabricators Private Limited to Gujarat Toolroom Private Limited.

Subsequently, the name of the company was changed to Gujarat Toolroom Limited pursuant to conversion into a public company vide shareholder's approval dated September 5, 1991 and vide fresh certificate of incorporation dated September 11, 1991, issued by Registrar of Companies, Gujarat. Our Company successfully launched its IPO and get listed in BSE w.e.f. May 28, 1992.

Our Company has incorporated two a wholly owned subsidiary company one named as GTL GEMS DMCC in the region of United Arab of Emirates. The company will be engaged in the trading of diamond in UAE. Our aim is to provide excellent customer service. The second wholly owned subsidiary company named GUJARAT TOOLROOM ZAMBIA LIMITED in the region of Zambia. It aspires to become a leading export-focused company in gold exploration, mining, extraction, and jewelry processing, adhering to responsible and environmentally friendly practices.

## BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

The general supervision, direction and the management of our Company, its operations and business are vested in the board, which exercises its power subject to the Memorandum of Association and the Articles of Association of our Company and the requirements of the applicable laws. The Articles of Association require that our Board of Directors shall comprise not less than three Directors and not more than 12 Directors, unless otherwise determined by the Company in a General Meeting.

As on date of this Placement Document, we have six (6) Directors on our Board, comprising of one (1) Managing & Executive Director, two (2) Executive Directors, three (3) Non – Executive Directors out of which two (2) Independent Directors, and one (1) Women Non- Executive Director. Our Company is in compliance with the Corporate Governance norms prescribed under the SEBI Listing Regulations and the Act, in relation to the composition of our Board and the constitution of committees thereof.

The following table sets forth details regarding our Board of Directors as on the date of this Placement Document:

| Sr. No | Name, Age, Address, Occupation, DIN and Nationality | Designation and Term |
|---|---|---|
| 1 | Mr. Rakesh Kumar Sharma<br>DIN: 10703752<br>Date of Birth: 20/06/1986<br>Occupation: Business<br>Address: 404, Plot 14 Ravi building, Vidhya Vihar Asso Puna, Kumbhariya road, Surat, Gujarat- 395010<br>Nationality: Indian | Managing & Executive Director<br><br>Term: 5 years, w.e.f from July 22, 2024 till July 21, 2029 |
| 2 | Mr. Vishal Chandubhai Kothiya<br>DIN: 10656383<br>Date of Birth: 29/08/1991<br>Occupation: Business<br>Address: Kuldevi Krupa, shiv park Street, no. 2, Behind Ashirvad Hospital, Mavdi Chokdi, Rajkot, Gujarat-360004<br>Nationality: Indian | Executive Director<br><br>Term: 5 years |
| 3 | Mr. Avchalbhai Hemantabhai Chaudhary<br>DIN: 10049028<br>Date of Birth: 01/05/1982<br>Occupation: Service<br>Address: Chaudharivas, Near Sahakari Dairy, Lunva (Rajpur), Lunva, Mahsana, Gujarat - 384130<br>Nationality: Indian | Executive Director<br><br>Term: 5 years |
| 4 | Ms. Nirali Prabhatbhai Karetha<br>DIN: 10289583<br>Date of Birth: 31/07/1990<br>Occupation : Service<br>Address: B-802, Haridwar Hills, Alay Park Main Road, Near Mokaji Circle, Nana Mava Main Road, Rajkot, Gujarat – 3600005<br>Nationality: Indian | Non-Executive & Non-Independent Director<br><br>Term: 5 years |

| Sr. No | Name, Age, Address, Occupation, DIN and Nationality | Designation and Term |
|---|---|---|
| 5 | Mr. Bhavin Jagdishkumar Tank<br>DIN: 10821407<br>Date of Birth: 01-07-1996<br>Occupation: Service<br>Address: B-502, Ramvilla Heights, Nicol, Opp Satyam Bunglows, Ahmadabad City, Ahmedabad, Gujarat - 382350<br>Nationality: Indian | Non-Executive & Independent Director<br><br>Term: 5 years from November 11, 2024, |
| 6 | Mr. Nikhil Vasantbhai Gajjar<br>DIN: 07557645<br>Date of Birth: 25-09-1990<br>Occupation : Service<br>Address: Plot no 98/2, Anjali Park-2 RadheShyam Gaushala, Vavdi, Rajkot, Gujarat - 360004<br>Nationality: Indian | Non-Executive & Independent Director<br><br>Term: 5 years from November 13, 2024 |

**Brief Profiles of our Directors**

**Mr. Rakesh Kumar Sharma**

Mr. Rakesh Kumar Sharma, aged 38 years, is the Managing and Executive Director of our Company. He has done a bachelor's in commerce. He has experience of more than 5 years in the corporate field. He has been engaged with the working corporates for more than half decade, having work experience with corporates. He has been on the board of our Company as Director w.e.f. July 22, 2024.

**Mr. Vishal Chandubhai Kothiya**

Mr. Vishal Chandubhai Kothiya, aged 33 years, is the Executive Director of our Company. He has completed his Bachelor. He has more than 4 years of experience in the field of Gems and jewels, proving his expertise in the field. He has been on the board of our Company as Director w.e.f. July 22, 2024.

**Mr. Avchalbhai Hemantbhai Chaudhary**

Mr. Avchalbhai Hemanttbhai Chaudhary, aged 42 years, is the Executive Director of our Company. He has completed his Bachelor of Commerce from Ganpat University. He has more than 10 years of experience in Farming. He has been on the board of our Company as Director w.e.f. August 17, 2023.

**Ms. Nirali Prabhatbhai Karetha**

Ms. Nirali Prabhatbhai Karetha, aged 34 years, is the Non-Executive Non-Independent Director of our Company. She has completed Post Graduation in Commerce from Saurashtra University. She is a Company Secretary in Millfields Developers Pvt. Ltd., Bengaluru since 2017. She is having More than 05 Years of experience in corporate fields. She has been on the board of our Company as Director w.e.f. September 4, 2023.

**Mr. Bhavin Jagdishkumar Tank**

Mr. Bhavin Jagdishkumar Tank, aged 28 years, is the Non-Executive Independent Director of our Company. He is a postgraduate in commerce, specializes in business planning and corporate management. His strategic insights and operational expertise drive impactful growth and efficiency in competitive markets. He has been on the board of our Company as Director w.e.f. November 11, 2024.

**Mr. Nikhil Vasantbhai Gajjar**

Mr. Nikhil Vasantbhai Gajjar, aged 34 years, is the Non-Executive Independent Director of our Company. He is working as practicing company secretary and handling of Company Law, SEBI Law, Exchange Bye Laws, PMLA compliances of listed, unlisted and stock broking companies. He has been on the board of our Company as Director w.e.f. November 13, 2024.

**Relationship with other Directors**

None of our directors are related to each other.

**Borrowing Powers of our Board**

Pursuant to a Special Resolution passed by the Shareholders in the Annual General Meeting held on September 24, 2015, and in accordance with provisions of the Companies Act, 2013, the Board has been authorized to borrow monies in excess of the aggregate paid-up capital and free reserves of our Company, i.e. reserves not set apart for any specific purpose, and provided that the total amount borrowed or to be borrowed by the Board shall not, at any time, exceed the limit of INR 10 crores (Ten Crores only).

**Remuneration details of our directors**

(i) Remuneration details of our Executive Directors

The details of the remuneration paid by our Company to our present Executive Directors including all allowances, provident fund contribution for the Fiscals 2024, 2023, 2022, respectively are set forth below:

(INR in lakhs)

| Name of the Director | Remuneration | | |
|---|---|---|---|
| | For Fiscal 2024 | For Fiscal 2023 | For Fiscal 2022 |
| Mr. Rakesh Kumar Sharma | NA | NA | NA |
| Mr. Vishal Chandubhai Kothiya | NA | NA | NA |
| Mr. Avchalbhai Hemantbhai Chaudhary | NA | NA | NA |

(ii) Remuneration details of our Non – Executive Directors

Accordingly, the details of the sitting fees paid by our Company to our present Non-Executive Directors for the Fiscals 2024, 2023, 2022, respectively are set forth below:

(INR in lakhs)

| Name of the Director | Remuneration | | |
|---|---|---|---|
| | For Fiscal 2024 | For Fiscal 2023 | For Fiscal 2022 |
| Ms. Nirali Prabhatbhai Karetha | NA | NA | NA |
| Mr. Bhavin Jagdishkumar Tank | NA | NA | NA |
| Mr. Nikhil Vasantbhai Gajjar | NA | NA | NA |

**Shareholding details of our Board of directors**

| S. no. | Name of the Director | Number of fully paid-up Equity Shares held | No. of Shares Underlying Outstanding convertible securities (including Warrants) |
|---|---|---|---|
| 1 | Mr. Rakesh Kumar Sharma | Nil | Nil |
| 2 | Mr. Vishal Chandubhai Kothiya | Nil | Nil |
| 3 | Mr. Avchalbhai Hemantbhai Chaudhary | Nil | Nil |
| 4 | Ms. Nirali Prabhatbhai Karetha | Nil | Nil |
| 5 | Mr. Bhavin Jagdishkumar Tank | Nil | Nil |
| 6 | Mr. Nikhil Vasantbhai Gajjar | Nil | Nil |

**Corporate Governance**

Our Company is in compliance with the corporate governance requirements including the constitution of Board and Committees thereof, as prescribed under the Companies Act and SEBI Listing Regulations.

**Committees of our Board of Directors**

The Board of Directors have constituted Committees, which function in accordance with the relevant provisions of the Companies Act and the SEBI Listing Regulations. The following table sets forth the members of the aforesaid Committees as of the date of this Placement Document:

| Name of the Committee | Members |
|---|---|
| **Audit Committee** | Mr. Nikhil Vasantbhai Gajjar (Chairman)<br>Mr. Bhavin Jagdishkumar Tank<br>Mr. Rakesh Kumar Sharma |
| **Nomination Remuneration Committee** | Mr. Bhavin Jagdishkumar Tank (Chairman)<br>Mr. Nikhil Vasantbhai Gajjar<br>Ms. Nirali Prabhatbhai Karetha |
| **Stakeholders Relationship Committee** | Mr. Bhavin Jagdishkumar Tank |

| | |
|---|---|
| | Mr. Nikhil Vasantbhai Gajjar<br>Ms. Nirali Prabhatbhai Karetha (Chairman) |
| **CSR Commiittee** | Mr. Rakesh Kumar Sharma (Chairman)<br>Mr. Bhavin Jagdishkumar Tank<br>Mr. Avchalbhai Hematabhai Choudhary |

**Key Managerial Personnel of our Company**

The following are the Key Managerial Personnel of our Company:

**Mr. Rakesh Kumar Sharma,** Mr. Rakesh Kumar Sharma, aged 38 years, is the Managing and Executive Director of our Company. He has done a bachelor's in commerce. He has experience of more than 5 years in the corporate field. He has been engaged with the working corporates for more than half decade, having work experience with corporates. He has been on the board of our Company as Director w.e.f. July 22, 2024.

**Mr. Rakesh Rajkumar Dutta**, Chief Financial Officer of our Company. He was appointed as the Chief Financial Officer of our Company on December 05, 2023. Mr. Rakesh Dutta by his education he's from financial background, he has done his MBA from Nirma University with primary subject in Finance. With over 20 years' experience with development in finance field, Rakesh Dutta is a much-respected finance industry veteran. He is working Professional since 1995 with an extensive experience in Finance, Accounting, Financial Analysis domain through various industries like banking, specialized financial services, insurance, real estate, and energy. He has also rich work experience of Export business and fully acquainted with in & out relating to the international trade business.

**Ms. Vaidehi Bang**, Company Secretary and Compliance Officer of our Company. She was appointed as the Company Secretary of our Company on September 12, 2024. Ms. Vaidehi Bang (Meb. No. A73835) is an Associate Member of ICSI and she is also (B.com) graduated by qualification.

**Relationship among Key Managerial Personnel**

None of them are related to each other or related to the Key Managerial Personnel.

**Shareholding of our Key Managerial Personnel**

| S. no. | Name of the KMP | Number of fully paid-up Equity Shares held | No. of Shares Underlying Outstanding convertible securities (including Warrants) |
|---|---|---|---|
| 1 | Mr. Rakesh Kumar Sharma | Nil | Nil |
| 2 | Mr. Rakesh Rajkumar Dutta | 1,260 | Nil |
| 3 | Ms. Vaidehi Bang | Nil | Nil |

**Interest of our Directors**

All our directors may be deemed to be interested to the extent of their remuneration, sitting fees and compensation payable to them, commission as well as to the extent of reimbursement of expenses payable to them.

All Directors may also be regarded as interested in the Equity Shares held by, or subscribed by and allotted to, their relatives or the companies, firms and trust, in which they are interested as directors, members, partners, and trustees.

Except as provided in ***"Related Party Transactions"*** beginning on page 59 of this Placement Document, we have not entered into any contract, agreement or arrangement during the three Fiscals immediately preceding the date of this Placement Document in which any of our Directors are interested, directly or indirectly, and no payments have been made to them in respect of any such contracts, agreements, arrangements which are proposed to be made with them. For further details on the related party transactions, with our directors during the last three Fiscals, see ***"Related Party Transactions"*** beginning on page 59 of this Placement Document.

The Senior Management of our Company do not have any interest in our Company other than to the extent of the remuneration or benefits to which they are entitled to as per their terms of appointment and reimbursement of expenses incurred by them and to the extent of the Equity Shares held by them or their dependents in our Company, if any, any dividend payable to them.

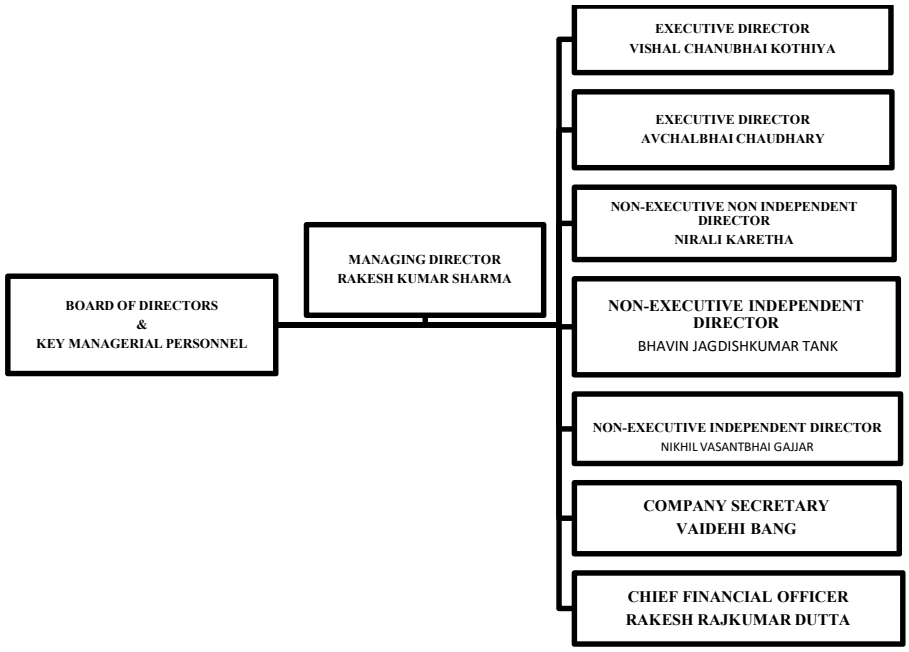
Other than as disclosed in this Placement Document, there are no outstanding transactions other than in the ordinary course of business undertaken by our Company, in which the Directors are interested. Our Company has neither availed of any loans from, nor extended any loans to our directors, which are currently outstanding.

For further details on the related party transactions, with our directors during the last three Fiscals, see ***"Related Party Transactions"*** beginning on page 59 of this Placement Document.

Our directors have no interest in the promotion of our Company as on the date of this Placement Document.

Our Company does not have any bonus or profit-sharing plan with its directors or Senior Management.

**Organization Structure**




**Other Confirmations**

None of the Directors or Senior Management of our Company has any financial or other material interest in the Issue.

Neither our Company, nor any of our directors has been declared as a Willful Defaulter or a Fraudulent Borrower by any bank or financial institution or consortium thereof.

None of the Directors or the companies with which they are or were associated as promoters, directors are debarred from accessing the capital markets under any order or direction passed by the SEBI or any other governmental authority. Our Company haven't been debarred from accessing capital markets under any order or direction passed by SEBI or any other governmental authority.

None of our Directors has been declared as a Fugitive Economic Offender.

None of our Directors or Senior Managerial personnel of our Company intend to subscribe to the Issue.

**Policy on disclosures and internal procedure for prevention of Insider Trading**

SEBI Insider Trading Regulations applies to us and our employees and requires us to formulate and implement a code of practices and procedures for fair disclosure of unpublished price sensitive information and a code of conduct to regulate, monitor and report trading by Designated Persons.

Our Company is in compliance with the same and has implemented an insider trading code of conduct for prevention of Insider Trading in accordance with the SEBI Insider Trading Regulations, in terms of which, Company Secretary, acts as the Compliance Officer of our Company under the aforesaid code of conduct for the prevention of Insider Trading.

## SHAREHOLDING PATTERN OF OUR COMPANY

The shareholding pattern of our Company as on October 04, 2024, is set forth below.

### Table I - Summary Statement holding of specified securities:

| Category | Category of Shareholders | No. s of Shareholders | No. of fully paid-up equity shares held | No. of Partly paid – up equity shares held | No. of shares underlying Depository Receipts | Total no. s shares held | Shareholding as a % of total no. of shares calculated as per SCRR, 1957) As a % of (A+B+C2) | Number of Voting Rights held in each class of securities | | | | No. of Shares underlying Outstanding convertible Securities (incl. Warrants) | Shareholding as % assuming full conversion of Convertible Securities (As % of diluted share capital) | Number of Locked in Shares | | Number of Shares pledged or otherwise encumbered | | Number of equity shares held in dematerialised form |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | | No. of Voting Rights | | | Total as a % of (A + B + C) | | | No. (a) | As a % of total shares held (b) | No. (a) | As a % of total shares held (b) | |
| | | | | | | | | Class eg: X | Class eg: Y | Total | | | | | | | | |
| (I) | (II) | (III) | (IV) | (V) | (VI) | (VII) = (IV) + (V) + (VI) | (VIII) | (IX) | | | | (X) | (XI) | (XII) | | (XIII) | | (XIV) |
| (A) | Promoter & Promoter Group | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| (B) | Public | 78,742 | 16,01,40,820 | 0 | 0 | 16,01,40,820 | 100 | 16,01,40,820 | 0 | 0 | 100 | 0 | 0 | 0 | 0 | 0 | 0 | 15,66,38,010 |
| (C) | Non-Promoter-Non-Public | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| (C1) | Shares underlying DRs | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| (C2) | Shares held by Employee Trust | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| **Total** | | 78,742 | 16,01,40,820 | 0 | 0 | 16,01,40,820 | 100 | 16,01,40,820 | 0 | 0 | 100 | 0 | 0 | 0 | 0 | 0 | 0 | 15,66,38,010 |

## Table II - Statement showing shareholding pattern of the Promoter and Promoter Group

| | Category & Name of the shareholders | Entity Type | No. s of Shareholders | No. of fully paid-up equity shares held | No. of Partly paid – up equity shares held | No. of shares underlying Depository Receipts | Total no. s shares held | Shareholding as a % of total no. of shares calculated as per SCRR, 1957) As a % of (A+B+C2) | Number of Voting Rights held in each class of securities | | | | No. of Shares underlying Outstanding convertible Securities (incl. Warrants) | Shareholding as % assuming full conversion of Convertible Securities (As % of diluted share capital) | Number of Locked in Shares | | Number of Shares pledged or otherwise encumbered | | Number of equity shares held in dematerialised form |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | | | No. of Voting Rights | | | Total as a % of (A + B + C) | | | No. (a) | As a % of total shares held (b) | No. (a) | As a % of total shares held (b) | |
| | | | | | | | | | Class eg: X | Class eg: Y | Total | | | | | | | | |
| | (I) | (II) | (III) | (IV) | (V) | (VI) | (VII) = (IV) + (V) + (VI) | (VIII) | (IX) | | | | (X) | (XI) | (XII) | | (XIII) | | (XIV) |
| 1 | Indian | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| (a) | Individuals/ Hindu Undivided family | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| (b) | Central Government/ State Government (s) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| (c) | Financial Institutions/ Banks | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| (d) | Any Other (Specify) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | Person Acting in Concert | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | Bodies Corporate | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | Sub Total (A) (1) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| B | Foreigners | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| (a) | Individuals (Non – Resident individuals/ Foreign individuals) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| (b) | Government | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| (c) | Institutions | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| (d) | Foreign Portfolio Investor | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| (e) | Any other (Specify) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | Sub Total (A) (2) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | Total Shareholding of Promoter and Promoter Group (A) = (A) (1) + (A) (2) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |

## Table III - Statement showing shareholding pattern of the Public shareholder:

| | Category & Name of the shareholders | No. s of Shareholders | No. of fully paid-up equity shares held | No. of Partly paid – up equity shares held | No. of shares underlying Depository Receipts | Total no. s shares held | Shareholding as a % of total no. of shares calculated as per SCRR, 1957) As a % of (A+B+C2) | Number of Voting Rights held in each class of securities | | | | No. of Shares underlying Outstanding convertible Securities (incl. Warrants) | Shareholding as % assuming full conversion of Convertible Securities (As % of diluted share capital) | Number of Locked in Shares | | Number of Shares pledged or otherwise encumbered | | Number of equity shares held in dematerialised form |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | | No. of Voting Rights | | | Total as a % of (A + B + C) | | | No. (a) | As a % of total shares held (b) | No. (a) | As a % of total shares held (b) | |
| | | | | | | | | Class eg: X | Class eg: Y | Total | | | | | | | | |
| | (I) | (III) | (IV) | (V) | (VI) | (VII) = (IV) + (V) + (VI) | (VIII) | (IX) | | | | (X) | (XI) | (XII) | | (XIII) | | (XIV) |
| 1 | Institutions (Domestic) | | | | | | | | | | | | | | | | | |
| | Mutual Funds | 1 | 155000 | 0 | 0 | 155000 | 0.10 | 155000 | 0 | 0 | 0.10 | 0 | 0 | 0 | 0 | 0 | 0 | 155000 |
| | Sub Total (B) (1) | 1 | 155000 | 0 | 0 | 155000 | 0.10 | 155000 | 0 | 0 | 0.10 | 0 | 0 | 0 | 0 | 0 | 0 | 155000 |
| 2 | Institutions (Foreign) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | Eminence Global Fund PCC-Trade Fund 1 | 1 | 21739130 | 0 | 0 | 21739130 | 13.58 | 21739130 | | | 13.58 | 0 | 0 | 0 | 0 | 0 | 0 | 21739130 |
| | Zeta Global Funds (OEIC) PCC Limited-ZETA Series fund PCC | 1 | 21739130 | 0 | 0 | 21739130 | 13.58 | 21739130 | 0 | 0 | 13.58 | 0 | 0 | 0 | 0 | 0 | 0 | 21739130 |
| | Sub Total (B) (2) | 2 | 4,34,78,260 | 0 | 0 | 4,34,78,260 | 27.15 | 4,34,78,260 | 0 | 0 | 27.15 | 0 | 0 | 0 | 0 | 0 | 0 | 4,34,78,260 |
| 3 | Central Government/ State Government (s) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | Sub Total (B) (3) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 4 | Non - Institutions | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | Resident Individuals holding nominal share capital up to Rs. 2 lakhs | 77693 | 91885583 | 0 | 0 | 91885583 | 57.38 | 91885583 | 0 | 0 | 57.38 | | | | | | | 8,84,28,173 |

| | | | | | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | **Resident Individuals holding nominal share capital in excess of Rs. 2 lakhs** | 18 | 10256427 | 0 | 0 | 10256427 | 6.40 | 10256427 | 0 | 00 | 6.40 | 0 | 0 | 0 | 0 | 0 | 0 | 10256427 |
| | **RISHABH BHATIA** | 1 | 3762870 | 0 | 0 | 3762870 | 2.35 | 3762870 | 0 | 0 | 2.35 | 0 | 0 | 0 | 0 | 0 | 0 | 3762870 |
| | **Non Resident Indians (NRIs)** | 304 | 2223712 | 0 | 0 | 2223712 | 1.39 | 2223712 | 0 | 0 | 1.39 | 0 | 0 | 0 | 0 | 0 | 0 | 2223712 |
| | **Bodies Corporate** | 103 | 7138187 | 0 | 0 | 7138187 | 4.46 | 7138187 | 0 | 0 | 4.46 | 0 | 0 | 0 | 0 | 0 | 0 | 70,92,787 |
| | **NEIGHBOURHOOD INVESTMENT PRIVATE LIMITED** | 1 | 4819500 | 0 | 0 | 4819500 | 3.01 | 4819500 | 0 | 0 | 3.01 | 0 | 0 | 0 | 0 | 0 | 0 | 4819500 |
| | **Any Other (specify)** | 621 | 5003651 | 0 | 0 | 5003651 | 3.12 | 5003651 | 0 | 0 | 3.12 | 0 | 0 | 0 | 0 | 0 | 0 | 5003651 |
| | **Trusts** | 1 | 1000 | 0 | 0 | 1000 | 0.00 | 1000 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0 | 0 | 0 | 1000 |
| | **HUF** | 607 | 3735397 | 0 | 0 | 3735397 | 2.33 | 3735397 | 0 | 0 | 2.33 | 0 | 0 | 0 | 0 | 0 | 0 | 3735397 |
| | **Clearing member** | 13 | 1267254 | | | 1267254 | 0.79 | 1267254 | | | 0.79 | | | | | | | 1267254 |
| | **Sub Total (B) (4)** | 78739 | 116507560 | 0 | 0 | 116507560 | 72.75 | 116507560 | 0 | 0 | 72.75 | 0 | 0 | 0 | 0 | 0 | 0 | 116507560 |
| | **Total Public Shareholding (B) = (B) (1) + (B) (2) + (B) (3) + (B) (4)** | 78742 | 160140820 | 0 | 0 | 160140820 | 100 | 160140820 | 0 | 0 | 100 | 0 | 0 | 0 | 0 | 0 | 0 | 15,66,38,010 |

## Table IV - Statement showing shareholding pattern of the Non-Promoter- Non-Public shareholder:

| | Category & Name of the shareholders | No. s of Shareholders | No. of fully paid-up equity shares held | No. of Partly paid – up equity shares held | No. of shares underlying Depository Receipts | Total no. s shares held | Shareholding as a % of total no. of shares calculated as per SCRR, 1957) As a % of (A+B+C2) | Number of Voting Rights held in each class of securities | | | | No. of Shares underlying Outstanding convertible Securities (incl. Warrants) | Shareholding as % assuming full conversion of Convertible Securities (As % of diluted share capital) | Number of Locked in Shares | | Number of Shares pledged or otherwise encumbered | | Number of equity shares held in dematerialised form |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | | No. of Voting Rights | | | Total as a % of (A + B + C) | | | No. (a) | As a % of total shares held (b) | No. (a) | As a % of total shares held (b) | |
| | | | | | | | | Class eg: X | Class eg: Y | Total | | | | | | | | |
| | (I) | (III) | (IV) | (V) | (VI) | (VII) = (IV) + (V) + (VI) | (VIII) | (IX) | | | | (X) | (XI) | (XII) | | (XIII) | | (XIV) |
| 1 | Custodian/ DR Holder | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 2 | Employee Benefit Trust/ Employee Welfare Trust under SEBI (Share based Employee Benefits and Sweat Equity) Regulations, 2021 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | Total Non – promoter – Non – Public Shareholding (C) = (C) (1) + (C) (2) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |

## ISSUE PROCEDURE

*The following is a summary intended to present a general outline of the procedure relating to the application, payment of Application Amount, Allocation and Allotment. The procedure followed in the Issue may differ from the one mentioned below, and investors are assumed to have apprised themselves of the same from our Company or the BRLM. Investors are advised to inform themselves of any restrictions or limitations that may be applicable to them. Also, please see the sections entitled "**Selling Restrictions**" and "**Transfer Restrictions and Purchaser Representations**" on pages* 316 *and 330, respectively. Investors that apply in the Issue will be required to confirm and will be deemed to have represented to our Company, the BRLM and their respective directors, officers, agents, affiliates and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares.*

*Our Company, the BRLM and their respective directors, officers, agents, advisors, shareholders, employees, counsels, affiliates and representatives are not liable for any amendment or modification or change to applicable laws or regulations, which may occur after the date of this Placement Document. Eligible QIBs are advised to make their independent investigations and satisfy themselves that they are eligible to apply. Eligible QIBs are advised to ensure that any single Bid from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in this Placement Document. Further, Eligible QIBs are required to satisfy themselves that their Bids would not result in triggering an open offer under the SEBI Takeover Regulations and shall be solely responsible for compliance with all the applicable provisions of the SEBI Takeover Regulations, the SEBI Insider Trading Regulations and other applicable laws.*

**Qualified Institutions Placement**

**THE ISSUE IS MEANT ONLY FOR ELIGIBLE QIBs ON A PRIVATE PLACEMENT BASIS AND IS NOT AN OFFER TO THE PUBLIC OR TO ANY OTHER CLASS OF INVESTORS.**

This Placement Document has not been, and will not be, filed as a prospectus with the ROC and no Equity Shares will be offered in India or overseas to the public or any members of the public or any other class of investors, other than Eligible QIBs.

The Issue is being made to Eligible QIBs in accordance with Chapter VI of the SEBI ICDR Regulations and Section 42 and other applicable provisions of the Companies Act, through the mechanism of a Qualified Institutions Placement ("QIP"). Under Chapter VI of the SEBI ICDR Regulations and Section 42 of the Companies Act read with Rule 14 of the PAS Rules, and other applicable provisions of the Companies Act, our Company, being a listed Company in India may issue equity shares to Eligible QIBs, provided that certain conditions are met by us. Some of these conditions are set out below:

1. the Shareholders of the issuer have passed a Special Resolution approving such QIP. Such Special Resolution must inter alia specify that, (a) the allotment of securities is proposed to be made pursuant to the QIP; and (b) the relevant date for the QIP.

2. the Explanatory Statement to the notice to the Shareholders must disclose, among other things, the particulars of the issue including the date of passing the Board Resolution, the kind of securities being offered, amount which our Company intends to raise by way of such securities and the material terms of raising such securities, proposed issue schedule, the purpose or objects of Offer, the contribution made by the Promoters or Directors either as part of the offer or separately in furtherance of the objects, and the basis or justification for the Price (including premium, if any) at which the offer or invitation is being made;

3. under Regulation 172(1)(b) of the SEBI ICDR Regulations, the Equity Shares of the same class of such Issuer, which are proposed to be allotted through the QIP, are listed on a recognized stock exchange in India having nation-wide trading terminals for a period of at least one year prior to the date of issuance of notice to its Shareholders to seek their approval for the abovementioned Special Resolution;

4. invitation to apply in this Issue must be made through a Private Placement offer-cum-application form serially numbered and addressed specifically to the Eligible QIBs to whom the QIP is made either in writing or in electronic mode, within 30 days of recording the name of such person in accordance with applicable law; the Issuer shall have completed allotments with respect to any earlier offer or invitation made by the Issuer or shall have withdrawn or abandoned such invitation or offer made by the Issuer, except as permitted under the Companies Act;

5. the issuer shall not make any subsequent QIP until the expiry of two weeks from the date of the previous QIP;

6. an offer to Eligible QIBs will not be subject to a limit of 200 persons. Prior to circulating the Private Placement offer-cum-application form (i.e., the Preliminary Placement Document), the Issuer shall prepare and record a list of Eligible QIBs to whom the Issue will be made. The QIP must be made only to such Eligible QIBs whose names are recorded by the Issuer prior to the invitation to subscribe;

7. our Company acknowledges that the offering of securities by issue of public advertisements or utilization of any media, marketing or distribution channels or agents to inform the public about this Issue is prohibited;

8. in accordance with the SEBI ICDR Regulations, securities will be issued and allotment shall be made only in dematerialized form to the Allottees; and

9. the Promoters and Directors of the Issuer must not be Fugitive Economic Offenders.

At least 10% of the Equity Shares issued to Eligible QIBs shall be available for Allocation to Mutual Funds, provided that, if this portion, or any part thereof, to be allotted to Mutual Funds remains unsubscribed, it may be allotted to other Eligible QIBs.

Bidders are not allowed to withdraw or revise downwards their Bids after the Bid/Issue Closing Date.

Additionally, there is a minimum pricing requirement under the SEBI ICDR Regulations. The Floor Price of the Equity Shares offered under this Issue shall not be less than the average of the weekly high and low of the closing prices of the Equity Shares of the same class quoted on Stock Exchange during the two weeks preceding the Relevant Date as calculated in accordance with Chapter VI of

the SEBI ICDR Regulations. However, a discount of up to 5% of the floor price is permitted in accordance with the provisions of the SEBI ICDR Regulations. Our Board through its resolution dated July 22, 2024, and our Shareholders through a special resolution on August 14, 2024, have authorized our Board to decide the quantum of discount up to 5% of the Floor Price at the time of determination of the Issue Price.

The Issue Price shall be subject to appropriate adjustments, if our Company makes any alteration to its share capital as mentioned in Regulation 176 (4) of the SEBI ICDR Regulations.

The "relevant date" mentioned above in case of allotment of equity shares, refers to the date of the meeting in which the board of directors or the committee of directors duly authorised by the board of the issuer decides to open the proposed issue and "stock exchange" means any of the recognised stock exchanges in India on which the equity shares of the issuer of the same class are listed and on which the highest trading volume in such shares has been recorded during the two weeks immediately preceding the relevant date.

The securities must be allotted within 365 days from the date of the shareholders' resolution approving the QIP in one or tranches and also within 60 days from the date of receipt of Application Amount from the successful Eligible QIBs. For details of refund of Application Amount, please see the section entitled ***"Issue Procedure – Refunds***" on page 310.

Subscription to the Equity Shares offered pursuant to the Issue must be made by Eligible QIBs on the basis of the Preliminary Placement Document and this Placement Document. The Preliminary Placement Document and this Placement Document shall contain all material information required under applicable law including the information specified in Schedule VII of the SEBI ICDR Regulations and the requirements prescribed under Form PAS-4. The Preliminary Placement Document and this Placement Document are private documents provided to only selected Eligible QIBs through serially numbered copies and are required to be placed on the website of the concerned Stock Exchanges and of our Company with a disclaimer to the effect that, it is in connection with an issue to Eligible QIBs and no offer is being made to the public or to any other category of investors. Please note that, if you do not receive a serially numbered copy of the Preliminary Placement Document addressed to you, you may not rely on the Preliminary Placement Document or this Placement Document uploaded on the website of the Stock Exchange or our Company for making an application to subscribe to Equity Shares pursuant to the Issue.

The Issue was authorized and approved by the Board of Directors on July 22, 2024, and approved by our Shareholders, by way of Extra Ordinary General Meeting on August 14, 2024. The minimum number of Allottees with respect to a QIP shall not be less than:

• two, where the issue size is less than or equal to two hundred and fifty crore rupees;
• five, where the issue size is greater than two hundred and fifty crore rupees.

No single Allottee shall be Allotted more than 50% of the Issue Size. Eligible QIBs that belong to the same group or that are under common control shall be deemed to be a single Allottee for the purpose of the Issue. For details of what constitutes "same group" or "common control", please see the section entitled ***"Sample Application Form"*** on page 360.

The distribution of this Placement Document and the issue of the Equity Shares may be restricted in

certain jurisdictions by applicable laws. As such, this Placement Document does not constitute, and may not be used for, or in connection with, an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorized or to any person to whom it is unlawful to make such offer or solicitation.

Equity Shares being Allotted pursuant to the Issue shall not be sold for a period of one year from the date of Allotment, except on a recognized Stock Exchange. In addition, purchasers of the Equity Shares Allotted pursuant to the Issue shall comply with the resale restrictions set forth in ***"Selling Restrictions"*** and ***"Transfer Restrictions and Purchaser Representations"*** on pages 316 and 330 respectively.

Our Company has filed a copy of the Preliminary Placement Document and will file a copy of this Placement Document with BSE Limited. Our Company has received in-principle approval from BSE Ltd under Regulation 28(1)(a) of the SEBI Listing Regulations for the listing of the Equity Shares to be issued pursuant to this Issue on BSE Ltd on December 16, 2024.

Our Company shall also make the requisite filings with the ROC within the stipulated period as required under the Companies Act and the PAS Rules.

Allotments made to VCFs and AIFs in the Issue are subject to the rules and regulations that are applicable to each of them respectively, including in relation to lock-in requirement, if any. VCFs and AIFs should independently consult their own counsel and advisors as to investment in and related matters concerning the Issue.

**The Equity Shares offered hereby have not been and will not be registered under the U.S. Securities Act or the securities laws of any state of the United States and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws. Accordingly, the Equity Shares offered in this Issue are being offered and sold outside the United States in "offshore transactions" as defined in, and in reliance upon Regulation S and the applicable laws of the jurisdiction where those offers and sales are made.**

The Equity Shares issued pursuant to this Issue have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold and Bids may not be made by persons in any such jurisdictions, except in compliance with the applicable laws of such jurisdiction.

**Issue Procedure**

1. On Bid / Issue Opening Date, our Company in consultation with the BRLM shall circulate serially numbered copies of the Preliminary Placement Document and the serially numbered Application Form, either in electronic or physical form to Eligible QIBs and the Application Form will be specifically addressed to such Eligible QIBs. In terms of Section 42(3) of the Companies Act, our Company shall maintain complete records of such Eligible QIBs in the form and manner prescribed under the PAS Rules, to whom the Preliminary Placement Document and the serially numbered Application Form have been dispatched or circulated, as the case may be. Our Company will make the requisite filings with ROC within the stipulated time period as required under the Companies Act.

2. The list of QIBs to whom the Application Form is delivered shall be determined by our Company in consultation with the BRLM. Unless a serially numbered Preliminary Placement Document along with the serially numbered Application Form, which includes the details of the Bank Account wherein the Application Amount is to be deposited, is addressed to a particular Eligible QIB, no invitation to subscribe shall be deemed to have been made to such Eligible QIB. Even if such documentation were to come into the possession of any person other than the intended recipient, no offer or invitation to offer shall be deemed to have been made to such person and any application that does not comply with this requirement shall be treated as invalid. The Application Form may be signed physically or digitally, if required under applicable law in the relevant jurisdiction applicable to each Eligible QIB and as permitted under such applicable law. An Eligible QIB may submit an unsigned copy of the Application Form, as long as the Application Amount is paid along with submission of the Application Form within the Bid/Issue Period. Once a duly filled Application Form is submitted by an Eligible QIB, whether signed or not, and the Application Amount has been transferred to the Escrow Account, such Application Form constitutes an irrevocable offer and cannot be withdrawn or revised downwards after the Bid/Issue Closing Date. In case Bids are being made on behalf of the Eligible QIB and this Application Form is unsigned, it shall be assumed that the person submitting the Application Form and providing necessary instructions for transfer of the Application Amount to the Escrow Account, on behalf of the Eligible QIB is authorized to do so.

3. Eligible QIBs may submit an Application Form, including any revisions thereof, along with the Application Amount transferred to the Escrow Account specified in the Application Form and a copy of the PAN card or PAN allotment letter and/or any other documents mentioned in the Application Form, during the Bid/ Issue Period to the BRLM.

4. Bidders will be required to indicate the following in the Application Form:

   - full official name of the Bidder to whom Equity Shares are to be Allotted, complete address, email id, PAN details (if applicable), phone number and Bank account details;
   - number of Equity Shares Bid for;
   - price at which they are agreeable to subscribe to the Equity Shares and the aggregate Application Amount for the number of Equity Shares Bid for;
   - an undertaking that they will deliver an offshore transaction letter to our Company prior to any sale of Equity Shares confirming that they will not re-offer, re-sell, pledge or otherwise transfer
   - the Equity Shares, except in an offshore transaction on a recognized Indian stock exchange in compliance with Regulation S under the Securities Act;
   - details of the beneficiary account maintained by the Depository Participant to which the Equity Shares should be credited pursuant to the Issue;
   - equity shares held by the Bidder in our Company prior to the Issue; and
   - a representation that it is outside the United States and it has agreed to certain other representations set forth in the "***Representations by Investors***" on page 9 and "***Transfer Restrictions and Purchaser Representation***" on page 330 of this Placement Document and certain other representations made in the Application Form.

***NOTE**: Eligible FPIs are required to indicate their SEBI FPI registration number in the Application Form. The Bids made by the Asset Management Companies or Custodian of Mutual Funds, shall specifically state the names of the concerned schemes for which the Bids are made. In case of a Mutual Fund, a separate Bid can be made in respect of each scheme of the Mutual Fund registered with SEBI and such Bids in respect of more than one scheme of the Mutual Fund will not be treated as multiple Bids provided that the Bids clearly indicate the scheme for which the Bid has been made. Application by various schemes or funds of a Mutual Fund will be treated as one application from the Mutual Fund. Bidders are advised to ensure that any single Bid from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable laws.*

5. Eligible QIBs shall be required to make the entire payment of the Application Amount for the Equity Shares Bid for, along with the Application Form, only through electronic transfer to the Escrow Account opened in the name and style of 'GUJARAT TOOLROOM LIMITED – 2024 QIP ESCROW ACCOUNT' with the Escrow Agent, within the Bid/Issue Period as specified in the Application Form sent to the respective Bidders. Please note that any payment of Application Amount for the Equity Shares shall be made from the Bank accounts of the relevant Bidders and our Company shall keep a record of the Bank account from where such payment has been received. No payment shall be made in the Issue by the Bidders in cash. Application Amount payable on Equity Shares to be held by joint holders shall be paid from the Bank account of the person whose name appears first in the Application Form. Until Allotment and the filing of Return of Allotment by our Company with the ROC, Application Amount received for subscription of the Equity Shares shall be kept by our Company in a separate Bank account with a Scheduled Bank and shall be utilized only for the purposes permitted under the Companies Act. Notwithstanding the above, in the event (a) any Bidder is not allocated Equity Shares in the Issue, (b) the number of Equity Shares Allotted to a Bidder is lower than the number of Equity Shares applied for through the Application Form and towards which Application Amount has been paid by such Bidder, (c) the Application Amount has been arrived at using an indicative price higher than the Issue Price, or (d) any Eligible QIB lowers or withdraws their Bid after submission of the Application Form but on or prior to the Bid/Issue Closing Date, the excess Application Amount will be refunded to the same Bank account from which it was remitted, in the form and manner set out in "***Issue Procedure – Refunds***" on page 310 of this Placement Document.

6. Once a duly completed Application Form is submitted by a Bidder and the Application Amount is transferred to the Escrow Account, such application constitutes an irrevocable offer, and the Bid cannot be withdrawn or revised downwards after the Bid/ Issue Closing Date. In case of an upward revision before the Bid/ Issue Closing Date, an additional amount shall be required to be deposited towards the Application Amount in the Escrow Account along with the submission of such revised Bid. The Bid/ Issue Closing Date shall be notified to the Stock Exchanges and the Eligible QIBs shall be deemed to have been given notice of such date after receipt of the Application Form.

7. The Eligible QIBs acknowledge that in accordance with the requirements of the Companies Act, upon Allocation, our Company will be required to disclose the names of proposed Allottees and the percentage of their post Issue shareholding in the Placement Document and consents to such disclosure, if any Equity Shares are allocated to it.

8. The Bids made by Asset Management Companies or Custodians of Mutual Funds shall specifically state the names of the concerned schemes for which the Bids are made. In the case of a Mutual Fund, a separate Bid can be made in respect of each scheme of the Mutual Fund registered with SEBI.

9. Upon receipt of the duly completed Application Form, whether signed or not and the Application Amount in the Escrow Account, on or after the Bid/Issue Closing Date, our Company shall, in consultation with BRLM determine the final terms, including the Issue Price of the Equity Shares to be issued pursuant to the Issue and Allocation. Upon such determination, the BRLM, on behalf of our Company, will send the serially numbered CAN and the Placement Document to the Successful Bidders. The dispatch of a CAN, and the Placement Document (when dispatched) to a Successful Bidder shall be deemed valid, binding and irrevocable contract for the Successful Bidders to subscribe to the Equity Shares Allocated to them at an aggregate price equivalent to the product of the Issue Price and Equity Shares Allocated to such Successful Bidders. The CAN shall contain details such as the number of Equity Shares Allocated to the Successful Bidders, Issue Price and the aggregate amount received towards the Equity Shares Allocated. In case of Bids being made on behalf of the Eligible QIB where the Application Form is unsigned, it shall be assumed that the person submitting the Application Form and providing necessary instructions for transfer of the Application Amount to the Escrow Account, on behalf of the Eligible QIB is authorised to do so. The Bid/Issue Closing Date shall be notified to the Stock Exchanges and the Eligible QIBs shall be deemed to have been given notice of such date after receipt of the Application Form. **Please note that the Allocation will be at the absolute discretion of our Company and shall be in consultation with the BRLM.**

10. Upon determination of the Issue Price and before Allotment of Equity Shares to the Successful Bidders, the BRLM, shall, on our behalf, send a serially numbered Preliminary Placement Document either in electronic form or through physical delivery to each of the Successful Bidders who have been Allocated Equity Shares pursuant to dispatch of a serially numbered CAN.

11. Upon dispatch of the serially numbered Preliminary Placement Document, our Company shall Allot Equity Shares as per the details in the CANs sent to the Successful Bidders. Our Company will inform the Stock Exchange of the details of the Allotment.

12. After passing the Resolution passed by the Board or its Committee approving the Allotment and prior to crediting the Equity Shares into the beneficiary account of the Successful Bidders maintained by the Depository Participant, as specified in the records of the Depositories or as indicated in their respective Application Form, our Company shall apply to the Stock Exchange for listing approvals in respect of the Equity Shares Allotted pursuant to the Issue.

13. After receipt of the listing approvals of the Stock Exchange, our Company shall credit the Equity Shares Allotted pursuant to this Issue into the beneficiary accounts of the respective Allottees.

14. Our Company will then apply for the final trading approval from the Stock Exchange.

15. The Equity Shares that would have been credited to the beneficiary account with the Depository Participant of the Successful Bidders shall be eligible for trading on the Stock Exchanges only upon the receipt of final listing and trading approvals from the Stock Exchange.

16. As per applicable law, the Stock Exchange will notify the final listing and trading approvals, which are ordinarily available on its website, and our Company may communicate the receipt of the listing and trading approvals to those Eligible QIBs to whom the Equity Shares have been Allotted. Our Company and the BRLM shall not be responsible for any delay or non-receipt of the communication of the final listing and trading approval from the Stock Exchange or any loss arising from such delay or non-receipt. Investors are advised to apprise themselves of the status of the receipt of the permissions from the Stock Exchange or our Company.

**Eligible Qualified Institutional Buyers**

Only Eligible QIBs who have not been prohibited by the SEBI or under the FEMA Rules from buying, selling, or dealing in securities can participate in this Issue, provided that with respect to Foreign Portfolio Investors, only Eligible FPIs applying under Schedule II of the FEMA Rules will be considered as Eligible QIBs. AIFs or VCFs whose sponsor and manager are not Indian owned and controlled in terms of the FEMA Rules, FVCIs and multilateral or bilateral development financial institutions are not permitted to participate in the Issue. Currently, QIBs, who are eligible to participate in the Issue, not being excluded pursuant to Regulation 179(2)(b) of the SEBI ICDR Regulations and as defined under Regulation 2(1) (ss) of the SEBI ICDR Regulations, are set forth below:

- a mutual fund, venture capital fund, alternative investment fund and foreign venture capital investor registered with the Board;
- foreign portfolio investor other than individuals, corporate bodies, and family offices;
- a public financial institution;
- a scheduled commercial bank;
- a multilateral and bilateral development financial institution;
- a state industrial development corporation;
- an insurance company registered with the Insurance Regulatory and Development Authority of India;
- a provident fund with minimum corpus of twenty-five crore rupees;
- a pension fund with minimum corpus of twenty-five crore rupees;
- National Investment Fund set up by resolution no. F. No. 2/3/2005-DDII dated November 23, 2005, of the Government of India published in the Gazette of India;
- insurance funds set up and managed by army, navy, or air force of the Union of India; and
- insurance funds set up and managed by the Department of Posts, India; and
- systemically important non-banking financial companies.

*Allotments made to VCFs and AIFs in the Issue are subject to the rules and regulations that are applicable to each of them respectively, including in relation to lock-in requirement. VCFs and AIFs should independently consult their own counsel and advisors as to investment in and related matters concerning the Issue.*

**ELIGIBLE FPIs ARE PERMITTED TO PARTICIPATE UNDER SCHEDULE II OF FEMA RULES, IN THIS ISSUE, SUBJECT TO COMPLIANCE WITH ALL APPLICABLE LAWS AND SUCH THAT THE SHAREHOLDING OF THE FPIs DO NOT EXCEED SPECIFIED LIMITS AS PRESCRIBED UNDER APPLICABLE LAWS IN THIS REGARD.**

In terms of the SEBI FPI Regulations and the FEMA Rules, the issue of Equity Shares to a single Eligible FPI or an investor group (which means the multiple entities having common ownership, directly or indirectly, of more than 50% or common control) must be below 10% of the post-Issue Equity Share Capital of our Company. Further, in terms of the FEMA Rules, the total holding of each FPI or its investor group shall be below 10% of the total post issue paid-up Equity Share Capital of our Company on a fully diluted basis. The aggregate limit for FPI investments shall be the sectoral cap applicable to our Company on a fully diluted basis. Hence, Eligible FPIs may invest in such number of Equity Shares in the Issue such that (i) the individual investment of the FPI in our Company does not exceed 10% of the post -Issue Paid-up Capital of our Company on a fully diluted basis, and (ii) the aggregate investment by FPIs in our Company does not exceed the sectoral cap applicable to our Company on a fully diluted basis.

In case the holding of an FPI including its investor group increases to 10% or more of the total post-Issue Paid-Up Equity Capital, on a fully diluted basis, the FPI including its investor group is required to divest the excess holding within five trading days from the date of settlement of the trades resulting in the breach. In the event that such divestment of excess holding is not done within the above prescribed time, the total investment made by such FPI together with its investor group will be re-classified as FDI as per procedure specified by SEBI and the FPI and its investor group will be prohibited from making any further portfolio investment in our Company under the SEBI FPI Regulations. However, in accordance with Regulation 22(4) of the SEBI FPI Regulations, the FPIs who are: (i) appropriately regulated public retail funds; (b) public retail funds where the majority is owned by appropriately regulated public retail fund on look through basis; or (c) public retail funds and investment managers of such foreign portfolio investors are appropriately regulated, the aggregation of the investment limits of such FPIs having common control, shall not be applicable. Further, the aggregate limit of all FPIs investments, with effect from April 1, 2020, is up to the sectoral cap applicable to the sector in which the Company operates. The existing aggregate investment limit for FPIs in the Company is 100% of the paid-up capital of the Company, on a fully diluted basis.

As per the circular issued by SEBI on November 24, 2014, these investment restrictions shall also apply to subscribers of P-Notes. Two or more subscribers of P-Notes having a common beneficial owner shall be considered together as a single subscriber of the P-Note. In the event an investor has investments as an FPI and as a subscriber of P-Notes, these investment restrictions shall apply on the aggregate of the FPI and P-Note investments held in the underlying Company.

Pursuant to the SEBI Circular dated April 5, 2018 (Circular No: IMD/FPIC/CIR/P/2018/61), our Company has appointed NSDL as the Designated Depository to monitor the level of FPI / NRI shareholding in our Company on a daily basis and once the aggregate foreign investment of a Company reaches a cut-off point, which is 3% below the overall limit, a red flag shall be activated. The Depository is then required to inform the Stock Exchanges about the activation of the red flag. The Stock Exchanges are then required to issue the necessary circulars/ public notifications on their

respective websites. Once a red flag is activated, the FPIs must trade cautiously, because in the event that there is a breach of the sectoral cap, the FPIs will be under an obligation to disinvest the excess holding within five trading days from the date of settlement of the trades.

As per the circular issued by SEBI on November 24, 2014, these investment restrictions shall also apply to subscribers of P- Notes. Two or more subscribers of P-Notes having a common beneficial owner shall be considered together as a single subscriber of the P-Note. In the event an investor has investments as an FPI and as a subscriber of P-Notes, these investment restrictions shall apply on the aggregate of the FPI and P-Note investments held in the underlying company.

Pursuant to the SEBI Circular dated April 5, 2018 (Circular No: IMD/FPIC/CIR/P/2018/61), our Company has appointed NSDL as the designated depository to monitor the level of FPI / NRI shareholding in our Company on a daily basis and once the aggregate foreign investment of a company reaches a cut-off point, which is 3% below the overall limit a red flag shall be activated. SEBI however, pursuant to its Circular dated May 17, 2018 (Circular No: SEBI/HO/IMD/FPIC/CIR/P/2018/81), directed that this system of monitoring foreign investment limits in Indian listed companies be made operational with effect from June 1, 2018. The depository is then required to inform the Stock Exchanges about the activation of the red flag. The stock exchanges are then required to issue the necessary circulars/ public notifications on their respective websites. Once a red flag is activated, the FPIs must trade cautiously, because in the event that there is a breach of the sectoral cap, the FPIs will be under an obligation to disinvest the excess holding within five trading days from the date of settlement of the trades

Eligible FPIs are permitted to participate in the Issue subject to compliance with conditions and restrictions which may be specified by the Government from time to time.

In terms of the FEMA Rules, for calculating the aggregate holding of FPIs in a Company, holding of all registered FPIs shall be included. For a description of the restrictions applicable to the offer and sale of the Equity Shares in the Issue in certain jurisdictions, see "***Selling Restrictions***" beginning on page 316.

**Restriction on Allotment**

Pursuant to Regulation 179(2)(b) of the SEBI ICDR Regulations, no Allotment shall be made pursuant to the Issue, either directly or indirectly, to any Eligible QIB being, or any person related to, our Promoters. QIBs which have all or any of the following rights shall be deemed to be persons related to our Promoters:

• rights under a shareholders' agreement or voting agreement entered into with our Promoters or members of the Promoter Group
• veto rights; or
• a right to appoint any nominee director on the Board.

Provided, however, that an Eligible QIB which does not hold any Equity Shares in our Company, and which has acquired the aforesaid rights in the capacity of a lender shall not be deemed to be related to our Promoters.

**Our Company and the BRLM and any of their respective shareholders, employees, counsels, officers, directors, representatives, agents, advisors or affiliates shall not be liable for any amendment or modification or change to applicable laws or regulations, which may occur after the date of this Placement Document. Eligible QIBs are advised to make their independent investigations and satisfy themselves that they are eligible to apply. Eligible QIBs are advised to ensure that any single application from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in this Placement Document. Further, Eligible QIBs are required to satisfy themselves that their Bids would not result in triggering an open offer under the SEBI Takeover Regulations and ensure compliance with applicable laws.**

**A minimum of 10% of the Equity Shares offered in the Issue shall be Allotted to Mutual Funds. In case of undersubscription in such portion, such portion or part thereof may be Allotted to other Eligible QIBs.**

*Note: Affiliates or associates of the BRLM who are Eligible QIBs may participate in the Issue in compliance with applicable laws.*

**Bid Process**

***Application Form***

Eligible QIBs shall only use the serially numbered Application Forms (which are addressed to them) supplied by our Company and the BRLM in either electronic form or by physical delivery for the purpose of making a Bid (including revision of a Bid) in terms of the Preliminary Placement Document.

By making a Bid (including the revision thereof) for Equity Shares through Application Forms and pursuant to the terms of the Preliminary Placement Document, the Eligible QIB will be deemed to have made all the following representations, warranties, acknowledgements, agreements and undertakings given or made under the sections entitled ***"Notice to Investors", "Representations by Investors", "Selling Restrictions"*** *and* ***"Transfer Restrictions and Purchaser Representations"*** on pages 4, 9, 316 and 330, respectively:

1. The Eligible QIB confirms that it is a QIB in terms of Regulation 2(1) (ss) of the SEBI ICDR Regulations and is not excluded under Regulation 179(2)(b) of the SEBI ICDR Regulations, has a valid and existing registration under the applicable laws in India (as applicable) and is eligible to participate in this Issue.

2. The Eligible QIB confirms that it is not a Promoter and is not a person related to our Promoters, either directly or indirectly and its Application Form does not directly or indirectly represent our Promoters or Promoter Group, or persons related to our Promoters. – NOT APPLICABLE

3. The Eligible QIB confirms that it has no rights under a shareholders' agreement or voting agreement with our Promoters or members of the Promoter Group, no veto rights or right to appoint any nominee director on the Board other than those acquired in the capacity of a lender not holding Equity Shares which shall not be deemed to be a person related to our Promoters. – NOT APPLICABLE

4. The Eligible QIB acknowledges that it has no right to withdraw or revise its Bid downwards after the Bid/Issue Closing Date.

5. The Eligible QIB confirms that, and consents to, its name and percentage of post-Issue shareholding (assuming full subscription in this Issue) being included as a "***Proposed Allottees***" in this Issue in the Placement Document. However, the Eligible QIB further acknowledges and agrees, disclosure of such details in relation to the proposed Allottees in the Placement Document will not guarantee Allotment to them, as Allotment shall continue to be at the sole discretion of our Company, in consultation with the BRLM.

6. The Eligible QIB confirms that in the event it is resident outside India, it is an Eligible FPI, having a valid and existing registration with SEBI under the applicable laws in India, and is eligible to invest in India under applicable law, including the FEMA Rules, as amended, and any notifications, circulars or clarifications issued thereunder, and has not been prohibited by any other regulatory authority, from buying, selling, dealing in securities or otherwise accessing the capital markets, and is not an FVCI.

7. The Eligible QIB confirms that if Equity Shares are Allotted through this Issue, it shall not, for a period of one year from Allotment, sell such Equity Shares otherwise than on the recognized Stock Exchange.

8. The Eligible QIB confirms that it is eligible to Bid and hold Equity Shares so Allotted together with any Equity Shares held by it prior to the Issue, if any. The Eligible QIB further confirms that the holding of the Eligible QIB, does not and shall not, exceed the level permissible as per any applicable regulations applicable to the Eligible QIB.

9. The Eligible QIB confirms that its Bid would not eventually result in triggering an open offer under the SEBI Takeover Regulations.

10. The Eligible QIB agrees that it will make payment of its Application Amount along with submission of the Application Form within the Issue Period. The Eligible QIB further agrees that once a duly filled Application Form is submitted by an Eligible QIB, whether signed or not, and the Application Amount has been transferred to the Escrow Account, such Application Form constitutes an irrevocable offer and cannot be withdrawn or revised downwards after the Bid/Issue Closing Date.

11. The Eligible QIB agrees that although the Application Amount is required to be paid by it along with the Application Form within the Issue Period in terms of provisions of the Companies Act and rules made thereunder, our Company reserves the right to Allocate and Allot Equity Shares pursuant to this Issue on a discretionary basis in consultation with the BRLM. The Eligible QIB further acknowledges and agrees that the payment of Application Amount does not guarantee Allocation and/or Allotment of Equity Shares Bid for in full or in part.

12. The Eligible QIB acknowledges that in terms of the requirements of the Companies Act, upon Allocation, our Company will be required to disclose names as proposed Allottees and percentage of post-Issue shareholding of the proposed Allottees in the Placement Document and consents of such disclosure, if any Equity Shares are Allocated to it. However, the Eligible QIB further acknowledges and agrees, that disclosure of such details in relation to the proposed Allottees in the Placement

Document will not guarantee Allotment to them, as Allotment in the Issue shall continue to be at the sole discretion of our Company, in consultation with the BRLM.

13. The Eligible QIB confirms that the number of Equity Shares Allotted to it pursuant to the Issue, together with other Allottees that belong to the same group or are under common control, shall not exceed 50% of the Issue. For the purposes of this representation:

- QIBs "belonging to the same group" shall mean entities where (a) any of them controls, directly or indirectly, through its subsidiary or holding company, not less than 15% of the voting rights in the other; (b) any of them, directly or indirectly, by itself, or in combination with other persons, exercise control over the others; or (c) there is a common director, excluding nominee and Independent Directors, amongst an Eligible QIB, its subsidiary(ies) or holding company and any other Eligible QIB; and

- 'Control' shall have the same meaning as is assigned to it by Regulation 2(1)(e) of the SEBI Takeover Regulations.

14. The Eligible QIB confirms that it, individually or together with its investor group, is not restricted from making further investments in our Company through the portfolio investment route, in terms of Regulation 22(3) of the SEBI FPI Regulations.

15. The Eligible QIBs confirms that it shall not undertake any trade in the Equity Shares credited to its beneficiary account maintained with the Depository Participant until such time that the final listing and trading approvals for the Equity Shares are issued by the Stock Exchange.

16. The Eligible QIB acknowledges that no Allotment shall be made to it if the price at which they have Bid for in the Issue is lower than the Issue Price.

17. Each Eligible FPI confirms that it will participate in the Issue only under and in conformity with Schedule II of FEMA Rules. Further, each Eligible FPI acknowledges that Eligible FPIs may invest in such number of Equity Shares such that the individual investment of the Eligible FPI or its investor group (multiple entities registered as FPIs and directly or indirectly, having common ownership of more than fifty per cent or common control) in our Company does not exceed 10% of the post-Issue Paid-Up Capital of our Company, on a fully diluted basis.

18. A representation that such Bidder is outside the United States, is acquiring the Equity Shares in an "offshore transaction" under Regulation S and is not an affiliate of the Company or the BRLM or a person acting on behalf of such an affiliate.

    Further, in accordance with Press Note No. 3 (2020 Series), dated April 17, 2020, issued by the DPIITe and the Consolidated FDI Policy, investments where the beneficial owner of the Equity Shares is situated in or is a citizen of a country which shares land border with India, can only be made through the Government approval route, as prescribed in the Consolidated FDI Policy.

    **ELIGIBLE QIBs MUST PROVIDE THEIR NAME, COMPLETE ADDRESS, PHONE NUMBER, EMAIL ID, BANK ACCOUNT DETAILS, BENEFICIARY ACCOUNT DETAILS, PAN / PAN ALLOTMENT LETTER, DEPOSITORY PARTICIPANT'S NAME, DEPOSITORY PARTICIPANT IDENTIFICATION NUMBER AND BENEFICIARY**

**ACCOUNT NUMBER IN THE APPLICATION FORM. ELIGIBLE QIBS MUST ENSURE THAT THE NAME GIVEN IN THE APPLICATION FORM IS EXACTLY THE SAME AS THE NAME IN WHICH THEIR BENEFICIARY ACCOUNT IS HELD.**

**IF SO REQUIRED BY THE BOOK RUNNING LEAD MANAGER, THE ELIGIBLE QIBs SUBMITTING A BID, ALONG WITH THE APPLICATION FORM, WILL ALSO HAVE TO SUBMIT REQUISITE DOCUMENT(S) TO THE BOOK RUNNING LEAD MANAGER TO EVIDENCE THEIR STATUS AS A "QIB" AS DEFINED HEREINABOVE.**

**IF SO REQUIRED BY THE BOOK RUNNING LEAD MANAGER, ESCROW BANK OR ANY STATUTORY OR REGULATORY AUTHORITY IN THIS REGARD, INCLUDING AFTER BID/ISSUE CLOSING DATE, THE ELIGIBLE QIBs SUBMITTING A BID AND/OR BEING ALLOTTED EQUITY SHARES IN THE ISSUE, WILL ALSO HAVE TO SUBMIT REQUISITE DOCUMENT(S) TO FULFILL THE APPLICABLE KNOW YOUR CUSTOMER (KYC) NORMS.**

Demographic details such as address, and Bank account will be obtained from the Depositories as per the Depository Participant account details provided in the Application Form. However, for the purposes of refund of all or part of the Application Amount submitted by the Bidder, the Bank details as mentioned in the Application Form from which the Application Amount shall be remitted for the Equity Shares applied for in the Issue, will be considered.

The submission of an Application Form and payment of the Application Amount pursuant to the Application Form by a Bidder shall be deemed valid, binding and irrevocable offer for such Bidder to pay the entire Issue Price for the Equity Shares that may be Allotted to such Bidder and becomes a binding contract on a Successful Bidder upon issuance of the CAN and the Placement Document (when dispatched) by our Company (by itself or through any BRLM) in favour of the Successful Bidder.

***Submission of Application Form***

All Application Forms must be duly completed with information including the name of the Eligible QIB, the number of Equity Shares applied for along with proof of payment and a copy of the PAN card or PAN allotment letter (if applicable). The Application Form will include details of the relevant Escrow Account into which the Application Amounts will have to be deposited. The Application Amount shall be deposited in the Escrow Account as is specified in the Application Form and the Application Form shall be submitted to the Book Running Lead Manager either through electronic form or through physical delivery at the following address:

| Name of Book Running Lead Manager | Address | Contact Person | Website and Email ID | Telephone and Facsimile |
|---|---|---|---|---|
| INTELLIGENT MONEY MANAGERS PVT. LTD. | YMCA Building, 2nd Floor, 25 Jawaharlal Nehru Road, Kolkata - 700 087, | Amit Kumar Mishra | Website: https://www.intelligentgroup.org.in/ E-mail Id: info@intelligentgroup.org.in | +91-33-4065 6289 |

The BRLM shall not be required to provide any written acknowledgement of the receipt of the Application Form and the Application Amount.

Bidders, bidding on the Issue, shall pay the entire Application Amount along with the submission of the Application Form, within the Issue Period.

**Payment of Application Amount**

Our Company has opened the Escrow Account in the name of "GUJARAT TOOLROOM LIMITED – 2024 QIP ESCROW ACCOUNT" with Kotak Mahindra Bank Limited (our Escrow Bank), in terms of the Escrow Agreement. Bidders will be required to deposit the entire Application Amount payable for the Equity Shares applied for, along with the submission of the Application Form submitted by it in accordance with the applicable laws and during the Issue Period. Bidders can make payment of the Bid Amount only through electronic transfer of funds from their own Bank account.

**Note: Payments are to be made only through electronic fund transfer from the Bidder's own Bank account. Payments made through cheques or demand draft, or cash shall be liable to be rejected. Further, if the payment is not made favoring the Escrow Account within the Issue Period stipulated in the Application Form, the Application Form is liable to be rejected.**

Pending Allotment, our Company undertakes to utilize the amount deposited in the Escrow Account only for the purposes of (i) adjustment against allotment of Equity Shares in the Issue; or (ii) repayment of Application Amount if our Company is not able to Allot Equity Shares in the Issue. Notwithstanding the above, in the event a Bidder is not allocated Equity Shares in the Issue, or the number of Equity Shares Allocated to a Bidder, is lower than the number of Equity Shares applied for through the Application Form and towards which Application Amount has been paid by such Bidder, or the Application Amount was in excess of the amount equivalent to the product of the Equity Shares that have been Allocated to the Bidder and the Issue Price, or the Application Amount has been arrived at using an indicative price higher than the Issue Price, or any Bidder lowers or withdraws their Bid after submission of the Application Form but prior to the Bid/Issue Closing Date, the excess Application Amount will be refunded to the same Bank account from which Application Amount was remitted, in the form and manner set out in ***"Issue Procedure – Refunds"*** on page 310.

**Bank Account Details**

Each Eligible QIB shall mention the details of the Bank account from which the payment of Application Amount has been made along with confirmation that such payment has been made from such account.

**Pricing and Allocation**

There is a minimum pricing requirement under the SEBI ICDR Regulations. The Floor Price shall not be less than the average of the weekly high and low of the closing prices of the Equity Shares quoted on the stock exchange during the two weeks preceding the Relevant Date. For the purpose of determination of the Floor Price, 'stock exchange' shall mean any of the recognized stock exchanges in which the Equity Shares are listed and in which the highest trading volume in such Equity Shares has been recorded during the two weeks immediately preceding the Relevant Date. However, our Company may offer a discount of not more than 5% of the Floor Price in accordance with the approval of the Shareholders of our Company accorded through their resolution passed on August 14, 2024, and in terms of Regulation 176(1) of the SEBI ICDR Regulations.

Our Company, in consultation with the BRLM, shall determine the Issue Price, which shall be at or above the Floor Price.

The "Relevant Date" referred to above will be the date of the meeting in which the Board or the committee thereof decides to open the Issue and "stock exchange" means any of the recognized stock exchanges in India on which the Equity Shares of the issuer of the same class are listed and on which the highest trading volume in such Equity Shares has been recorded during the two weeks immediately preceding the Relevant Date. After finalization of the Issue Price, our Company has updated the Preliminary Placement Document with the Issue details and file the same with the Stock Exchanges as this Placement Document

**Build-up of the Book**

The Eligible QIBs shall submit their Bids (including any revision thereof) through the Application Forms within the Issue Period to the BRLM. Such Bids cannot be withdrawn or revised downwards after the Bid/Issue Closing Date. The book shall be maintained by the BRLM.

**Method of Allocation**

Our Company shall determine the Allocation in consultation with the BRLM on a discretionary basis and in compliance with Chapter VI of the SEBI ICDR Regulations. Bids received from the Eligible QIBs at or above the Issue Price shall be grouped together to determine the total demand. The Allocation to all such Eligible QIBs will be made at the Issue Price. Allocation to Mutual Funds for up to a minimum of 10% of the Issue Size shall be undertaken subject to valid Bids being received at or above the Issue Price.

**THE DECISION OF OUR COMPANY IN CONSULTATION WITH THE BOOK RUNNING LEAD MANAGER IN RESPECT OF THE ALLOCATION SHALL BE FINAL AND BINDING ON ALL BIDDERS. BIDDERS MAY NOTE THAT ALLOCATION OF EQUITY**

**SHARES IS AT THE SOLE AND ABSOLUTE DISCRETION OF OUR COMPANY, IN CONSULTATION WITH THE BOOK RUNNING LEAD MANAGER AND ELIGIBLE QIBs MAY NOT RECEIVE ANY ALLOCATION EVEN IF THEY HAVE SUBMITTED VALID APPLICATION FORMS AND PAID THE ENTIRE APPLICATION AMOUNT AT OR ABOVE THE ISSUE PRICE WITHIN THE ISSUE PERIOD. NEITHER OUR COMPANY NOR THE BOOK RUNNING LEAD MANAGER ARE OBLIGED TO ASSIGN ANY REASON FOR ANY NON-ALLOCATION.**

**CAN**

Based on receipt of the serially numbered Application Forms and Application Amount, our Company, in consultation with the BRLM, in their sole and absolute discretion, shall decide the Successful Bidders to whom the serially numbered CAN shall be dispatched, pursuant to which the details of the Equity Shares Allocated to them, the Issue Price and the Application Amount for the Equity Shares Allotted shall be notified to such Successful Bidders. Additionally, the CAN will include the probable Designated Date, being the date of credit of the Equity Shares to the Bidders' account, as applicable to the respective Bidder.

The Successful Bidders would also be sent a serially numbered Placement Document (which will include the names of the proposed Allottees along with the percentage of their post-Issue Shareholding in our Company) either in electronic form or by physical delivery.

The dispatch of the serially numbered CAN and the Placement Document (when dispatched), to the Eligible QIBs shall be deemed valid, binding and irrevocable contract for the Eligible QIBs to furnish all details that may be required by the BRLM, and to subscribe to the Equity Shares Allocated to such Successful Bidders. Subsequently, our Board or QIP Committee will approve the Allotment to the Allottees in consultation with the BRLM.

**ELIGIBLE QIBs ARE ADVISED TO INSTRUCT THEIR DEPOSITORY PARTICIPANT TO ACCEPT THE EQUITY SHARES THAT MAY BE ALLOTTED TO THEM PURSUANT TO THE ISSUE.**

By submitting the Application Form, an Eligible QIB would deemed to have made, the representations and warranties as specified in the section entitled "***Notice to Investors***" on page 4 and further that such Eligible QIB shall not undertake any trade on the Equity Shares credited to its Depository Participant account pursuant to the Issue until such time as the final listing and trading approval is issued by Stock Exchanges.

***Designated Date and Allotment of Equity Shares***

1. Subject to the satisfaction of the terms and conditions in the Placement Agreement, the Allotment of Equity Shares is completed by the Designated Date provided in the respective CANs.

2. In accordance with the SEBI ICDR Regulations, the Equity Shares in the Issue will be issued, and Allotment shall be made only in Dematerialized form to the Allottees. The Allottees will have the option to re-materialize the Equity Shares, if they so desire, as per the provisions of the Companies

Act and the Depositories Act. However, no transfer in physical form is permitted as per Regulation 40 of the SEBI Listing Regulations.

3. Our Company, at its sole discretion, reserves the right to cancel the Issue at any time up to Allotment without assigning any reason whatsoever.

4. Following the Allotment and credit of Equity Shares into the Successful Bidders' beneficiary accounts maintained with the Depository Participant, as indicated in the respective Application Form, our Company will apply to obtain listing approvals. Post receipt of listing approvals and credit of Equity Shares into the beneficiary accounts of the Eligible QIBs, our Company will apply for the trading approvals from the Stock Exchange.

5. Following the credit of Equity Shares into the respective Allottees' beneficiary accounts, our Company will apply for the final listing and trading approvals from the Stock Exchanges

6. The monies lying to the credit of the Escrow Account shall not be released until the final listing and trading approvals of the Stock Exchanges for the listing and trading of the Equity Shares issued pursuant to this Issue are received by our Company and the Company files the return of Allotment in connection with the Issue under Form PAS-3 with the RoC within the prescribed timelines under the Companies Act.

7. After finalization of the Issue Price, our Company shall update the Preliminary Placement Document with the Issue details and file it with the Stock Exchange as the Placement Document, which will include names of the proposed Allottees and the percentage of their post-Issue shareholding in the Company. Pursuant to a circular dated March 5, 2010 issued by the SEBI, Stock Exchanges are required to make available on their websites the details of those Allottees in Issue who have been allotted more than 5% of the Equity Shares offered in the Issue, namely, names of the Allottees, and number of Equity Shares Allotted to each of them, pre and post Issue shareholding pattern of our Company along with the Placement Document.

**Refunds**

In the event that the number of Equity Shares Allocated to a Bidder is lower than the number of Equity Shares applied for through the Application Form and towards which Application Amount has been paid by such Bidder, or the Application Amount paid by a Bidder is in excess of the amount equivalent to the product of the Equity Shares that have been Allocated to such Bidder and the Issue Price, or Equity Shares are not Allocated to a Bidder for any reasons, or a Bidder lowers or withdraws the Bid prior to the Bid/Issue Closing Date, or the Issue is cancelled prior to Allocation, any excess Application Amount paid by such Bidder will be refunded to the same Bank account from which the Application Amount was remitted, in the form and manner set out in the Application Form. Such Bidders to whom no Equity Shares are allocated, and full refunds shall be made will receive a refund intimation letter from our Company providing details of the refund. The Refund Amount will be transferred to the relevant Bidders within two Working Days from the issuance of the CAN.

In the event that Equity Shares have been Allocated to Successful Bidders and our Company is unable to issue and allot the Equity Shares offered in the Issue or on cancellation of the Issue, within 60 days from the date of receipt of the Application Amount, our Company shall repay the Application

Amount within 15 days from expiry of 60 days, failing which our Company shall repay that monies with interest of 12% p.a. from expiry of the sixtieth day. The application monies to be refunded by our Company shall be refunded to the same Bank account from which application monies was remitted by the Bidders, as mentioned in the Application Form.

Following the Allotment and credit of Equity Shares into the Eligible QIBs' Depository Participant accounts, we will apply for final listing and trading approvals from the Stock Exchanges. In the event of any delay in the Allotment or credit of Equity Shares, or receipt of listing and trading approvals or cancellation of the Issue, no interest or penalty would be payable by us.

We, at our sole discretion, reserve the right to cancel the Issue at any time up to Allotment without assigning any reason whatsoever.

**Release of Funds to our Company**

The monies lying to the credit of the Escrow Account shall not be released until the final listing and trading approvals of the Stock Exchange for the listing and trading of the Equity Shares issued pursuant to this Issue are received by our Company and our Company files the return of Allotment in connection with the Issue with the ROC, whichever is later.

**Other Instructions**

***Submission of Documents***
A copy of the Application Form and relevant documents as required to be provided along with the Application Form shall be submitted as soon as practicable.

***Permanent Account Number or PAN***
Each Bidder should mention its PAN (except Bids from any category of Bidders, which may be exempted from specifying their PAN for transacting in the securities market) allotted under the IT Act. A copy of the PAN card is required to be submitted with the Application Form. Further, the Application Forms without this information will be considered incomplete and are liable to be rejected. It is to be specifically noted that applicants should not submit the GIR number instead of the PAN as the Application Form is liable to be rejected on this ground.

***Bank account details***
Each Bidder shall mention the details of the bank account from which the payment of Bid Amount has been made along with confirmation that such payment has been made from such account.

***Right to Reject Applications***
Our Company, in consultation with the BRLM, may reject Bids, in part or in full, without assigning any reason whatsoever. The decision of our Company in consultation with the BRLM in relation to the rejection of Bids shall be final and binding. In the event the Bid is rejected by our Company, the Application Amount paid by the Bidder shall be refunded to the same Bank account from which the Application Amount was remitted by such Bidder as set out in the Application Form. For details, see "***Bid Process***" and "***Refunds***" on pages 303 and 310 respectively.

***Release of Funds to our Company***

The Escrow Bank shall not release the monies lying to the credit of the "GUJARAT TOOLROOM LIMITED – 2024 QIP ESCROW ACCOUNT" to our Company until receipt of notice from the BRLM, of the filing of Return of Allotment under Form PAS-3 with the ROC.

***Equity Shares in Dematerialized form with NSDL or CDSL***

The Allotment shall be only in Dematerialized form (i.e., not in physical certificates but be fungible and be represented by the statement issued through the electronic mode).

An Eligible QIB applying for Equity Shares to be issued pursuant to the Issue must have at least one beneficiary account with a Depository Participant of either NSDL or CDSL prior to making the Bid. Equity Shares Allotted to a Successful Bidder will be credited in electronic form directly to the beneficiary account with the Depository Participant of the Successful Bidder, as indicated in the Application Form.

Equity Shares in electronic form can be traded only on the stock exchanges having electronic connectivity with NSDL and CDSL. The Stock Exchanges have electronic connectivity with NSDL and CDSL. The trading of the Equity Shares to be issued pursuant to the Issue would be in dematerialized form only for all QIBs in the demat segment of the respective Stock Exchanges. Our Company and the Book Running Lead Managers shall not be responsible or liable for the delay in the credit of Equity Shares to be issued pursuant to the Issue due to errors in the Application Form or otherwise on the part of the Bidders.

# PLACEMENT

## Placement Agreement

The Book Running Lead Manager (BRLM) has entered into a placement agreement dated December 12, 2024, with our Company, pursuant to which the BRLM has agreed, subject to certain conditions, to manage the Issue and to act as a placement agent in connection with the proposed Issue and procure subscription to Equity Shares on a reasonable effort's basis.

The Equity Shares will be placed with the QIBs, pursuant to Chapter VI of the SEBI ICDR Regulations, Section 42 of the Companies Act read with Rule 14 of the PAS Rules, as amended and other applicable provisions of the Companies Act, and the rules made thereunder. The Placement Agreement contains customary representations, warranties, and indemnities from our Company and the BRLM, and it is subject to termination in accordance with the terms contained therein.

Applications shall be made to list the Equity Shares issued pursuant to this Issue and admit them to trading on the Stock Exchanges. No assurance can be given as to the liquidity or sustainability of the trading market for such Equity Shares, the ability of holders of the Equity Shares to sell their Equity Shares or the price at which holders of the Equity Shares will be able to sell their Equity Shares.

This Placement Document has not been, and will not be, registered as a prospectus with the ROC, and no Equity Shares will be offered in India or overseas to the public or any members of the public in India or any other class of investors, other than Eligible QIBs.

The BRLM and their affiliates may engage in transactions with and perform services for our Company and our Subsidiary or affiliates in the ordinary course of business and have engaged, or may in the future engage, in commercial banking and investment banking transactions with our Company and our Subsidiary or affiliates, for which they would have received compensation and may in the future receive compensation.

In connection with the Issue, the BRLM (or their affiliates) may, for their own accounts, enter into asset swaps, credit derivatives or other derivative transactions relating to the Equity Shares at the same time as the offer and sale of the Equity Shares, or in secondary market transactions. As a result of such transactions, the BRLM may hold long or short positions in such Equity Shares. These transactions may comprise a substantial portion of the Issue, and no specific disclosure will be made of such positions. Affiliates of the BRLM which are Eligible FPIs may purchase, to the extent permissible under law, the Equity Shares in the Issue, and may issue P-Notes in respect thereof. See ***"Offshore Derivative Instruments"*** and ***"Representations by Investors***" on page 17 and 9 respectively.

## Relationship with the BRLM

In connection with the Issue, the BRLM or its affiliates may, for their own account, subscribe to the Equity Shares or enter into asset swaps, credit derivatives or other derivative transactions relating to the Equity Shares to be issued pursuant to the Issue at the same time as the offer and subscription or sale of the Equity Shares, or in secondary market transactions. As a result of such transactions, the

Book Running Lead Manager may hold long or short positions in such Equity Shares. These transactions may comprise a substantial portion of the Issue and no specific disclosure will be made of such positions. Affiliates of the Book Running Lead Manager may purchase or subscribe to the Equity Shares or be Allotted Equity Shares for proprietary purposes and not with a view to distribute or in connection with the issuance of P-Notes. For further details, see the section "***Offshore Derivative Instruments***" beginning on page 17 of this Placement Document.

The Equity Shares offered in the Issue have not been and will not be registered under the U.S. Securities Act, or the securities laws of any state of the United States and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and any applicable state securities laws. Accordingly, the Equity Shares are being offered and sold by the Company outside the United States, in "offshore transactions", as defined in, and in reliance on, Regulation S and the applicable laws of the jurisdiction where those offers and sales occur.

From time to time, the BRLM, its affiliates and associates may have engaged in or may in the future engage in transactions with and perform services including but not limited to investment banking, advisory, commercial banking, trading services for our Company, group companies, affiliates and the Shareholders, as well as to their respective associates and affiliates, pursuant to which fees and commissions have been paid or will be paid to the BRLM, its affiliates and associates.

**Lock-up**

Our Company will not, for a period commencing from the date hereof and ending 15 days from the date of Allotment, without the prior written consent of the Book Running Lead Manager, directly or indirectly: (a) issue, offer, lend, pledge, sell, contract to sell or issue, sell any option or contract to purchase, purchase any option or 138 contract to sell or issue, grant any option, right or warrant to purchase, lend or otherwise transfer or dispose of, directly or indirectly, any equity shares, or any securities convertible into or exercisable or exchangeable for Equity Share; (b) enter into any swap or other agreement that transfers, directly or indirectly, in whole or in part, any of the economic consequences of ownership of equity shares; or (c) enter into any transaction (including a transaction involving derivatives) having an economic effect similar to that of an issue, offer, sale or deposit of the Shares in any depository receipt facility; (d) publicly announce any intention to enter into any transaction described in (a) or (b) above, whether any such transaction described in (a) or (b) above is to be settled by delivery of Equity Shares, or such other securities, in cash or otherwise; provided that, the foregoing restrictions do not apply to any sale, transfer or disposition or issue of Equity Shares (including, without limitation, securities convertible into or exercisable or exchangeable for Equity Shares) pursuant to any transaction required by law or an order of a court of law or a statutory authority.

**Lock-up by Promoter**

Our Promoters and members of the Promoter Group agree that without the prior written consent of the Book Running Lead Manager, they shall not, announce any intention to enter into any transaction whether any such transaction which is to be settled by delivery of Equity Shares, or such other securities, in cash or otherwise, during the period commencing on the date of the Preliminary Placement Document and ending 15 days from the date of the filing of the Placement Document

(both dates inclusive) ("Lock-up Period") directly or indirectly: (1) offer, issue, pledge, sell, encumber, contract to sell or announce the intention to sell, lend, purchase any option or contract to sell, grant or sell any option, right, contract or warrant to purchase, lend, make any short sale or otherwise transfer or dispose of any Equity Shares or any other securities of our Company substantially similar to the Equity Shares acquired or purchased during the Lock-Up Period, including, but not limited to options, warrants or other securities that are convertible into, exercisable or exchangeable for, or that represent the right to receive Equity Shares or any such substantially similar securities, whether now owned or hereinafter acquired; (2) enter into any swap or other agreement or any transaction that transfers, in whole or in part, directly or indirectly, the economic consequences of ownership of the Equity Shares and the securities that are convertible into, exercisable or exchangeable for or any such substantially similar securities, whether now owned or hereinafter acquired; whether any such transaction described in clause (1) or (2) above is to be settled by delivery of the Equity Shares or such other securities, in cash or otherwise, (3) enter into any transaction (including a transaction involving derivatives) having an economic effect similar to that of an issue, offer, sale or deposit of the Equity Shares or any securities convertible into or exercisable or exchangeable for Equity Shares or which carry the right to subscribe for or purchase Equity Shares in any depository receipt facility, or (4) publicly announce its intention to enter into the transactions referred to in (1) to (3) above.

Our Promoters have further agreed that any Equity Shares acquired by them during the Lock-up Period, either from the open market or inter-se transfer, shall constitute Promoter Shares, and shall be subject to the restrictions contained in the Placement Agreement.

# SELLING RESTRICTIONS

The distribution of this Placement Document and the offer, sale or delivery of the Equity Shares in this Issue is restricted by law in certain jurisdictions. Therefore, persons who may come into possession of this Placement Document are advised to consult with their own legal advisors as to what restrictions may be applicable to them and to observe such restrictions. This Placement Document may not be used for the purpose of an offer or invitation in any circumstances in which such offer or invitation is not authorized.

This Issue is being made only to Eligible QIBs through a QIP, in accordance with Chapter VI of the SEBI ICDR Regulations and the Companies Act. Each purchaser of the Equity Shares in this Issue will be deemed to have made acknowledgments and agreements as described under "***Notice to Investors***" and "***Representations by Investors***" on pages 4 and 9 of this Placement Document, respectively.

**General**

The Issue is being made only to Eligible QIBs. The distribution of this Placement Document and the offer and sale of the Equity Shares offered in the Issue is restricted by law in certain jurisdictions. No action has been taken or will be taken that would permit the offer and sale of the Equity Shares offered in the Issue to occur in any jurisdiction other than India or the possession, circulation or distribution of this Placement Document or any other material relating to the Issue in any jurisdiction where action for such purpose is required, except in India. Accordingly, the Equity Shares may not be offered or sold, directly or indirectly, and neither this Placement Document nor any offering materials or advertisements in connection with the Issue may be distributed or published in or from any country or jurisdiction except under circumstances that will result in compliance with any applicable rules and regulations of any such country or jurisdiction. Therefore, persons who may come into possession of this Placement Document are advised to consult with their own legal advisors as to what restrictions may be applicable to them and to observe such restrictions. Each purchaser of the Equity Shares in this Issue will be deemed to have made the representations, warranties, and acknowledgments to and agreements with our Company and the Book Running Lead Manager as described in this section and under "***Notice to Investors***," "***Representations by Investors***" and "***Transfer Restrictions and Purchaser Representations***" on pages 4, 9 and 330, respectively.

**India**

The Issue will be made in compliance with the applicable SEBI ICDR Regulations, Section 42 of the Companies Act read with Rule 14 of the PAS Rules and other applicable provisions of the Companies Act and the rules made thereunder.

This Placement Document may not be distributed directly or indirectly in India or to residents of India and any Equity Shares may not be offered or sold directly or indirectly in India to, or for the account or benefit of, any resident of India except as permitted by applicable Indian laws and regulations, under which an offer is strictly on a private and confidential basis and is limited to Eligible QIBs and is not an offer to the public. This Placement Document has not been and will not be filed as a prospectus with the ROC and will not be circulated or distributed to the public in India or any other jurisdiction and will not constitute a public offer in India or any other jurisdiction.

**Australia**

This Placement Document is not a disclosure document or a prospectus under Chapter 6D.2 of the Corporations Act 2001 (Cth) ("Corporations Act") and has not been lodged with the Australian Securities and Investments Commission and it does not purport to include the information required of a disclosure document under Chapter 6D.2 of the Corporations Act.

No offer will be made under this Placement Document to investors to whom disclosure is required to be made under Chapter 6D of the Corporations Act. Each purchaser of the Equity Shares offered in the Issue in Australia shall be deemed to represent and warrant that it is either a "sophisticated investor" or a "professional investor" and that it is not a "retail client" within the meaning of those terms in the Corporations Act.

The Equity Shares acquired in the Issue in Australia must not be offered for sale in Australia in the period of 12 months after the date of the Allotment, except in circumstances where disclosure to investors under Chapter 6D of the Corporations Act would not be required pursuant to an exemption under Section 708 of the Corporations Act or otherwise or where the offer is pursuant to a disclosure document that complies with Chapter 6D of the Corporations Act. Each purchaser of the Equity Shares offered in the Issue in Australia shall be deemed to undertake to our Company that it will not, for a period of 12 months from the date of issue of the Equity Shares, offer, transfer, assign or otherwise alienate those Equity Shares to investors in Australia except in circumstances where disclosure to investors is not required under Chapter 6D.2 of the Corporations Act or where or where the offer is pursuant to a disclosure document that complies with Chapter 6D of the Corporations Act. Neither the BRLM nor any of its affiliates is the holder of Australian Financial Services License.

**Bahrain**

All marketing and offering of the Equity Shares in the Issue has been made and will be made outside the Kingdom of Bahrain. This Placement Document and the Equity Shares that is offered pursuant to this Placement Document have not been registered, filed, approved or licensed by the Central Bank of Bahrain ("**CBB**"), the Bahrain Bourse, the Ministry of Industry, Commerce and Tourism ("**MOICT**") or any other relevant licensing authorities in the Kingdom of Bahrain.

The CBB, the Bahrain Bourse and the MOICT of the Kingdom of Bahrain takes no responsibility for the accuracy of the statements and information contained in this Placement Document, nor shall they have any liability to any person, investor or otherwise for any loss or damage resulting from reliance on any statements or information contained herein. This Placement Document is only intended for Accredited Investors as defined by the CBB and the Equity Shares offered by way of Private Placement may only be offered in minimum subscriptions of USD 100,000 (or equivalent in other currencies). No invitation to the public in the Kingdom of Bahrain to subscribe to the Equity Shares is being made and this Placement Document will not be issued to, passed to, or made available to the public generally in the Kingdom of Bahrain. The CBB has not reviewed, nor has it approved this Placement Document and any related offering documents or the marketing thereof in the Kingdom of Bahrain. The CBB is not and will not be responsible for the performance of the Equity Shares.

**British Virgin Islands**

The Equity Shares are not being and may not be offered to the public or to any person in the British Virgin Islands for purchase or subscription by or on our behalf. The Equity Shares may be offered to

companies incorporated under the BVI Business Companies Act, 2004 (British Virgin Islands) (each a "**BVI Company**"), but only where the offer will be made to, and received by, the relevant BVI Company entirely outside of the British Virgin Islands.

This Placement Document has not been, and will not be, registered with the Financial Services Commission of the British Virgin Islands. No registered document has been or will be prepared in respect of the Equity Shares for the purposes of the Securities and Investment Business Act, 2010 or the Public Issuers Code of the British Virgin Islands.

**Canada**

The Equity Shares may be sold only to purchasers purchasing, or deemed to be purchasing, as principal that are accredited investors, as defined in National Instrument 45-106 Prospectus Exemptions or subsection 73.3(1) of the Securities Act (Ontario), and are permitted clients, as defined in National Instrument 31-103 Registration Requirements, Exemptions and Ongoing Registrant Obligations. Any resale of the Equity Shares must be made in accordance with an exemption from, or in a transaction not subject to, the prospectus requirements of applicable securities laws.

Securities legislation in certain provinces or territories of Canada may provide a purchaser with remedies for rescission or damages if this Placement Document (including any amendment thereto) contains a misrepresentation, provided that the remedies for rescission or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province or territory. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province or territory for particulars of these rights or consult with a legal advisor.

Pursuant to section 3A.3 of National Instrument 33-105 Underwriting Conflicts (NI 33-105), the BRLMs are not required to comply with the disclosure requirements of NI 33-105 regarding underwriter conflicts of interest in connection with the Issue.

**Cayman Islands**

No offer or invitation to subscribe for Equity Shares may be made to the public in the Cayman Islands to subscribe for any of the Equity Shares but an invitation or offer may be made to sophisticated persons (as defined in the Cayman Islands Securities Investment Business Law (the "SIBL"), high net worth persons (as defined in the SIBL) or otherwise in accordance with the SIBL. This Placement Document does not constitute an invitation or offer to the public in the Cayman Islands of the Equity Shares, whether by way of sale or subscription. The Equity Shares are not being offered or sold, and will not be offered or sold, directly or indirectly, to the public in the Cayman Islands.

**United States**

The Equity Shares offered in the Issue have not been and will not be registered under the U.S. Securities Act or the securities laws of any state of the United States and may not be offered or sold in the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. The Equity Shares offered in the Issue are being offered and sold only outside the United States in reliance on Regulation S. To help ensure compliance with Regulations, each purchaser of the Equity Shares offered and sold in "*offshore transactions*" as defined in, and reliance on Regulation S deemed to have made the representations, warranties, acknowledgements and agreements agreed as follows:

a) the purchaser (i) is, and the person, if any, for whose account it is acquiring such Shares is, outside the United States, and (ii) is acquiring the Shares in an "offshore transaction" as defined in Regulations.

b) the purchaser has not been offered the Shares by means of any "directed selling efforts" as defined in Regulations.

c) the purchaser is aware that the Shares have not been and will not be registered under the Securities Act and are being distributed and offered outside the United States in reliance on Regulations, and, subject to certain exceptions, may not be offered or sold within the United States; and

d) the purchaser acknowledges that our Company, the Book Running Lead Manager, their affiliates and others will rely upon the truth and accuracy of the foregoing representations and agreements.

**European Economic Area**

In relation to each Member State of the European Economic Area (each a "Relevant State"), an offer to the public of any Equity Shares in the Issue may not be made in that Relevant State, except if the Equity Shares are offered to the public in that Relevant State at any time under the following exemptions under the Prospectus Regulation (EU) 2017/1129 (and any amendment thereto) (the "Prospectus Regulation"):

a) to any legal entity which is a qualified investor as defined under the Prospectus Regulation.

b) to fewer than 150 natural or legal persons (other than qualified investors as defined under the Prospectus Regulation), subject to obtaining the prior consent of the Book Running Lead Manager and the Syndicate Members for any such offer; or

c) in any other circumstances falling within Article 1(4) of the Prospectus Regulation, provided that no such offer of the Equity Shares shall require our Company or any BRLM to publish a prospectus pursuant to article 3 of the Prospectus Regulation or supplement a prospectus pursuant to article 23 of the Prospectus Regulation.

**Hong Kong**

This Placement Document has not been reviewed or approved by any regulatory authority in Hong Kong. In particular, this Placement Document has not been, and will not be, registered as "prospectus" in Hong Kong under the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap 32) ("CO") nor has it been authorised by the Securities and Futures Commission ("SFC") in Hong Kong pursuant to the Securities and Futures Ordinance (Cap 571) ("SFO"). Recipients are advised to exercise caution in relation to the Issue. If recipients are in any doubt about any of the contents of this Placement Document, they should obtain independent professional advice.

No advertisement, invitation or document relating to the Equity Shares, which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Equity Shares which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" as defined in the SFO and any rules made under the SFO has been or will be issued, whether in Hong Kong or elsewhere.

This Placement Document does not constitute an offer or invitation to the public in Hong Kong to acquire any Equity Shares nor an advertisement of the Equity Shares in Hong Kong. The Preliminary Placement Document must not be issued, circulated or distributed in Hong Kong other than:

a) to "professional investors" within the meaning of the SFO and any rules made under that ordinance ("Professional Investors"); or

b) in other circumstances which do not result in this Placement Document being a prospectus as defined in the CO nor constitute an offer to the public which requires authorization by the SFC under the SFO.

Unless permitted by the securities laws of Hong Kong, no person may issue or have in its possession for issue, whether in Hong Kong or elsewhere, any advertisement, invitation or document relating to the Equity Shares, which is directed at, or the content of which is likely to be accessed or read by, the public of Hong Kong other than with respect to the Equity Shares which are or are intended to be disposed of only to persons outside Hong Kong or only to Professional Investors.

Any offer of the Equity Shares will be personal to the person to whom relevant offer documents are delivered, and a subscription for the Equity Shares will only be accepted from such person. No person who has received a copy of the Placement Document may issue, circulate or distribute the Placement Document in Hong Kong or make or give a copy of the Placement Document to any other person.

No person allotted Equity Shares may sell, or offer to sell, such Equity Shares to the public in Hong Kong within six months following the date of issue of such Equity Shares.

**Japan**

The Equity Shares offered hereby have not been and will not be registered under the Financial Instruments and 133 Exchange Act of Japan (Act No. 25 of 1948, as amended, the "Financial Instruments and Exchange Act"). The Placement Document is not an offer of shares for sale, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan (which term as used in the Placement Document means any person resident in Japan, including any corporation or entity organized under the laws of Japan) or to others for reoffer or resale, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan, except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the Financial Instruments and Exchange Act and other relevant laws and regulations of Japan.

**Jordan**

The Equity Shares have not been and will not be offered, sold or delivered at any time, directly or indirectly, in the Hashemite Kingdom of Jordan in a manner that would constitute a public offering. This Placement Document has not been and will not be reviewed or approved by, or registered with, the Jordan Securities Commission in accordance with its regulations and any other regulations in the Hashemite Kingdom of Jordan. The Equity Shares are not and will not be traded on the Amman Stock Exchange.

The BRLM has represented and agreed that the Securities have not been and will not be offered, sold or promoted or advertised by it in Jordan other than in compliance with the Securities Law No. (76) of 2002, as amended, the Law Regulating Dealings in Foreign Exchange No. (50) of 2008, and regulations issued pursuant to them governing the issue of offering and sale of securities. Without limiting the foregoing, the BRLM has represented and agreed that the Equity Shares have not been

and will not, in any manner, be offered, sold, promoted or advertised to more than thirty (30) persons in Jordan, without complying with the required approval and notification requirements set-out under the above-referenced laws and the regulations issued pursuant to them.

**People's Republic of China**

This Placement Document may not be circulated or distributed in the People's Republic of China (excluding, for the purposes of this paragraph, the Hong Kong and Macau Special Administrative Regions and Taiwan Province) and the Equity Shares may not be offered or sold directly or indirectly to any resident of the People's Republic of China, or offered or sold to any person for reoffering or resale directly or indirectly to any resident of the People's Republic of China except under applicable laws and regulations of the People's Republic of China.

**Republic of Korea**

We are not making any representation with respect to the eligibility of any recipients of this Placement Document to acquire the Equity Shares therein under the laws of Korea, including, but without limitation, the Foreign Exchange Transaction Law and Regulations thereunder. The Equity Shares have not been and will not be registered under the Financial Investment Services and Capital Markets Act of Korea (the "**FSCMA**"). Accordingly, the Equity Shares may not be offered, sold or delivered, or offered or sold to any person for re-offering or resale, directly or indirectly, in Korea or to, or for the account or benefit of, any resident of Korea (as such term is defined under the Foreign Exchange Transaction Law of Korea and its Enforcement Decree), for a period of one year from the date of issuance of the Equity Shares, except (i) where relevant requirements are satisfied, the Equity Shares may be offered, sold or delivered to or for the account or benefit of a Korean resident which falls within certain categories of qualified professional investors as specified in the FSCMA, its Enforcement Decree and the Regulation on Securities Issuance and Disclosure promulgated thereunder, or (ii) as otherwise permitted under applicable Korean laws and regulations. Furthermore, the Equity Shares may not be re-sold to Korea residents unless the purchaser of the Equity Shares complies with all applicable regulatory requirements (including, but not limited to, governmental approval requirements under the Foreign Exchange Transaction Law and its subordinate decrees and regulations) in connection with purchase of the Equity Shares.

**Singapore**

The Placement Document has not been and will not be registered as a prospectus with the Monetary Authority of Singapore, and the Equity Shares will be offered pursuant to exemptions under the Securities and Futures Act (Chapter 289) of Singapore, as modified or amended from time to time (the "SFA"). Accordingly, the Equity Shares may not be offered or sold or made the subject of an invitation for subscription or purchase nor may the Placement Document or any other document or material in connection with the offer or sale or invitation for subscription or purchase of the Equity Shares be circulated or distributed, whether directly or indirectly, to any person in Singapore other than (i) to an institutional investor (as defined in Section 4A of the SFA) pursuant to Section 274 of the SFA, (ii) to a relevant person (as defined in Section 275(2) of the SFA) pursuant to Section 275(1) of the SFA, or any person pursuant to Section 275(1A) of the SFA, and in accordance with the conditions specified in Section 275 of the SFA, or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where Equity Shares are subscribed or purchased under Section 275 of the SFA by a relevant person which is:

a) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or

b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor,

c) securities or securities-based derivatives contracts (each term as defined in Section 2(1) of the SFA) of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the Equity Shares pursuant to an offer made under Section 275 of the SFA except:

- to an institutional investor or to a relevant person, or to any person arising from an offer referred to in Section 275(1A) or Section 276(4)(i)(B) of the SFA;
- where no consideration is or will be given for the transfer;
- where the transfer is by operation of law;
- as specified in Section 267(7) of the SFA; or
- As specified in Regulation 37A of the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018.

Notification under Sections 309B(1)(a) and 309B(1)(c) of the SFA: We have determined, and hereby notify all relevant persons (as defined in Section 309A of the SFA) that the Equity Shares are: (A) prescribed capital markets products (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018) and (B) Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment: Notice on Recommendations on Investment Products).

**Taiwan**

The Equity Shares have not been and will not be registered with the Financial Supervisory Commission of Taiwan pursuant to relevant securities laws and regulations and may not be sold, issued or offered within Taiwan through a public offering or in circumstances which constitutes an offer within the meaning of the Securities and Exchange Act of Taiwan that requires a registration or approval of the Financial Supervisory Commission of Taiwan. No person or entity in Taiwan has been authorized to offer, sell, give advice regarding or otherwise intermediate the offering and sale of the Equity Shares in Taiwan.

**United Kingdom**

No Equity Shares have been offered or will be offered pursuant to the Issue to the public in the United Kingdom prior to the publication of a prospectus in relation to the Equity Shares, except that the Equity Shares may be offered to the public in the United Kingdom at any time:

a) to any legal entity which is a qualified investor as defined under Article 2 of the UK Prospectus Regulation;

b) to fewer than 150 natural or legal persons (other than qualified investors as defined under Article 2 of the UK Prospectus Regulation), subject to obtaining the prior consent of Book Running Lead Manager for any such offer; or

c) in any other circumstances falling within Article 1(4) of the UK Prospectus Regulation;

provided that no such offer of the Shares shall require our Company or any BRLM to publish a prospectus pursuant to Article 3 of the UK Prospectus Regulation or supplement a prospectus

pursuant to Article 23 of the UK Prospectus Regulation. For the purposes of this provision, the expression an "offer to the public" in relation to the Shares in the United Kingdom means the communication in any form and by any means of sufficient information on the terms of the offer and any Shares to be offered so as to enable an investor to decide to purchase or subscribe for any Shares and the expression "UK Prospectus Regulation" means Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018.

The Placement Document may not be distributed or circulated to any person in the United Kingdom other than to (i) persons who have professional experience in matters relating to investments falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the "Financial Promotion Order"); and (ii) high net worth entities falling within Article 49(2)(a) to (d) of the Financial Promotion Order (all such persons together being referred to as "Relevant Persons"). The Placement Document is directed only at relevant persons. Other persons should not act on the Placement Document or any of its contents. The Placement Document is confidential and is being supplied to you solely for your information and may not be reproduced, redistributed or passed on to any other person or published, in whole or in part, for any other purpose.

**Kuwait**

This Placement Document has not been licensed for the offering, promotion, marketing, advertisement or sale of the Equity Shares offered in the Issue in the State of Kuwait by the Capital Markets Authority or any other relevant Kuwaiti government agency. The offering, promotion, marketing, advertisement or sale of the Equity Shares offered in the Issue in the State of Kuwait on the basis of a private placement or public offering is, therefore, prohibited in accordance with Law No. 7 of 2010 and the Executive Bylaws for Law No. 7 of 2010, as amended, which govern the issue, offer, marketing and sale of securities in the State of Kuwait ("Kuwait Securities Laws"). Therefore, in accordance with the Kuwait Securities Laws, no private or public offering of the Equity Shares is or will be made in the State of Kuwait, no agreement relating to the sale of the Equity Shares will be concluded in the State of Kuwait and no marketing or solicitation or inducement activities are being used to offer or market the Equity Shares in the State of Kuwait.

**Mauritius**

In accordance with the Securities Act, 2005 of Mauritius, no offer of the Equity Shares offered in the Issue may be made to the public in Mauritius without, amongst other things, the prior approval of the Mauritius Financial Services Commission. This Placement Document has not been approved or registered by the Mauritius Financial Services Commission. Accordingly, this Placement Document does not constitute a public offering. The Placement Document is for the exclusive use of the person to whom it has been given by the BRLM and is a private concern between the sender and the recipient.

**New Zealand**

This Placement Document has not been registered, filed with or approved by any New Zealand regulatory authority under the Financial Markets Conduct Act 2013 (the "FMA Act"). The Equity Shares offered in the Issue may only be offered or sold in New Zealand (or allotted with a view to being offered for sale in New Zealand) to a person who: (a) is an investment business within the meaning of clause 37 of Schedule 1 of the FMC Act; (b) meets the investment activity criteria specified in clause 38 of Schedule 1 of the FMC Act; (c) is large within the meaning of clause 39 of Schedule 1 of the FMC Act; (d) is a government agency within the meaning of clause 40 of Schedule

1 of the FMC Act; or (e) is an eligible investor within the meaning of clause 41 of Schedule 1 of the FMC Act.

**Oman**

This Placement Document does not constitute an offer to sell or the solicitation of any offer to buy non-Omani securities in the Sultanate of Oman. This Placement Document is strictly private and confidential and is being provided to a limited number of sophisticated investors solely to enable them to decide whether or not to invest in the Equity Shares outside of the Sultanate of Oman, upon the terms and subject to the restrictions set out herein and may not be reproduced or used for any other purpose or provided to any person other than the original recipient.

This Placement Document has not been approved by the Capital Market Authority of Oman (the "**CMA**") or any other regulatory body or authority in the Sultanate of Oman ("**Oman**"), nor has the BRLM or any placement agent acting on its behalf received authorization, licensing or approval from the CMA or any other regulatory authority in Oman, to market, offer, sell, or distribute the Equity Shares in Oman.

No marketing, offering, selling or distribution of any Equity Shares has been or will be made from within Oman and no subscription for any Equity Shares may or will be consummated within Oman. Neither the BRLM nor any placement agent acting on its behalf is a company licensed by the CMA to provide investment advisory, brokerage, or portfolio management services in Oman, nor a bank licensed by the Central Bank of Oman to provide investment banking services in Oman. Neither the BRLM nor any placement agent acting on its behalf advise persons or entities resident or based in Oman as to the appropriateness of investing in or purchasing or selling securities or other financial products.

The Equity Shares offered in the Issue have not and will not be listed on any stock exchange in the Sultanate of Oman. Nothing contained in this Placement Document is intended to constitute Omani investment, legal, tax, accounting or other professional advice. This Placement Document is for your information only, and nothing herein is intended to endorse or recommend a particular course of action. You should consult with an appropriate professional for specific advice on the basis of your situation.

**Qatar (excluding the Qatar Financial Centre)**

This Placement Document does not, and is not intended to, constitute an invitation or an offer of Equity Shares in the State of Qatar and accordingly should not be construed as such. The Equity Shares offered in the Issue have not been, and shall not be, offered, sold or delivered at any time, directly or indirectly, in the State of Qatar. Any offering of the Equity Shares shall not constitute a public offer of securities in the State of Qatar.

By receiving this Placement Document, the person or entity to whom it has been provided to understands, acknowledges and agrees that: (a) neither this Placement Document nor the Equity Shares have been registered, considered, authorized or approved by the Qatar Central Bank, the Qatar Financial Markets Authority, or any other authority or agency in the State of Qatar; (b) our Company and the BRLM is not authorized or licensed by the Qatar Central Bank, the Qatar Financial Markets Authority or any other authority or agency in the State of Qatar, to market or sell the Equity Shares within the State of Qatar; (c) this Placement Document may not be provided to any person other than the original recipient and is not for general circulation in the State of Qatar; and (d) no agreement relating to the sale of the Equity Shares shall be consummated within the State of Qatar.

No marketing of the Issue has been or will be made from within the State of Qatar and no subscription to the Equity Shares may or will be consummated within the State of Qatar. Any applications to invest in the Equity Shares shall be received from outside of Qatar. This Placement Document shall not form the basis of, or be relied on in connection with, any contract in Qatar. Our Company and the BRLM are not, by distributing this Placement Document, advising individuals resident in the State of Qatar as to the appropriateness of purchasing Equity Shares in the Issue. Nothing contained in this Placement Document is intended to constitute investment, legal, tax, accounting or other professional advice in, or in respect of, the State of Qatar.

**Qatar Financial Centre**

This Placement Document does not, and is not intended to, constitute an invitation or offer of Equity Shares from or within the Qatar Financial Centre ("QFC"), and accordingly should not be construed as such. The Placement Document has not been reviewed or approved by or registered with the Qatar Financial Centre Authority, the Qatar Financial Centre Regulatory Authority or any other competent legal body in the QFC.

The Placement Document is strictly private and confidential and may not be reproduced or used for any other purpose, nor provided to any person other than the recipient thereof. Our Company has not been approved or licensed by or registered with any licensing authorities within the QFC.

**Saudi Arabia**

This Placement Document may not be distributed in the Kingdom of Saudi Arabia except to such persons as are permitted under the Offers of Securities Regulations as issued by the board of the Saudi Arabian Capital Market Authority ("**CMA**") pursuant to resolution number pursuant to resolution number 3-123-2017 dated December 27, 2017 as amended by resolution number 1-104-2019 dated September 30, 2019, as amended (the "**CMA Regulations**"). The CMA does not make any representation as to the accuracy or completeness of this Placement Document and expressly disclaims any liability whatsoever for any loss arising from, or incurred in reliance upon, any part of this Placement Document. Prospective purchasers of the Equity Shares offered hereby should conduct their own due diligence. If you do not understand the contents of this Placement Document, you should consult an authorized financial adviser.

**South Africa**

In South Africa, the offering of the Equity Shares in the Issue will only be made by way of Private Placement to:

a) selected persons falling within one of the specified categories listed in section 96(1)(a) of the South African Companies Act of 2008, as amended (the "**South African Companies Act**"); and

b) selected persons, acting as principal, acquiring Equity Shares for a total acquisition cost of ZAR 1,000,000 or more, as contemplated in section 96(1)(b) of the South African Companies Act, and in each case to whom the offer of the Equity Shares will specifically be addressed, and only by whom the offer will be capable of acceptance (the "**South African Qualifying Investors**"). This Placement Document is being made available only to such South African Qualifying Investors. The information contained in this Placement Document does not constitute, nor form part of, any offer or invitation to sell or issue, an advertisement or any solicitation of any offer or invitation to purchase or subscribe for any Equity Shares or any other securities and is not an "offer to the public" as contemplated in the South African Companies Act.

This Placement Document does not, nor does it intend to, constitute a "registered prospectus" or an "advertisement", as contemplated by the South African Companies Act and no prospectus has been filed with the Companies and Intellectual Property Commission (the "**CIPC**") in respect of the Issue of the Equity Shares. As a result, this Placement Document does not comply with the substance and

form requirements for a prospectus set out in the South African Companies Act and the South African Companies Regulations of 2011, and has not been approved by, and/or registered with, the CIPC.

The information contained in this Placement Document constitutes factual information as contemplated in section 1(3)(a) of the South African Financial Advisory and Intermediary Services Act of 2002, as amended (the "**FAIS Act**") and should not be construed as an express or implied recommendation, guide or proposal that any particular transaction in respect of the Equity Shares or in relation to the business or future investments of our Company is appropriate to the particular investment objectives, financial situation or needs of a prospective investor, and nothing in this Placement Document should be construed as constituting the canvassing for, or marketing or advertising of, financial services in South Africa. Our Company is not a financial services provider licensed as such under the FAIS Act.

**South Korea**

No securities registration statement in relation to the Solicitations (as defined under Financial Investment Services and Capital Markets Act of the Republic of Korea ("**South Korea**") (the "**FISCMA**")) of the Equity Shares offered in the Issue in South Korea has been or will be filed pursuant to the FISCMA. The Solicitations shall only be made (i) to certain professionals as prescribed in the FISCMA and the enforcement decree promulgated thereunder ("**Professional Investors**") and (ii) to no more than 49 persons (excluding any Professional Investors) during the six-month period prior to the contemplated date of the allotment of the Equity Shares in the Issue.

Furthermore, the Equity Shares may not be offered, sold, transferred or delivered for reoffering or resale, directly or indirectly, in South Korea or to, or for the account or benefit of, any resident (as defined under the Foreign Exchange Transactions Act of South Korea and the decree, rules and regulations promulgated thereunder) thereof for a period of one year from the date of the issuance of the Equity Shares, except as otherwise permitted under applicable South Korean laws and regulations.

**Switzerland**

The Equity Shares offered in the Issue may not be publicly offered in Switzerland and will not be listed on the SIX Swiss Exchange ("**SIX**") or on any other stock exchange or regulated trading facility in Switzerland. This Placement Document does not constitute a prospectus within the meaning of and has been prepared without regard to the disclosure standards for issuance prospectuses under art. 652a or art. 1156 of the Swiss Code of Obligations or the disclosure standards for listing prospectuses under the SIX Listing Rules or the listing rules of any other stock exchange or regulated trading facility in Switzerland. Neither this Placement Document nor any other offering or marketing material relating to the Equity Shares offered in the Issue may be publicly distributed or otherwise made publicly available in Switzerland. The Equity Shares offered in the Issue 170 shall only be offered to regulate financial intermediaries, such as banks, securities dealers, insurance institutions and fund management companies, as well as institutional investors with professional treasury operations. Neither this Placement Document nor any other offering or marketing material relating to the offering of the Equity Shares in the Issue have been or will be filed with or approved by any Swiss regulatory authority.

In particular, this Placement Document will not be filed with, and the offer of the Equity Shares offered in the Issue will not be supervised by, the Swiss Financial Market Supervisory Authority FINMA The offer of the Equity Shares in the Issue has not been and will not be authorized under the Swiss Federal Act on Collective Investment Schemes ("CISA"). The investor protection afforded to acquirers of interests in collective investment schemes under the CISA does not extend to purchasers of the Equity Shares offered in the Issue.

This Placement Document is personal to the recipient only and is not for general circulation in Switzerland.

**United Arab Emirates (excluding the Dubai International Financial Centre)**
No offering, marketing, promotion, advertising or distribution (collectively, "Promotion") of the Placement Document or the Equity Shares may be made in the United Arab Emirates (the "UAE") unless: (a) such Promotion has been approved by the UAE Securities and Commodities Authority (the "SCA") and is made in accordance with the laws and regulations of the UAE, including SCA Board of Directors' Chairman Decision no. (3/R.M.) of 2017 (the "Promotion and Introduction Regulations"), and is made by an entity duly licensed to conduct such Promotion activities in the UAE; or (b) such Promotion is conducted by way of private placement made: (i) only to Qualified Investors who are not High Net Worth Individuals (as such terms are defined in the Promotion and Introduction Regulations); or (ii) otherwise in accordance with the laws and regulations of the UAE; or (c) such Promotion is carried out by way of reverse solicitation only upon an initiative made in writing by an investor in the UAE.

The Promotion of the Placement Document and the Equity Shares has not been and will not be approved by the SCA and, as such, the Placement Document does not constitute an offer to the general public in the UAE to acquire any Equity Shares. Except where the Promotion of the Placement Document and the Equity Shares is carried out by way of reverse solicitation only upon an initiative made in writing by an investor in the UAE, the Promotion of the Placement Document and the Equity Shares in the UAE is being made only to Qualified Investors who are not High Net Worth Individuals (as such terms are defined in the Promotion and Introduction Regulations). None of the SCA, the Central Bank of the United Arab Emirates or any other regulatory authority in the UAE has reviewed or approved the contents of the Placement Document and nor does any such entity accept any liability for the contents of the Placement Document.

**Dubai International Financial Centre**
The Equity Shares offered in the Issue are not being offered to any persons in the Dubai International Financial Centre except on that basis that an offer is: (i) an "Exempt Offer" in accordance with the Markets Rules (MKT) (the "Markets Rules") adopted by the Dubai Financial Services Authority (the "DFSA"); and (ii) made only to persons who meet the Professional Client criteria set out in Rule 2.3.3 of the DFSA Conduct of Business Module of the DFSA rulebook and are not natural Persons. The Placement Document must not be delivered to, or relied on by, any other person. The DFSA has not approved the Placement Document nor taken steps to verify the information set out in it and has no responsibility for it. Capitalized terms not otherwise defined in the Placement Document have the meaning given to those terms in the Markets Rules.

The Equity Shares may be illiquid and/or subject to restrictions on their resale. Prospective purchasers of the Equity Shares offered in the Issue should conduct their own due diligence on the Equity Shares. If you do not understand the contents of the Placement Document, you should consult an authorized financial adviser.

**Malaysia**
No prospectus or other offering material or document in connection with the offer and sale of the Equity Shares has been or will be registered with the Securities Commission of Malaysia ("Commission") for the Commission's approval pursuant to the Capital Markets and Services Act 2007. Accordingly, this Placement Document and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Equity Shares may not be circulated

or distributed, nor may the Equity Shares be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Malaysia other than.

(i) a closed end fund approved by the Commission.
(ii) a holder of a Capital Markets Services License;
(iii) a person who acquires the Equity Shares, as principal, if the offer is on terms that the Equity Shares may only be acquired at a consideration of not less than Malaysian Ringgit ("RM") 250,000 (or its equivalent in foreign currencies) for each transaction;
(iv) an individual whose total net personal assets or total net joint assets with his or her spouse exceeds RM3 million (or its equivalent in foreign currencies), excluding the value of the primary residence of the individual;
(v) an individual who has a gross annual income exceeding RM 300,000 (or its equivalent in foreign currencies) per annum in the preceding twelve months;
(vi) an individual who, jointly with his or her spouse, has a gross annual income of RM 400,000 (or its equivalent in foreign currencies), per annum in the preceding twelve months;
(vii) a corporation with total net assets exceeding RM 10 million (or its equivalent in a foreign currencies) based on the last audited accounts;
(viii) a partnership with total net assets exceeding RM 10 million (or its equivalent in foreign currencies);
(ix) a bank licensee or insurance licensee as defined in the Labuan Financial Services and Securities Act 2010;
(x) an Islamic bank licensee or takaful licensee as defined in the Labuan Financial Services and Securities Act 2010; and
(xi) any other person as may be specified by the Commission; provided that, in the each of the preceding categories (i) to (xi), the distribution of the Equity Shares is made by a holder of a Capital Markets Services Licence who carries on the business of dealing in securities. The distribution in Malaysia of this Placement Document is subject to Malaysian laws. This Placement Document does not constitute and may not be used for the purpose of public offering or an issue, offer for subscription or purchase, invitation to subscribe for or purchase any securities requiring the registration of a prospectus with the Commission under the Capital Markets and Services Act 2007.

**Other Jurisdictions**

The distribution of this Placement Document and the offer and sale of the Equity Shares may be restricted by law in certain jurisdictions. Persons into whose possession this Placement Document comes are required to inform themselves about, and to observe, any such restrictions to the extent applicable.

## TRANSFER RESTRICTIONS

*Due to the following restrictions, investors are advised to consult their legal counsel prior to purchasing Equity Shares or making any resale, pledge or transfer of the Equity Shares.*

Pursuant to Chapter VI of the SEBI ICDR Regulations, any resale of Equity Shares purchased in the Issue, except on a recognized Stock Exchange, is not permitted for a period of one year from the date of Allotment. In addition to the above, allotments made to Eligible QIBs, including VCFs and AIFs, in the Issue may be subject to lock-in requirements, if any, under the rules and regulations that are applicable to them. For more information, see "***Selling Restrictions***" on page 316.

**United States Transfer Restrictions**

The Equity Shares have not been and will not be registered under the U.S. Securities Act and may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws.

Each purchaser of the Equity Shares offered in the Issue shall be deemed to have represented, warranted, agreed and acknowledged as follows:

- It understands that the Equity Shares offered in the Issue have not been and will not be registered under the Securities Act or the securities laws of any state of the United States and are being offered and sold to it in reliance upon Regulation S.
- It was outside the United States (within the meaning of Regulation S) at the time the offer of the Equity Shares offered in the Issue was made to it and it was outside the United States (within the meaning of Regulation S) when its buy order for the Equity Shares offered in the Issue was originated.
- It did not purchase the Equity Shares offered in the Issue as a result of any "directed selling efforts" (as defined in Regulation S).
- It is buying the Equity Shares offered in the Issue for investment purposes and not with a view to the distribution thereof. If in the future it decides to offer, resell, pledge or otherwise transfer any of the Equity Shares offered in the Issue, it agrees that it will not offer, sell, pledge or otherwise transfer the Equity Shares offered in the Issue except in transactions complying with Rule 903 or Rule 904 of Regulation S or pursuant to any other available exemption from registration under the Securities Act and in accordance with all applicable securities laws of the states of the United States and any other jurisdiction, including India.
- Where it is subscribing to the Equity Shares offered in the Issue as fiduciary or agent for one or more investor accounts, it has sole investment discretion with respect to each such account and it has full power to make the representations, warranties, agreements, and acknowledgements herein.
- Where it is subscribing to the Equity Shares offered in the Issue for one or more managed accounts, it represents and warrants that it was authorized in writing by each such managed account to subscribe to the Equity Shares offered in the Issue for each managed account and to make (and it hereby makes) the representations, warranties, agreements and acknowledgements herein for and on behalf of each such account, reading the reference to "it" to include such accounts.

- It agrees to indemnify and hold our Company and the Book Running Lead Manager harmless from any and all costs, claims, liabilities and expenses (including legal fees and expenses) arising out of or in connection with any breach of these representations, warranties or agreements. It agrees that the indemnity set forth in this paragraph shall survive the resale of the Equity Shares purchased in the Issue.
- It acknowledges that our Company, the Book Running Lead Manager, their respective affiliates and others will rely upon the truth and accuracy of the foregoing representations, warranties, agreements and acknowledgements.

## THE SECURITIES MARKET OF INDIA

*The information in this section has been extracted from documents available on the websites of SEBI and the Stock Exchanges and has not been prepared or independently verified by our Company or the Book Running Lead Manager or any of its respective affiliates or advisors.*

*India has a long history of organized securities trading. In 1875, the first stock exchange was established in Mumbai. BSE and NSE are the significant stock exchanges of India in terms of the number of listed companies, market capitalization and trading activity.*

### Indian Stock Exchanges

Indian stock exchanges are regulated primarily by SEBI, as well as by the Government acting through the Ministry of Finance, Capital Markets Division, under the SCRA and the SCRR. On October 3, 2018, SEBI, in exercise of its powers under the SCRA and the SEBI Act, notified the Securities Contracts (Regulation) (Stock Exchanges and Clearing Corporations) Regulations, 2018 (the "SECC Regulations"), which regulate inter alia the recognition, ownership and internal governance of stock exchanges and clearing corporations in India together with providing for minimum capitalization requirements for stock exchanges. The SCRA, the SCRR and the SECC Regulations along with various rules, bye-laws and regulations of the respective stock exchanges, regulate the recognition of stock exchanges, the qualifications for membership thereof and the manner, in which contracts are entered into, settled and enforced between members of the stock exchanges.

The SEBI Act empowers SEBI to regulate the Indian securities markets, including stock exchanges and intermediaries in the capital markets, promote and monitor self-regulatory organizations and prohibit fraudulent and unfair trade practices. Regulations concerning minimum disclosure requirements by public companies, investor protection, insider trading, substantial acquisitions of shares and takeover of companies, buy-backs of securities, employee stock option schemes, stockbrokers, merchant bankers, underwriters, mutual funds, foreign portfolio investors, credit rating agencies and other capital market participants have been notified by the relevant regulatory authority.

### BSE Ltd

BSE is one of the stock exchanges in India on which our Equity Shares are listed. Established in 1875, it is the oldest stock exchange in India. In 1956, it became the first stock exchange in India to obtain permanent recognition from the Government under the SCRA. Pursuant to the BSE (Corporatization and Demutualization) Scheme 2005 of SEBI, with effect from August 19, 2005, BSE was incorporated as a company under the Companies Act, 1956. BSE was listed on NSE with effect from February 3, 2017.

### Listing and delisting of Securities

The listing of securities on a recognized Indian stock exchange is regulated by the applicable Indian laws including the Companies Act, the SCRA, the SCRR, the SEBI Act and various guidelines and regulations issued by SEBI including the SEBI ICDR Regulations and the SEBI Listing Regulations. The SCRA empowers the governing body of each recognized stock exchange to suspend trading of or withdraw admission to dealings in a listed security for breach of or non-compliance with any

conditions or breach of company's obligations under the SEBI Listing Regulations or for any reason, subject to the issuer receiving prior written notice of the intent of the exchange and upon granting of a hearing in the matter. SEBI also has the power to amend the SEBI Listing Regulations and bye-laws of the stock exchanges in India, to overrule a stock exchange's governing body and withdraw recognition of a recognized stock exchange.

Further the Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009, govern the voluntary and compulsory delisting of equity shares from the stock exchanges which were significantly modified in 2015. In addition, certain amendments to the SCRR have also been notified in relation to delisting.

**Disclosure under the SEBI Listing Regulations**

Public listed companies are required under the SEBI Listing Regulations to prepare and circulate to their shareholders audited annual accounts which comply with the disclosure requirements and regulations governing their manner of presentation and which include sections relating to corporate governance, related party transactions and management's discussion and analysis as required under the SEBI Listing Regulations. In addition, a listed company is subject to continuing disclosure requirements pursuant to the terms of the SEBI Listing Regulations.

**Minimum Level of Public Shareholding**

All listed companies (except public sector undertakings) are required to maintain a minimum public shareholding of 25%. In this regard, SEBI has provided several mechanisms to comply with this requirement. Where the public shareholding in a listed Company falls below 25% (except public sector undertakings) at any time, such Company shall bring the public shareholding to 25% within a maximum period of 12 months from the date of such the public shareholding having fallen below the 25% threshold. Consequently, a listed Company may be delisted from the Stock Exchanges for not complying with the above-mentioned requirements.

**Index-Based Market-Wide Circuit Breaker System**

In order to restrict abnormal price volatility in any particular stock, SEBI has instructed stock exchanges to apply daily circuit breakers which do not allow transactions beyond a certain level of price volatility. The index-based market-wide circuit breaker system (equity and equity derivatives) applies at three stages of the index movement, at 10%, 15% and 20%. The stock exchanges on a daily basis translate the circuit breaker limits based on previous day's closing level of the index. These circuit breakers, when triggered, bring about a co-ordinated trading halt in all equity and equity derivative markets nationwide. The market-wide circuit breakers are triggered by movement of either the SENSEX of BSE or the, whichever is breached earlier.

In addition to the market-wide index-based circuit breakers, there are currently in place individual scrip-wise price bands of up to 20% movements either up or down. However, no price bands are applicable on scrips on which derivative products are available or scrips included in indices on which derivative products are available.

The stock exchanges in India can also exercise the power to suspend trading during periods of market

volatility.

Margin requirements are imposed by stock exchanges that are required to be paid by the stockbrokers.

**Internet-based Securities Trading and Services**

Internet trading takes place through order routing systems, which route client orders to exchange trading systems for execution. Stock brokers interested in providing this service are required to apply for permission to the relevant stock exchange and also have to comply with certain minimum conditions stipulated by SEBI. NSE became the first exchange to grant approval to its members for providing internet-based trading services. Internet trading is possible on both the "equities" as well as the "derivatives" segments of NSE.

**Trading Hours**

Trading on both NSE and BSE occurs from Monday to Friday, between 9:15 a.m. and 3:30 p.m. IST (excluding the 15 minutes pre-open session from 9:00 a.m. to 9:15 a.m.). BSE and NSE are closed on Public holidays. The recognized stock exchanges have been permitted to set their own trading hours (in the cash and derivatives segments) subject to the condition that (i) the trading hours are between 9.00 a.m. and 5.00 p.m.; and (ii) the stock exchange has in place a risk management system and infrastructure commensurate to the trading hours.

**Trading Procedure**

In order to facilitate smooth transactions, BSE replaced its open outcry system with BSE On-line Trading ("BOLT") facility in 1995. This totally automated screen-based trading in securities was put into practice nationwide. This has enhanced transparency in dealings and has assisted considerably in smoothening settlement cycles and improving efficiency in back-office work. In the year 2004, BSE introduced its new generation trading platform, BOLT Plus.

NSE has introduced a fully automated trading system called National Exchange for Automated Trading ("NEAT"), which operates on strict time/price priority besides enabling efficient trade. NEAT has provided depth in the market by enabling large number of members all over India to trade simultaneously, narrowing the spreads.

**SEBI Takeover Regulations**

Disclosure and mandatory bid obligations for listed Indian companies under Indian law are governed by the SEBI Takeover Regulations, which provides for specific regulations in relation to substantial acquisition of shares and takeover. Once the equity shares of a company are listed on a stock exchange in India, the provisions of the SEBI Takeover Regulations will apply to any substantial acquisition of the company's shares/voting rights/control. The SEBI Takeover Regulations prescribe certain thresholds or trigger points in the shareholding a person or entity has in the listed Indian company, which give rise to certain obligations on part of the acquirer. Acquisitions up to a certain threshold prescribed under the SEBI Takeover Regulations mandate specific disclosure requirements, while acquisitions crossing particular thresholds may result in the acquirer having to

make an open offer of the shares of the Target Company. The SEBI Takeover Regulations also provide for the possibility of indirect acquisitions, imposing specific obligations on the acquirer in case of such indirect acquisition. The SEBI Takeover Regulations also provides certain general exemptions which exempt certain acquisitions from the obligation to make an open offer. The SEBI Takeover Regulations were further amended on June 22, 2020, to exempt any acquisitions by way of preferential issue from the obligation to make an open offer.

**SEBI Insider Trading Regulations**

The SEBI Insider Trading Regulations have been notified to prohibit and penalise insider trading in India. An insider is, among other things, prohibited from dealing in the securities of a listed company when in possession of unpublished price sensitive information (**"UPSI"**).

The SEBI Insider Trading Regulations were notified on January 15, 2015, and came into effect on May 15, 2015, which repealed the erstwhile regulations of 1992. The SEBI Insider Trading Regulations, inter alia, impose certain restrictions on the communication of information by listed companies. Under the SEBI Insider Trading Regulations, (i) no insider shall communicate, provide or allow access to any UPSI relating to such companies and securities listed or proposed to be listed, to any person including other insiders; and (ii) no person shall procure or cause the communication by any insider of UPSI relating to such companies and securities listed or proposed to be listed, except in furtherance of legitimate purposes, performance of duties or discharge of legal obligations. However, UPSI may be communicated, provided or allowed access to or procured, under certain circumstances specified in the SEBI Insider Trading Regulations.

The SEBI Insider Trading Regulations make it compulsory for listed companies and certain other entities that are required to handle UPSI in the course of business operations to establish an internal code of practices and procedures for fair disclosure of UPSI and to regulate, monitor and report trading by insiders. To this end, the SEBI Insider Trading Regulations provide principles of fair disclosure for purposes of code of practices and procedures for fair disclosure of UPSI and minimum standards for code of conduct to regulate, monitor and report trading by insiders. There are also initial and continuing shareholding disclosure obligations under the SEBI Insider Trading Regulations. The SEBI Insider Trading Regulations also provides for disclosure obligations for promoters, members of the promoter group, designated person or director in case value of trade exceed monetary threshold of ₹1 millions over a calendar quarter, within two days of reaching such threshold. The board of directors of all listed companies are required to formulate and publish on the company's website a code of procedure for fair disclosure of UPSI along with a code of conduct for its employees for compliances with the SEBI Insider Trading Regulations.

Further, on July 17, 2020, SEBI amended the Insider Trading Regulations to prescribe that the board of directors or head(s) of listed companies shall ensure that a structured digital database be maintained, containing the nature of unpublished price sensitive information, the names and details of persons who have shared the information and the names and details person with whom information is shared.

**Depositories**

The Depositories Act provides a legal framework for the establishment of depositories to record

ownership details and effect transfer in book-entry form. Further, SEBI framed regulations in relation to the formation and registration of such Depositories, the registration of participants as well as the rights and obligations of the depositories, participants, companies and beneficial owners. The depository system has significantly improved the operation of the Indian securities markets.

**Derivatives (Futures and Options)**

Trading in derivatives is governed by the SCRA, the SCRR and the SEBI Act. The SCRA was amended in February 2000 and derivatives contracts were included within the term "securities", as defined by the SCRA. Trading in derivatives in India takes place either on separate and independent derivatives exchanges or on a separate segment of an existing stock exchange. The derivatives exchange or derivatives segment of a stock exchange functions as a self-regulatory Organization under the supervision of SEBI.

## DESCRIPTION OF THE EQUITY SHARES

*Set forth below is a brief summary of some of the existing provisions of the Memorandum of Association and Articles of Association, the Companies Act and certain other related legislation relating to the rights attached to the Equity Shares. Prospective investors are urged to read the Memorandum of Association and Articles of Association carefully, and consult with their advisers, as the Memorandum of Association and Articles of Association and applicable Indian law, and not this summary, govern the rights attached to the Equity Shares.*

### General

As on the date of this Placement Document, our Company's authorized Share Capital is INR 1,00,00,00,000/- (One Hundred Crores only) divided into 1,00,00,00,000 (100000 Lakhs) Equity Shares of INR 1/- (One only) each. The Equity Shares are listed on the BSE Ltd.

The security identification codes for the Equity Shares are as follows:

| | |
|---|---|
| ISIN | INE145J01032 |
| BSE Code | 513337 |
| BSE Symbol | GUJTLRM |

### Dividends

Subject to applicable law, a Company pays dividends upon a recommendation by its Board of Directors and approval by a majority of its Shareholders. The Shareholders have the right to decrease but not increase the dividend amount recommended by the Board of Directors. Dividends are declared on per share basis and distributed and paid to Shareholders. The Companies Act provides that shares of a Company of the same class must receive equal dividend treatment. These distributions and payments are required to be deposited into a separate Bank account within five days of the declaration of such dividend

The Companies Act states that any dividends that remain unpaid or unclaimed within 30 days from the date of declaration of dividends, is to be transferred to a special Bank account called the *Dividend Unpaid Account* within 7 days from the date of expiry of the period of 30 days. Any money that remains unclaimed for 7 years from the date of the transfer is to be transferred by the Company to a fund, called the *Investor Education and Protection Fund*, created by the Government of India. The Articles authorize our Board of Directors to declare interim dividends, which may be declared at any time and shall be set off against the final dividend for the relevant period. Further, the Company shall, before declaring any dividend for each year, transfer to the reserve fund, an amount in accordance with the Articles of Association of the Company and subject to the provisions of the Companies Act.

Under the Companies Act, dividends payable can be paid only in cash to the registered Shareholder at a record date, fixed prior to the relevant AGM, to his order or to the order of his banker. However, any dividend payable in cash may be paid by cheque or warrant or in any electronic mode to the Shareholder entitled to the payment of the dividend.

**Issue of Bonus Shares and Capitalization of Reserves**

The Companies Act permits our Board, subject to the approval of the Shareholders of our Company, to distribute to the Shareholders, in the form of fully paid-up Bonus Shares, an amount transferred from the Company's free reserves, Securities Premium account or the Capital Redemption Reserve account. These Bonus Shares must be distributed to the Shareholders in proportion to the number of equity shares owned by them.

Bonus shares can only be issued if the company has not defaulted in payments of statutory dues of the employees, such as, contribution to Provident Fund, gratuity and bonus or principal/interest payments on fixed deposits or debt securities issued by it. Bonus shares shall not be issued in lieu of dividend.

**Pre-Emptive Rights and Alteration of Share Capital**

Subject to the provisions of the Companies Act, our Company may increase its share capital by issuing new shares on such terms and with such rights as it may determine. According to Section 62 of the Companies Act, 2013, such new shares shall be offered to existing shareholders in proportion to the amount paid up on those shares at that date. The offer shall be made by notice specifying the number of shares offered and the date (being not less than 15 days and not exceeding 30 days from the date of the offer) within which the offer, if not accepted, will be deemed to have been declined. After such date our Board of Directors may dispose of the shares offered in respect of which no acceptance has been received which shall not be disadvantageous to our Shareholders. The offer is deemed to include a right exercisable by the person concerned to renounce the shares offered to him in favour of any other person subject to the provisions of FEMA Rules, if applicable.

Under the provisions of Section 62(1)(c) of the Companies Act, 2013, new shares may be offered to any persons whether or not those persons include existing shareholders, either for cash of for a consideration other than cash, in the event a Special Resolution to that effect is passed by our Shareholders in a General Meeting. In addition, our Company will also be required to comply with the SEBI ICDR Regulations.

**General Meetings of Shareholders**

There are two types of General Meetings of our Shareholders:

- AGM and;
- EGM

Our Company must hold its AGM within six months after the expiry of each Financial Year provided that not more than 15 months shall elapse between the AGM and next one, unless extended by the ROC at its request for any special reason for a period not exceeding three months. Our Board of Directors may convene an EGM when necessary and is required to call an EGM at the request of shareholder(s) holding in the aggregate not less than one tenth of our Company's paid-up Share Capital (carrying a right to vote in respect of the relevant matter on the date of receipt of the requisition).

Notices, either in writing or through electronic mode, convening a meeting setting out the date, day, hour, place and agenda of the meeting must be given to members at least 21 clear days prior to the

date of the proposed meeting. A General Meeting may be called after giving shorter notice if consent is received, in writing or electronic mode, from not less than 95.00% of the Shareholders entitled to vote. Unless the Articles of Association provide for a larger number, (i) five shareholders present in person, if the number of shareholders as on the date of meeting is not more than 1,000; (ii) 15 shareholders present in person, if the number of shareholders as on the date of the meeting is more than 1,000 but up to 5,000; and (iii) 30 shareholders present in person, if the number of shareholders as on the date of meeting exceeds 5,000, shall constitute a quorum for a general meeting of our Company, whether AGM or EGM. The quorum requirements applicable to shareholder meetings under the Companies Act have to be physically complied with.

A company intending to pass a resolution relating to matters such as, but not limited to, amendment in the objects clause of the Memorandum of Association, the issuing of shares with different voting or dividend rights, a variation of the rights attached to a class of shares or debentures or other securities, buy-back of shares, giving loans or extending guarantees in excess of limits prescribed, is required to obtain the resolution passed by means of a postal ballot instead of transacting the business in the Company's General Meeting. A notice to all the Shareholders shall be sent along with a draft resolution explaining the reasons therefore and requesting them to send their assent or dissent in writing on a postal ballot within a period of 30 days from the date of posting the letter. Postal ballot includes voting by electronic mode.

**Voting Rights**

A shareholder has one vote for each equity share and voting may be on a poll or through electronic means or postal ballot. Ordinary resolutions may be passed by simple majority if the votes cast in favour exceeds the votes cast against the resolution. Special Resolutions require that the votes cast in favour of the resolution must be at least three times the votes cast against the resolution. A shareholder may exercise his voting rights by proxy to be given in the form required by the Companies Act read with the rules issued thereunder.

The instrument appointing a proxy is required to be lodged with our Company at least 48 hours before the time of the meeting. Section 108 of the Companies Act and Rule 20 of the Companies (Management and Administration) Rules, 2014, deal with the exercise of the right to vote by members by electronic means.

**Transfer and transmission of shares**

Equity Shares held through Depositories are transferred in the form of book entries or in electronic form in accordance with the regulations laid down by SEBI. These regulations provide the regime for the functioning of the Depositories and the participants and set out the manner in which the records are to be kept and maintained and the safeguards to be followed in this system. Our Company has entered into an agreement for such depository services with the NSDL and CDSL. SEBI requires that the shares for trading and settlement purposes be in book-entry form for all Investors, except for transactions that are not made on a Stock Exchange and transactions that are not required to be reported to the Stock Exchange. Our Company shall keep an electronic book in which every transfer or transmission of shares will be maintained. Further, SEBI has mandated that securities of listed Companies can be transferred only in Dematerialized form with effect from April 1, 2019.

Pursuant to the SEBI Listing Regulations, except in case of transmission or transposition of Equity Shares, requests for effecting transfer of Equity Shares shall not be processed unless the Equity Shares are held in Dematerialized form with a Depository.

The Equity Shares shall be freely transferable, subject to applicable laws.

**Buy-back**

Our Company may buy-back its own Equity Shares or other specified securities subject to the provisions of the Companies Act and any related SEBI Guidelines issued in connection therewith.

**Liquidation Rights**

Subject to the rights of creditors, employees and the holders of any other shares entitled by their terms of issue to preferential repayment over the equity shares, in the event of a winding up of our Company, the holders of the Equity Shares are entitled to be repaid the amounts of Capital paid-up or credited as paid-up on such Shares or in case of a shortfall, proportionately. All surplus assets after payments due to employees, the holders of any Preference Shares and other creditors belong to the holders of the ordinary shares in proportion to the amount paid up or credited as paid up on such shares, respectively, at the commencement of the winding-up.

## STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS

**STATEMENT OF POSSIBLE TAX BENEFITS AVAILABLE TO THE COMPANY AND ITS SHAREHOLDERS UNDER THE APPLICABLE LAWS IN INDIA**

Date: 11.12.2024

To,
**The Board of Directors**
Gujarat Toolroom Limited
404 - 4th floor, Samarth Co.Op.H.Soc,
Nr. Silicon Tower, Nr. Law Garden, Ellishbridge,
Ahmedabad – 380 006

**Intelligent Money Managers Private Limited**
YMCA Building, 2nd Floor,
25, Jawaharlal Nehru Road,
Kolkata - 700 087

(Intelligent Money Managers Private Limited hereinafter referred as the "**Book Running Lead Manager**")

**Re: Proposed qualified institutions placement of equity shares ("Equity Shares") of Gujarat Toolroom Limited ("Company" or "Issuer") under Chapter VI of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("SEBI Regulations") (the "Issue").**

Dear Sirs,

We hereby report that the enclosed statement outlining the possible tax benefits available to the Company, under the Income Tax Act, 1961 as amended, and to the shareholders of the Company under the Income Tax Act, 1961 as amended by Finance Act, 2024, presently in force in India.

Several of these tax benefits / consequences are dependent on the Company or the Qualified Institutional Buyers fulfilling the conditions prescribed under the relevant tax laws. Hence the ability of the Company or its potential investors to derive the tax benefits is dependent upon fulfilling such conditions.

The enclosed annexure is only intended to provide general information to the investors in the Issue and is neither designed nor intended to be a substitute for professional tax advice. A potential investor is advised to consult their own tax consultant with respect to the tax implications of an investment in the Equity Shares particularly in view of the fact that certain recently enacted legislation may not have a direct legal precedent or may have a different interpretation on the benefits, which an investor can avail.

We hereby confirm that while providing this certificate, we conducted our examination in accordance with the Guidance Note on Reports or Certificates for Special Purposes (Revised 2016) issued by the Institute of Chartered Accountants of India. Further, we have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

The enclosed annexure is for your information and for inclusion in the Preliminary Placement Document and the Placement Document, as amended or supplemented thereto or any other written

material in connection with the proposed Issue.

This certificate may accordingly be furnished as required to the BSE Limited or any other regulatory authorities as required.

**For K M CHAUHAN & ASSOCIATES**
Chartered Accountants
Firm Registration Number: - **125924W**

**Kishorsinh M. Chauhan**
Partner
Membership no: **118326**

Place: **Rajkot**
Date: 11 December 2024
UDIN: 24118326BKHJXJ1358

**Annexure A**

[Possible tax benefits available to the Company and to the shareholders of the Company]

The information provided below sets out the possible special tax benefits available to the Company, the Equity Shareholders under the Income Tax Act 1961 and under the Goods and Service Tax Act, 2017 presently in force in India. It is not exhaustive or comprehensive and is not intended to be a substitute for professional advice. Investors are advised to consult their own tax consultant with respect to the tax implications of an investment in the Equity Shares particularly in view of the fact that certain recently enacted legislation may not have a direct legal precedent or may have a different interpretation on the benefits, which an investor can avail.

YOU SHOULD CONSULT YOUR OWN TAX ADVISORS CONCERNING THE INDIAN TAX IMPLICATIONS AND CONSEQUENCES OF PURCHASING, OWNING AND DISPOSING OF EQUITY SHARES IN YOUR PARTICULAR SITUATION.

A. SPECIAL TAX BENEFITS TO THE COMPANY
   There are no Special tax benefits available to the Company.

B. SPECIAL TAX BENEFITS TO THE SHAREHOLDER
   There are no Special tax benefits available to the shareholders of the Company.

Note:

1. All the above benefits are as per the current tax laws and will be available only to the sole / first name holder where the shares are held by joint holders.
2. The above statement covers only certain relevant direct tax law benefits and does not cover any indirect tax law benefits or benefit under any other law.
3. No assurance is given that the revenue authorities/courts will concur with the views expressed herein.

Our views are based on the existing provisions of law and its interpretation, which are subject to changes from time to time. We do not assume responsibility to update the views consequent to such changes. We shall not be liable to any claims, liabilities or expenses relating to this assignment except to the extent of fees relating to this assignment, as finally judicially determined to have resulted primarily from bad faith or intentional misconduct. We will not be liable to any other person in respect of this statement.

## LEGAL PROCEEDINGS

We are involved in various legal proceedings from time to time, mostly arising in the ordinary course of business. These legal proceedings are primarily in the nature of tax disputes, criminal proceedings, civil proceedings or regulatory proceedings, which are pending before various adjudicating forums.

As on date of this Placement Document, except as disclosed below, there are no outstanding: (i) criminal proceedings involving our Company, Subsidiaries, and Directors; (ii) actions by statutory or regulatory authorities involving our Company, Subsidiaries, and Directors; (iii) claims related to direct and indirect taxes involving our Company, Subsidiaries, and Directors; (iv) civil litigation proceedings involving our Company, Subsidiaries, and Directors, determined as material in accordance with our Company's policy for determination of materiality as per regulations provided under SEBI (LODR) Regulations **("Materiality Policy")**; and (v) other civil proceedings involving our Company, Subsidiaries, and Directors wherein a monetary liability is not determinable or quantifiable, or which does not exceed the threshold as specified in (iv) above, which if results in an adverse outcome would have a material adverse effect on the business, operations, performance, prospects, financial position or reputation of the Company. In accordance with the Materiality Policy, all outstanding legal proceedings involving our Company, Subsidiary, and Directors, where the amount involved exceeds ₹25,00,000/- is disclosed in this section. It is clarified that our Company is a Professionally Managed Company and does not have any Identifiable Promoter and therefore, this is not applicable to the extent of promoter.

Further, as on date of this Placement Document, except as disclosed in this section: (i) Neither our Company nor Subsidiaries and Directors have been declared as wilful defaulters or fraudulent borrowers by the RBI, SEBI, or any other Governmental authority and, except as disclosed in this section in relation to litigation, there are no violations of securities laws committed by them in the past or pending against them and no directions have been issued by such Ministry or Department or statutory authority upon conclusion of such litigation or legal action; (ii) there are no show-cause notices / claims served on the Company, its Directors or its Subsidiary Companies from any statutory authority / revenue authority that would have a material adverse effect on our business; (iii) our Company has no defaults in repayment of (a) statutory dues, (b) debentures and interest thereon, (c) deposits and interest thereon and (d) loans from any bank or financial institution and interest thereon (except where there is dispute under litigation); (iv) our Company has not made any default in annual filings of our Company under the Companies Act, 2013 or the rules made thereunder; (v) there are no significant and material orders passed by the regulators, courts and tribunals impacting the going concern status of our Company and its future operations; (vi) there have been no acts of material fraud committed against our Company.

All other pending litigation involving our Company, Subsidiaries, or Directors, as the case may be, other than criminal proceedings, statutory or regulatory actions and taxation matters, would be considered 'material' if it exceeds the lower of the following: (1) 1% percent of turnover, as per the last audited financial statements of the Company; (2) 1% percent of net worth, as per the last audited financial statements of the Company, except in case the arithmetic value of the net worth is negative; (3) 10% percent of the average of absolute value of profit or loss after tax, as per the last three audited financial statements of the Company.

Unless stated to the contrary, the information provided below is as on the date of the Placement Document.

## I. LITIGATION INVOLVING OUR COMPANY

### 1. Litigation against our Company:

#### a. Litigation Involving Criminal Law:

Criminal Complaint 141047/2023 has been filed by the Registrar of the Companies ("**RoC**") of Gujarat against the Company in Metropolitan Magistrate Court, Ahmedabad under Section 454 of Companies Act, 2013. The Company has failed to maintain its registered office as per the requirement of Section 12(1) of the Companies Act, 2013 from date 17 January 2022 on which a letter was issued by RoC addressed to the Company which was undelivered. Thereafter, a series of adjudication notices and a notice of inquiry were issued to Company which were undelivered respectively. Therefore, a penalty for an amount ₹1,00,000/- was imposed on the Company under Section 12 of the Companies Act, 2013. The case is currently at the Plea stage and the next hearing date is 5 March 2025.

#### b. Litigation Involving Civil Laws: NIL

#### c. Litigation Involving Actions by Statutory/Regulatory Authorities: NIL

#### d. Litigation Involving Tax Liabilities:

***i.* Direct Tax Liabilities:**

1. List of Notices on the Company:

| Sr.No | Notice Number | Assessment Year | Provisions | Amount Involved (in ₹) |
|---|---|---|---|---|
| 1 | 2009200651042463535C<br>Dated – 31 March 2007 | 2006-07 | Section 271(1)(c) of Income Tax Act, 1961 | ₹1,28,988/- |
| 2 | 2018201540400468854C<br>Dated – 26 June 2018 | 2015-16 | Section 271(1)(c) of Income Tax Act, 1961 | ₹4,30,890/- |
| 3 | 2019201837048213375C<br>Dated – 24 September 2019 | 2018-19 | Section 154 of Income Tax Act, 1961 | ₹1,000/- |
| 4 | ITBA/AST/F/142(1)/2017-18/1007660427<br>Dated – 15 November 2017 | 2015-16 | Section 142(1) of the Income Tax Act, 1961 | - |
| 5 | ITBA/PNL/S/271(1)(c)/2017-18/1007917085(1)<br>Dated – 8 December 2017 | 2015-16 | Section 274 of the Income Tax Act, 1961 | - |

| | | | | |
|---|---|---|---|---|
| 6 | ITBA/PNL/F/271(1)(c)/2018-19/1010284448(1)<br>Dated – 26 June 2018 | 2015-16 | Section 271(1)(c) of Income Tax Act, 1961 | - |
| 7 | ITBA/AST/S/148/2020-21/1031852028(1)<br>Dated – 28 March 2021 | 2013-14 | Section 148 of the Income Tax Act, 1961 | - |
| 8 | ITBA/PNL/F/17/2021-22/1033209099(1)<br>Dated – 31 May 2021 | 2015-16 | Section 274 of the Income Tax Act, 1961 | - |
| 9 | ITBA/AST/F/142(1)/2021-22/1038760332(1)<br>Dated – 15 January 2022 | 2013-14 | Section 142(1) of the Income Tax Act, 1961 | - |
| 10 | ITBA/AST/F/147(SCN)/2021-22/1040917753(1)<br>Dated – 16 March 2022 | 2013-14 | Section 144 of the Income Tax Act, 1961 | - |
| 11 | ITBA/AST/S/156/2021-22/1041283961(1)<br>Dated – 22 March 2022 | 2013-14 | Section 156 of the Income Tax Act, 1961 | ₹57,47,400/- |
| 12 | ITBA/PNL/S/156/2022-23/1045358149(1)<br>Dated – 9 September 2022 | 2013-14 | Section 156 of the Income Tax Act, 1961 | ₹10,000/- |
| 13 | ITBA/PNL/S/156/2022-23/1045358223(1)<br>Dated – 9 September 2022 | 2013-14 | Section 156 of the Income Tax Act, 1961 | ₹5,000/- |
| 14 | ITBA/PNL/S/156/2022-23/1045411805(1)<br>Dated – 9 September 2022 | 2013-14 | Section 156 of the Income Tax Act, 1961 | ₹18,54,000/- |
| 15 | ITBA/AST/S/147/2021-22/1041283856(1)<br>Dated – 22 March 2022 | 2013-14 | Section 147 of the Income Tax Act, 1961 | - |
| 16 | ITBA/PNL/S/271(1)(c)/2021-22/1041283954(1)<br>Dated – 22 March 2022 | 2013-14 | Section 274 of the Income Tax Act, 1961 | - |
| 17 | ITBA/PNL/S/271(1)(b)/2021-22/1041313812(1)<br>Dated – 23 March 2022 | 2013-14 | Section 274 of the | - |

| | | | | |
|---|---|---|---|---|
| | | | Income Tax Act, 1961 | |
| 18 | ITBA/PNL/S/271F/2021-22/1041314246(1) Dated – 23 March 2022 | 2013-14 | Section 274 of the Income Tax Act, 1961 | - |
| 19 | ITBA/PNL/F/271(1)(c)/2022-23/1044567525(1) Dated – 9 August 2022 | 2013-14 | Section 274 of the Income Tax Act, 1961 | - |
| 20 | ITBA/PNL/F/271(1)(b)/2022-23/1044567536(1) Dated – 9 August 2022 | 2013-14 | Section 274 of the Income Tax Act, 1961 | - |
| 21 | ITBA/PNL/F/271F/2022-23/1044567543(1) Dated – 9 August 2022 | 2013-14 | Section 274 of the Income Tax Act, 1961 | - |
| 22 | ITBA/PNL/F/271(1)(b)/2022-23/1045359423(1) Dated – 9 September 2022 | 2013-14 | Section 271(1)(b) of Income Tax Act, 1961 | - |
| 23 | ITBA/PNL/F/271F/2022-23/1045359526(1) Dated – 9 September 2022 | 2013-14 | Section 271F of Income Tax Act, 1961 | - |
| 24 | ITBA/PNL/F/271(1)(c)/2022-23/1045409868(1) Dated – 12 September 2022 | 2013-14 | Section 271(1)(c) of Income Tax Act, 1961 | - |
| 25 | TDS/2324/26Q/D/100055012626 Dated – 11 September 2024 | 2024-25 | Section 154 read with section 200A/206CB of Income Tax Act, 1961 | ₹12,280/- |
| 26 | TDS/1415/26Q/D/100055012610 Dated – 11 September 2024 | 2015-16 | Section 154 read with section 200A/206CB of Income Tax Act, 1961 | ₹9,170/- |
| 27 | TDS/1516/26Q/D/100055012581 Dated – 11 September 2024 | 2016-17 | Section 154 read with section | ₹280/- |

| | | | | |
|---|---|---|---|---|
| | | | 200A/206CB of Income Tax Act, 1961 | |
| 28 | TDS/2425/26Q/D/100054382069 Dated – 2 August 2024 | 2025-26 | Section 154 read with section 200A/206CB of Income Tax Act, 1961 | ₹10,210/- |

2. Assessment Order No. ITBA/AST/S/147/2021-22/1041283856(1) dated 22 March 2022 was passed by the Office of Income Tax Officer Ward 2(1)(1), Ahmedabad under section 147 read with section 144 of the Income Tax Act, 1961 issuing penalty notice under section 271F of the Income Tax act, 1961 for failure to furnish Return of Income for Assessment Year 2013-14 and failure to comply with the earlier notices served in this regard on the Company. Aggrieved by this order, an appeal was filed by Company on 15 May 2024 before the Commissioner of Income Tax (A) NFAC, Delhi, challenging the said order on the grounds that the Assessing Officer has erred in law and on facts in making the addition of ₹60,00,000/- in Total Income of the Company as unexplained cash credit under section 68 of the Income Tax Act, 1961 on the basis of findings/observations given in the assessment order. Also, initiation of the re-assessment proceedings under Section 147 of the Act has been challenged. The appeal is currently at pre-admission stage and shall be heard on a date to be notified.

***ii.* Indirect Tax Liabilities: NIL**

**e. Other Pending Material Litigations: NIL**

**2. Litigations filed by our Company:**

**a. Litigations Involving Criminal Laws: NIL**

**b. Litigation Involving Civil Laws:**

1. Consumer Complaint No. CC/50/2008 filed by the Company (Complainant) against the Oriental Insurance Company Limited (Respondent) before the State Consumer Disputes Redressal Commission ("**SCDRC**"), Gujarat for deficiency of services. The Company received a favourable order from SCDRC dated 15 March 2013 awarding an insurance claim amount of ₹17,36,575/- to the Company relying on the survey conducted by Oriental Insurance Company Limited. Thereafter, Respondent

filed an appeal no. First Appeal 559 of 2013 against the Company before the National Consumer Disputes Redressal Commission ("**NCDRC**"), Ahmedabad which was dismissed vide order dated 10 September 2020. Aggrieved by the NCDRC order, Special Leave Petition No. 003111/2021 has been filed by Oriental Insurance Company Limited against Gujarat Toolroom Limited in the Supreme Court of India wherein the Hon'ble Supreme Court has granted a stay against the EA/13/2020 filed by the Company for deficit of payment done by the Oriental Insurance Company Limited in compliance of the order passed by Gujarat SCDRC as the Special Leave Petition in respect of the matter was already pending. The case is currently at the 'For Admission' stage and shall be heard next on a date to be notified.

c. **Litigations Involving Actions by Statutory/Regulatory Authorities: NIL**
d. **Litigations Involving Tax Liabilities: NIL**
   *i.* **Direct Tax Liabilities: NIL**
   *ii.* **Indirect Tax Liabilities: NIL**
e. **Other Pending Material Litigations: NIL**

## II. LITIGATION INVOLVING DIRECTORS OF OUR COMPANY

1. **Litigation against Directors of our Company:**
   a. **Litigation Involving Criminal Law: NIL**
   b. **Litigation Involving Civil Laws: NIL**
   c. **Litigation Involving Actions by Statutory/Regulatory Authorities: NIL**
   d. **Litigation Involving Tax Liabilities:**
      *i.* **Direct Tax Liabilities: NIL**
      *ii.* **Indirect Tax Liabilities: NIL**
   e. **Other Pending Material Litigations: NIL**

2. **Litigations filed by Directors of our Company:**
   a. **Litigations Involving Criminal Laws: NIL**
   b. **Litigation Involving Civil Laws: NIL**
   c. **Litigations Involving Actions by Statutory/Regulatory Authorities: NIL**
   d. **Litigations Involving Tax Liabilities: NIL**
      *i.* **Direct Tax Liabilities: NIL**
      *ii.* **Indirect Tax Liabilities: NIL**
   e. **Other Pending Material Litigations: NIL**

## III. LITIGATION INVOLVING SUBSIDIARIES OF OUR COMPANY

1. **Litigation against Subsidiaries of our Company:**
   a. **Litigation Involving Criminal Law: NIL**
   b. **Litigation Involving Civil Laws: NIL**
   c. **Litigation Involving Actions by Statutory/Regulatory Authorities: NIL**
   d. **Litigation Involving Tax Liabilities:**
      *i.* **Direct Tax Liabilities: NIL**

*ii.* **Indirect Tax Liabilities: NIL**

e. **Other Pending Material Litigations: NIL**

2. **Litigations filed by Subsidiaries of our Company:**
   a. **Litigations Involving Criminal Laws: NIL**
   b. **Litigation Involving Civil Laws: NIL**
   c. **Litigations Involving Actions by Statutory/Regulatory Authorities: NIL**
   d. **Litigations Involving Tax Liabilities: NIL**
      *i.* **Direct Tax Liabilities: NIL**
      *ii.* **Indirect Tax Liabilities: NIL**
   e. **Other Pending Material Litigations: NIL**

## IV. LITIGATION INVOLVING PROMOTER OF OUR COMPANY

Our Company is a Professionally Managed Company and does not have any Identifiable Promoter and therefore this is not applicable to the extent of promoter.

## V. LITIGATION INVOLVING GROUP COMPANIES OF OUR COMPANY

As on the date of this Placement Document, our Company does not have any Group Companies and therefore this is not applicable to the extent of our Company.

## VI. OTHER OUTSTANDING LITIGATION INVOLVING OUR COMPANY, DIRECTORS, PROMOTERS AND SUBSIDIARIES WHEREIN THE AGGREGATED AMOUNT INVOLVED IS NOT QUANTIFIABLE, BUT WHICH COULD HAVE A MATERIAL ADVERSE EFFECT ON THE BUSINESS AND OPERATIONS OF OUR COMPANY

As on the date of this Placement Document, our Company does not have any other outstanding litigation involving our Company, Directors, and Subsidiaries wherein the aggregated amount involved is not quantifiable.

## VII. INQUIRIES, INSPECTIONS, OR INVESTIGATIONS UNDER THE COMPANIES ACT INITIATED OR CONDUCTED IN THE LAST THREE YEARS

As on the date of this Placement Document, there have been no inquiries, inspections or investigations initiated or conducted against our Company or our Subsidiaries under the Companies Act, 2013 or the Companies Act, 1956 in the last three years immediately preceding the year of issue of this Placement Document, nor have there been any prosecutions filed (whether pending or not), fines imposed, compounding of offences in the last three years immediately preceding the year of this Placement Document involving our Company or our Subsidiaries.

## VIII. DETAILS OF DEFAULTS IN ANNUAL FILING OF OUR COMPANY UNDER THE COMPANIES ACT, 2013 AND THE RULES MADE THEREUNDER

As on the date of this Placement Document, our Company has not made any default in annual filings of our Company under the Companies Act, 1956 or the Companies Act, 2013 and the

rules made thereunder.

## IX. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS, COURTS AND TRIBUNALS IMPACTING THE GOING CONCERN STATUS OF OUR COMPANY AND ITS FUTURE OPERATIONS

As on the date of this Placement Document, there are no significant and material orders passed by the regulators, courts and tribunals impacting the going concern status of our Company and its future operations.

## X. DETAILS OF ACTS OF MATERIAL FRAUDS COMMITTED AGAINST OUR COMPANY IN THE LAST THREE YEARS, IF ANY, AND IF SO, THE ACTION TAKEN BY OUR COMPANY

As on the date of this Placement Document, there are no material frauds committed against our Company.

## OUR STATUTORY AUDITORS

In terms of the provisions of Section 139 of the Companies Act, 2013, M/s. K M Chauhan & Associates, Chartered Accountants were appointed as our Company's Statutory Auditors pursuant to a resolution adopted by our Shareholders at the AGM held on September 30, 2023, for a period of five years.

M/s. K M Chauhan & Associates, Chartered Accountants, have performed limited review of the Consolidated Unaudited Standalone & Consolidated Financial Statements for the half year ended September 30, 2024, and have issued a Review Report dated November 11, 2024, thereon, which is included in this Placement Document in "***Financial Information***" on page 91.

M/s. K M Chauhan & Associates, Chartered Accountants, have audited the accounts of the Company for Fiscal 2024. The Audited Consolidated Financial Statements and their Audit Report on the said Financial Statements for Fiscal 2024 are included in this Placement Document in "***Financial Information***" on page 91.

M/s Abhishek Kumar & Associates, Chartered Accountants, our previous Statutory Auditors, have audited the accounts of the Company for Fiscal 2023. The Audited Consolidated Financial Statements for Fiscal 2023 and their Audit Report on those Financial Statements are included in this Placement Document in "***Financial Information***" on page 91.

M/s Dharmesh Parikh & Co. LLP, Chartered Accountants, our previous Statutory Auditors, have audited the accounts of the Company for Fiscal 2022. The Audited Consolidated Financial Statements for Fiscal 2022 and their Audit Report on those Financial Statements are included in this Placement Document in "***Financial Information***" on page 91.

## GENERAL INFORMATION

1. Our company was originally incorporated as private limited Company under the Companies Act, 1956 as Pirnmatic Engineering Private Limited vide certificate of incorporation dated March 25, 1983 issued by Registrar of Companies, Gujarat. Subsequently, a fresh certificate of incorporation dated December 31, 1990 was issued by Registrar of Companies, Gujarat, pursuant to change of name of our Company from Pirnmatic Engineering Private Limited to Kunal Fabricators Private Limited. Subsequently, a fresh certificate of incorporation dated September 11, 1991 was issued by Registrar of Companies, Gujarat, pursuant to change of name of our Company from Kunal Fabricators Private Limited to Gujarat Toolroom Private Limited. Subsequently, the name of the company was changed to Gujarat Toolroom Limited pursuant to conversion into a public company vide shareholder's approval dated 5th September 1991 and vide fresh certificate of incorporation dated September 11, 1991, issued by Registrar of Companies, Gujarat.

2. Our Registered Office is situated at 404 - 4th floor, Samarth Co. Op. H. Soc., Nr. Silicon Tower, Nr. Law Garden, Ellisbridge, Ahmedabad, 380006.

3. Our Corporate Identification Number (CIN): L45208GJ1983PLC006056.

4. The website of our Company is www.gujarattoolroom.com.

5. The authorized share capital of our Company as of the date of this Placement Document is INR 1,00,00,00,000/- divided into 1,00,00,00,000 Equity Shares of INR 1/- each, and the total issued, subscribed and paid-up equity share capital as of the date of this Placement Document is INR 16,01,40,820/- divided into 16,01,40,820 Equity Shares of INR 1/- each.

6. The Equity Shares of our Company are listed on BSE.

7. The Issue was authorized and approved by our Board of Directors on July 22, 2024. Our Shareholders have approved the Issue pursuant to a Special Resolution dated August 14, 2024, passed in the Extra Ordinary General Meeting.

8. Our Company has received in-principle approval dated December 16, 2024, from BSE, in terms of Regulation 28(1)(a) of the SEBI Listing Regulations for listing of the Equity Shares pursuant to the Issue. We will apply for final listing and trading approvals of the Equity Shares on the Stock Exchange.

9. For the main objects of our Company, please refer to the Memorandum of Association. Copies of our Memorandum of Association and Articles of Association will be available for inspection between 10:00 AM and 1:00 PM on all working days (except public holidays) at our Registered Office.

10. Our Company has obtained all material consents, approvals and authorizations required in connection with the Issue.

11. No change in control in our Company will occur consequent to the Issue.

12. Except as disclosed in this Placement Document, there has been no material adverse change in our financial or trading position since the date of Financial Statements which has been included in this Placement Document.

13. Except as disclosed in this Placement Document, there are no material litigation or arbitration proceedings pending against or affecting us, or our assets or revenues, nor are we aware of any pending or threatened litigation or arbitration proceedings, which may have a material adverse effect on the Issue. For further details, see "***Legal Proceedings***" on page 344 of this Placement Document

14. The Floor Price is INR 13.98/- per Equity Share, calculated in accordance with the provisions of Chapter VI of the SEBI ICDR Regulations. Our Company may offer a discount of not more than 5% on the Floor Price in terms of Regulation 176(1) of the SEBI ICDR Regulations.

15. Our Company and the BRLM accept no responsibility for statements made otherwise than in this Placement Document and anyone placing reliance on any other source of information, including our website, would be doing it at his or her own risk.

16. As on the date of this Placement Document, our Company has not made any default in annual filings of the Company under the Companies Act, 2013 and the rules made thereunder.

17. Our Company confirms that it is in compliance with the requirement of minimum public shareholding requirements as required in terms of the SEBI LODR Regulations, SCRA and SCRR

18. Details of the Company Secretary and Compliance Officer of our Company:
    Ms. Vaidehi Bang
    404 - 4th floor, Samarth Co.Op.H.Soc, Nr. Silicon Tower, Nr. Law Garden, Ellishbridge, Ahmedabad, Ellisbridge, Ahmedabad, Gujarat, 380006
    Email: cs@gujarattoolroom.com
    Tel: +91-7227013356

19. Legal Advisor to the Issue and to the Company and Book Running Lead Manager as to International Selling Restrictions

    RMA LEGAL ADVOCATES & SOLICITORS
    209 Midas, Sahar Plaza Complex, Andheri Kurla Road, Andheri East, Mumbai 400059
    Tel No: 022-49602645
    Email: mumbai@rmalegal.net
    Website: www.rmalegal.net

20. The Book Running Lead Manager to the issue are:

    INTELLIGENT MONEY MANAGERS PRIVATE LIMITED
    YMCA Building, 2nd Floor, 25 Jawaharlal Nehru Road, Kolkata - 700 087
    Tel No: +91-33-4065 6289
    Email: info@intelligentgroup.org.in
    Website: https://www.intelligentgroup.org.in

## PROPOSED ALLOTTEES

In compliance with the requirements of Chapter VI of the SEBI ICDR Regulations, Allotment shall be made by our Company, in consultation with the Book Running Lead Manager to Eligible QIBs only, on a discretionary basis.

The names of the proposed Allottees and the percentage of post-Issue Share Capital that may be held by them is set forth below. These details of the proposed Allottees, assuming that the Equity Shares are Allotted to them pursuant to the Issue, will be included in the Placement Document to be sent to such proposed Allottees.

| **No.** | **Name of the proposed Allottees** | **Percentage of the post-Issue share capital held (%)^** |
|---|---|---|
| 1 | Bridge India Fund | 7.75 |
| 2 | Eminence Global Fund PCC-Trade Fund 1 | 7.75 |
| 3 | Multitude Growth Funds Limited | 7.75 |
| 4 | Northstar Opportunities Fund VCC - Bullvalue Incorporated VCC Sub-Fund | 7.75 |

^ Based on beneficiary position as on December 20, 2024.

## DECLARATION

Our Company certifies that all relevant provisions of Chapter VI read with Schedule VII of the SEBI ICDR Regulations have been complied with and no statement made in this Placement Document is contrary to the provisions of Chapter VI and Schedule VII of the SEBI ICDR Regulations and that all material approvals and permissions required to carry on our Company's business have been obtained, are currently valid and have been complied with. Our Company further certifies that all the statements in this Placement Document are true and correct.

**Signed by:**

Mr. Rakesh Kumar Sharma
Managing Director
DIN: 10703752

Place: Gujarat
Date: December 20, 2024

We, the Board of Directors of the Company, certify that:

1. the Company has complied with the provisions of the Companies Act, 2013 and the rules made thereunder;

2. the compliance with the Companies Act, 2013 and the rules thereunder does not imply that payment of dividend or interest or repayment of preference shares or debentures, if applicable, is guaranteed by the Central Government;

3. the monies received under the offer shall be used only for the purposes and objects indicated in the Placement Document (which includes disclosures prescribed under Form PAS-4).

**For and on Behalf of the Board of Directors**

**Signed by:**

Mr. Rakesh Kumar Sharma
Managing Director
DIN: 10703752

Place: Gujarat
Date: December 20, 2024

**AUTHORISATION BY BOARD**

I am authorized by the Board of Directors of our Company, vide resolution dated July 22, 2024, to sign this form and declare that all the requirements of Companies Act, 2013 and the rules made thereunder in respect of the subject matter of this form and matters incidental thereto have been complied with. Whatever is stated in this form and in the attachments thereto is true, correct, and complete and no information material to the subject matter of this form has been suppressed or concealed and is as per the original records maintained by the promoters subscribing to the Memorandum of Association and the Articles of Association.

It is further declared and verified that all the required attachments have been completely, correctly, and legibly attached to this form.

Mr. Rakesh Kumar Sharma
Managing Director
DIN: 10703752

Place: Gujarat
Date: December 20, 2024

**GUJARAT TOOLROOM LIMITED**
Registered Office: 404 - 4th floor, Samarth Co. Op. H. Soc.,
Nr. Silicon Tower, Nr. Law Garden, Ellisbridge, Ahmedabad 380006.
Email: cs@gujarattoolroom.com
Website: www.gujarattoolroom.com
Corporate Identity Number: L45208GJ1983PLC006056

**BOOK RUNNING LEAD MANAGER**

**INTELLIGENT MONEY MANAGERS PVT LTD**
YMCA Building, 2nd Floor, 25 Jawaharlal Nehru Road, Kolkata - 700 087
Tel No: +91-33-4065 6289
Email: info@intelligentgroup.org.in
Website: https://www.intelligentgroup.org.in

**LEGAL ADVISORS**

**RMA LEGAL ADVOCATES & SOLICITORS**
209 Midas, Sahar Plaza Complex, Andheri Kurla Road, Andheri East, Mumbai 400059
Tel No: 022-49602645
Email: mumbai@rmalegal.net
Website: www.rmalegal.net

**SAMPLE APPLICATION FORM**

| | **APPLICATION FORM** |
|---|---|
| **GUJARAT TOOLROOM LIMITED**<br>*(Incorporated in the Republic of India as a Company with limited liability under the Companies Act,1956)*<br><br>**Registered Office**: 404 - 4th floor, Samarth Co. Op. H. Soc., Nr. Silicon Tower, Nr. Law Garden, Ellisbridge, Ahmedabad, 380006.<br><br>**CIN**: L45208GJ1983PLC006056<br><br>**Website**: http://www.gujarattoolroom.com/<br>**Tel**: +91-7227013356;<br>**Email**: cs@gujarattoolroom.com | **Name of Bidder: [●]**<br>**Form No.: [●]**<br>**Date: December 19, 2024** |

**QUALIFIED INSTITUTIONS PLACEMENT OF UP TO 7,19,24,810 EQUITY SHARES OF FACE VALUE INR 10/- EACH (THE "EQUITY SHARES") FOR CASH, AT A PRICE OF INR 13.30 PER EQUITY SHARE (THE "ISSUE PRICE"), INCLUDING A PREMIUM OF INR 12.30 PER EQUITY SHARE, AGGREGATING UP TO INR 956.60 MILLION IN RELIANCE UPON SECTION 42 OF THE COMPANIES ACT, 2013, AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013, AND THE RULES MADE THEREUNDER, EACH AS AMENDED (THE "COMPANIES ACT"), READ WITH CHAPTER VI OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, AS AMENDED (THE "SEBI ICDR REGULATIONS") AND SECTION 42 OF THE COMPANIES ACT, 2013, AS AMENDED (THE "COMPANIES ACT"), READ WITH RULE 14 OF THE COMPANIES (PROSPECTUS AND ALLOTMENT OF SECURITIES) RULES, 2014, AS AMENDED (THE "PAS RULES"), AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT AND THE RULES MADE THEREUNDER BY THE GUJARAT TOOLROOM LIMITED (THE "COMPANY" OR THE "ISSUER", AND SUCH ISSUE, THE "ISSUE").**

**Only Qualified Institutional Buyers ("QIBs") as defined under Regulation 2(1) (ss) of the SEBI ICDR Regulations and which are not: (a) excluded pursuant to Regulation 179(2)(b) of the SEBI ICDR Regulations; or (b) restricted from participating in the Issue under the SEBI Regulations and other applicable laws, including foreign exchange related laws; are eligible to submit this Application Form ("Eligible QIBs"). In addition to the above, with respect to the Issue, Eligible QIBs shall consist of (i) QIBs which are resident in India; and (ii) Eligible FPIs participating through Schedule II of the FEMA Rules or a multilateral or bilateral development financial institution eligible to invest in India under applicable law. Further, foreign venture capital investors, as defined under the Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000, are not permitted to participate in the Issue. The Equity Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "U.S. Securities Act"), or any state securities laws of the United States and, unless so registered, and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. Accordingly, the Equity Shares are being offered and sold outside the United States in "offshore transactions" as defined in and in compliance with Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those offers and**

**sales made. There will be no public offering of the Equity Shares in the United States. You should note and observe the solicitation and distribution restrictions contained in the sections "*Selling Restrictions*" and "*Transfer Restrictions and Purchaser Representations*" on pages 316 and 330 of this Placement Document respectively, in the accompanying Placement Document dated December 20, 2024 (the "PD").**

**ELIGIBLE FPIs ARE PERMITTED TO PARTICIPATE THROUGH SCHEDULE II OF THE FEMA RULES, IN THIS ISSUE, SUBJECT TO COMPLIANCE WITH ALL APPLICABLE LAWS AND SUCH THAT THE SHAREHOLDING OF ELIGIBLE FPIs DO NOT EXCEED SPECIFIED LIMITS AS PRESCRIBED UNDER APPLICABLE LAWS IN THIS REGARD. PURSUANT TO PRESS NOTE NO. 3 (2020 SERIES), DATED APRIL 17, 2020, ISSUED BY THE DEPARTMENT FOR PROMOTION OF INDUSTRY AND INTERNAL TRADE, GOVERNMENT OF INDIA, AND RULE 6 OF THE FEMA RULES, INVESTMENTS BY AN ENTITY OF A COUNTRY WHICH SHARES LAND BORDER WITH INDIA OR WHERE THE BENEFICIAL OWNER OF SUCH INVESTMENT IS SITUATED IN OR IS A CITIZEN OF SUCH COUNTRY, MAY ONLY BE MADE THROUGH THE GOVERNMENT APPROVAL ROUTE. ALLOTMENTS MADE TO AIFS AND VCFs IN THE ISSUE SHALL REMAIN SUBJECT TO THE RULES AND REGULATIONS APPLICABLE TO EACH OF THEM RESPECTIVELY, INCLUDING THE FEMA RULES. OTHER ELIGIBLE NON-RESIDENT QIBs SHALL PARTICIPATE IN THE ISSUE UNDER SCHEDULE I OF FEMA RULES. ALLOTMENTS MADE TO AIFs AND VCFs IN THE ISSUE SHALL REMAIN SUBJECT TO THE RULES AND REGULATIONS APPLICABLE TO EACH OF THEM RESPECTIVELY, INCLUDING THE FEMA RULES. FVCIs ARE NOT PERMITTED TO PARTICIPATE IN THE ISSUE.**

**To,**
**The Board of Directors**
**The Gujarat Toolroom Limited**
404 - 4th floor, Samarth Co. Op. H. Soc., Nr. Silicon Tower, Nr. Law Garden, Ellisbridge, Ahmedabad, 380006.

Dear Sirs,

We confirm that we have a valid and existing registration under applicable laws and regulations of India, and undertake to acquire, hold, manage or dispose of any Equity Shares that are Allotted to us in accordance with Chapter VI of the SEBI ICDR Regulations and undertake to comply with the SEBI ICDR Regulations, and all other applicable laws, including any reporting obligations. We confirm that, in relation to our application, each foreign portfolio investor (**"FPI"**) as defined under the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019, as amended (other than individuals, corporate bodies and family offices), and including persons who have been registered under the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019, as amended (such FPIs, **"Eligible FPIs"**), have submitted separate Application Forms, and asset management companies or custodians of mutual funds have specified the details of each scheme for which the application is being made along with the price and number of Equity Shares Bid for under each such scheme. We undertake that we will submit all such documents, provide such documents and do all such acts, if any, necessary on our part to enable us to be registered as the holder(s) of the Equity Shares that may be Allotted to us. We confirm that the applicant is authorized to apply on behalf of the Bidder and the Bidder has all the relevant approvals for applying in the **Issue**.

| **STATUS (**Insert '✓' for applicable category) | | |
|---|---|---|
| **FI** | Scheduled Commercial Banks and Financial Institution | |
| **MF** | Mutual Funds | |
| **IC** | Insurance Company | |
| **VCF** | Venture Capital Fund | |
| **NIF** | National Investment Fund | |
| **IF** | Insurance Funds | |
| **SINB FC** | Systemically Important Non-Banking Financial Companies | |
| **FPI** | Foreign Portfolio Investor | |
| **AIF** | Alternative Investment Fund | |
| **OTH** | Others _____ (Specify) | |

*Total shares currently held by QIB or QIBs belonging to the same group or those who are under common control. For details of what constitutes "same group" or "common control", see "Application Form" under Issue Procedure section of the PPD.*

**Foreign portfolio investors as defined under the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019, as amended other than individuals, corporate bodies and family offices who are not allowed to participate in the Issue*

*** Sponsor and Manager should be Indian owned and controlled*

We note that the Board is entitled, in consultation with the BRLM in their sole discretion, to accept or reject this Application Form without assigning any reason thereof. We hereby accept the Equity Shares that may be Allocated to us, subject to the provisions of the Memorandum of Association and Articles of Association of the Company, applicable laws and regulations, the terms of the PPD, Placement Document and the CAN, when issued and the terms, conditions and agreements mentioned therein and request you to credit the same to our beneficiary account as per the details given below, subject to receipt of Application Form and the Bid Amount towards the Equity Shares that may be allocated to us. The amount payable by us as Bid Amount for the Equity Shares applied for has been/will be remitted to the designated bank account set out in this Application Form through electronic mode, along with this Application Form prior to or on Issue Closing Date and such Bid Amount has been /will be transferred from a bank account maintained in our name. We acknowledge and agree that we shall not make any payment in cash or cheque. We are aware that (i) Allocation and Allotment in the Issue shall be at the sole discretion of the Company, in consultation with the BRLM; and (ii) in the event that Equity Shares that we have applied for are not Allotted to us in full or at all, and/or the Bid Amount is in excess of the amount equivalent to the product of the Equity Shares that will be Allocated to us and the Issue Price,

or the Company is unable to issue and Allot the Equity Shares offered in the Issue or if there is a cancellation of the Issue, the Bid Amount or a portion thereof, as applicable, will be refunded to the same bank account from which the Bid Amount has been paid by us. Further, we agree to comply with the rules and regulations that are applicable to us, including in relation to the lock-in and transferability requirements. In this regard, we authorize the Company to issue instructions to the depositories for such lock-in and transferability requirements, as may be applicable to us.

By submitting this Application Form, we hereby confirm and agree that the representations, warranties, acknowledgements and agreements as provided in the sections **"*Notice to Investors*", *"Representations by Investors*", "*Issue Procedure*", "*Selling Restrictions*"** and **"*Transfer Restrictions and Purchaser Representations*"** sections of the PPD are true and correct and acknowledge and agree that these representations and warranties are given by us for the bene fit of the Company and the BRLM, each of which is entitled to rely on and is relying on these representations and warranties in consummating the Issue.

By signing and submitting this Application Form, we hereby represent, warrant, acknowledge and agree as follows: (1) we have been provided a serially numbered copy of the PPD along with the Application Form, have read it in its entirety including in particular, the section **" *Risk Factors*"** therein and we have relied only on the information contained in the PPD and not on any other information obtained by us either from the Company, the BRLM or from any other source, including publicly available information; (2) we will abide by the PPD and the Placement Document, this Application Form, the CAN and the terms, condition s and agreements contained therein; (3) that if Equity Shares are Allotted to us pursuant to the Issue, we shall not sell such Equity Shares otherwise than on the recognized stock exchange in India for a period of one year from the date of Allotment; (4) we will not have the right to withdraw our Bid or revise our Bid downwards after the Issue Closing Date; (5) we will not trade in the Equity Shares credited to our beneficiary account maintained with the Depository Participant until such time that the final listing and trading approvals for the Equity Shares are issued by the Stock Exchanges; (6) Equity Shares shall be Allocated and Allotted at the sole and absolute discretion of the Company in consultation with the BRLM and the submission of this Application Form and payment of the corresponding Bid Amount by us does not guarantee any Allocation or Allotment of Equity Shares to us in full or in part; (7) in terms of the requirements of the Companies Act, upon Allocation, the Company will be required to disclose names and percentage of post-Issue shareholding of the proposed Allottees in the Placement Document; however, disclosure of such details in relation to us in the Placement Document will not guarantee Allotment to us, as Allotment in the Issue shall continue to be at the sole discretion of the Company, in consultation with the BRLM; (8) the number of Equity Shares Allotted to us pursuant to the Issue, together with other Allottees that belong to the same group or are under common control as us, shall not exceed 50% of the Issue.

For the purposes of this representation: The expression 'belong to the same group' shall derive meaning from Regulation 180(2) of the SEBI ICDR Regulations i.e. entities where (i) any of them controls, directly or indirectly, through its subsidiary or holding company, not less than 15% of the voting rights in the other; (ii) any of them, directly or indirectly, by itself, or in combination with other persons, exercise control over the others; or (iii) there is a common director, excluding nominee and independent directors, amongst the Eligible QIBs, its subsidiary or holding company and any other Eligible QIB; and 'control' shall have the same meaning as is assigned to it under Regulation 2(1)(e) of the Takeover Regulations; (9) We agree to accept the Equity Shares applied for, or such lesser number of Equity Shares as may be Allocated to us, subject to the provisions of the memorandum of association and articles of association of the Company, applicable laws and regulations, the terms of the PPD and the Placement Document, this Application Form, the CAN upon its issuance and the terms, conditions and agreements mentioned therein and request you to credit the same to our beneficiary account with the Depository Participant as per the details given below.

We acknowledge that the Equity Shares have not been and will not be registered under the Securities

Act and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state securities laws. By submitting this Application Form and checking the applicable box above, we hereby represent that we are located outside the United States and purchasing the Equity Shares in an offshore transaction in reliance on Regulations of the Securities Act and the applicable laws of the jurisdiction where those offers and sales are made.

By submitting this Application Form, we further represent, warrant and agree that we have such knowledge and experience in financial and business matters that we are capable of evaluating the merits and risks of the prospective investment in the Equity Shares and we understand the risks involved in making an investment in the Equity Shares. No action has been taken by us or any of our affiliates or representatives to permit a public offering of Equity Shares in any jurisdiction. We satisfy any and all relevant suitability standards for investors in Equity Shares, have the ability to bear the economic risk of our investment in the Equity Shares, have adequate means of providing for our current and contingent needs, have no need for liquidity with respect to our investment in Equity Shares and are able to sustain a complete loss of our investment in the Equity Shares. We acknowledge that once a duly filled Application Form is submitted by an Eligible QIB, whether signed or not, and the Bid Amount has been transferred to the Escrow Account, such Application Form constitutes an irrevocable offer and cannot be withdrawn or revised downwards after the Issue Closing Date. In case Bids are being made on behalf of the Eligible QIB and this Application Form is unsigned, we confirm that we are authorized to submit this Application Form and provide necessary instructions for transfer of the Bid Amount to the Escrow Account, on behalf of the Eligible QIB.

| BIDDER DETAILS (In Block Letters) | | |
|---|---|---|
| **NAME OF BIDDER*** | | |
| **NATIONALITY** | | |
| **REGISTERED ADDRESS** | | |
| **CITY AND CODE** | | |
| **COUNTRY** | | |
| **MOBILE NO.** | | |
| **PHONE NO.** | | **FAX NO.** |
| **EMAIL ID** | | |
| **FOR ELIGIBLE FPIs**** | SEBI FPI REGISTRATION NO. | |
| **FOR MF** | SEBI MF REGISTRATION NO | |
| **FOR AIFs***** | SEBI AIF REGISTRATION NO. | |
| **FOR VCFs***** | SEBI VCF REGISTRATION NO. | |
| **FOR SI-NBFC** | RBI REGISTRATION DETAILS | |
| **FOR INSURANCE COMPANIES** | IRDAI REGISTRATION DETAILS. | |
| **Name should exactly match with the name in which the beneficiary account is held. Bid Amount payable on Equity Shares applied for by joint holders shall be paid from the bank account of the person whose name appears first in the application. Mutual Fund bidders are requested to provide details of the bids made by each scheme of the Mutual Fund. Each Eligible FPI is required to fill a separate Application Form. Further, any discrepancy in the name as mentioned in this Application Form with the depository records would render the application invalid and liable to be rejected at the sole discretion of the Issuer and the BRLM.*<br>*** In case you are an Eligible FPI holding a valid certificate of registration and eligible to invest in the Issue, please mention your SEBI FPI Registration Number.*<br>**** Allotments made to AIFs and VCFs in the Issue are subject to the rules and regulations that are applicable to each of them respectively, including in relation to lock-in requirement. AIFs and VCFs should independently consult their own counsel and advisors as to investment in and related matters concerning the Issue.* | | |

We are aware that the number of Equity Shares in the Company held by us, together with the number of Equity Shares, if any. Allocated to us in the Issue will be aggregated to disclose the percentage of our post-Issue shareholding in the Company in the Placement Document in line with the requirements under PAS-4 of the PAS Rules. For such information, the BRLM have relied on the information provided by the Registrar for obtaining details of our shareholding and we consent and authorize such disclosure in the Placement Document.

| DEPOSITORY ACCOUNT DETAILS | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| Depository Name | National Securities Depository Limited | | | | | | | | | Central Depository Services (India) Limited |
| Depository Participant Name | | | | | | | | | | |
| DP – ID | I | N | | | | | | | | |
| Beneficiary Account Number | | | | | | | | | | (16-digit beneficiary A/c. No. to be mentioned above) |

The demographic details like address, bank account details etc., will be obtained from the Depositories as per the beneficiary account given above. However, for the purposes of refund, if any, only the bank details as mentioned below, from which the Bid Amount has been remitted for the Equity Shares applied for in the Issue will be considered.

| PAYMENT DETAILS |
|---|
| **REMITTANCE BY WAY OF ELECTRONIC FUND TRANSFER** |
| **By 3.30 p.m. (IST), December 19, 2024** |

| BANK ACCOUNT DETAILS FOR PAYMENT OF BID AMOUNT THROUGH ELECTRONIC FUND TRANSFER | | | |
|---|---|---|---|
| **Name of the Account** | GUJARAT TOOLROOM LIMITED - 2024 QIP ESCROW ACCOUNT | **Account Type** | CURRENT |
| **Name of Bank** | KOTAK MAHINDRA BANK LIMITED | **Address of the Branch of the Bank** | NARIMAN POINT, MUMBAI |
| Account No. | 3350882531 | IFSC | KKBK0000958 |
| Tel No. | - | E-mail | cmsipo@kotak.com |

The Bid Amount should be transferred pursuant to the Application Form only by way of electronic fund transfers, towards the Escrow Account. Payment of the entire Bid Amount should be made along with the Application Form on or before the closure of the Issue Period i.e. prior to or on the Issue Closing Date. All payments must be made in favor of "**GUJARAT TOOLROOM LIMITED - 2024 QIP ESCROW ACCOUNT**". The payment for subscription to the Equity Shares to be allotted in the Issue shall be made only from the bank account of the person subscribing to the Equity Shares and in case of joint holders, from the bank account of the person whose name appears first in the Application Form.

| RUPEE BANK ACCOUNT DETAILS (FOR REMITTANCE) | | | |
|---|---|---|---|
| Bank Account Number | 3350882531 | IFSC Code | KKBK0000958 |
| Bank Name | KOTAK MAHINDRA BANK LIMITED | Bank Branch Address | NARIMAN POINT, MUMBAI |

| NO. OF EQUITY SHARES BID FOR | | PRICE PER EQUITY SHARE (RUPEES) | |
|---|---|---|---|
| (In Figures) | (In Words) | (In Figures) | (In Words) |
| | | | |
| **BID AMOUNT (RUPEES)** | | | |
| (In Figures) | | (In Words) | |
| | | | |

| DETAILS OF CONTACT PERSON | |
|---|---|
| Name | |
| Address: | |
| | |
| Tel. No: | Fax No: |
| Email: | |

| OTHER DETAILS | |
|---|---|
| **PAN*** | |
| **Date of Application** | |
| **Signature of Authorized Signatory (may be signed either physically or digitally)** | |

| ENCLOSURES TO BE SUBMITTED* |
|---|
| ☐ Copy of the PAN Card or PAN allotment letter** |
| ☐ FIRC |
| ☐ Copy of the SEBI registration certificate as a Mutual Fund |
| ☐ Copy of the SEBI registration certificate as an Eligible FPI |
| ☐ Copy of the SEBI registration certificate as an AIF |
| ☐ Copy of the SEBI registration certificate a VCF |
| ☐ Certified copy of the certificate of registration issued by the RBI as an SI-NBFC/ a scheduled commercial bank |
| ☐ Copy of notification as a public financial institution |
| ☐ Copy of the IRDAI registration certificate |
| ☐ Certified true copy of power of attorney |
| ☐ Others, please specify_____ |

**A physical copy of the Application Form and relevant documents as required to be provided along with the Application Form shall be submitted as soon as practicable.*
***Please note that the Bidder should not mention the GIR number or any other identification number instead of the PAN, unless the Bidder is exempted from requirement of obtaining a PAN under the Income-tax Act, 1961, as the application is liable to be rejected on this ground.*

**Note 1:** Capitalized terms used but not defined herein shall have the same meaning as ascribed to them in the PPD and Placement Document.

**Note 2**: The Application Form may be rejected if any information provided is incomplete or inadequate, at the discretion of the Company in consultation with the BRLM.

**Note 3**: The duly filed Application Form along with all enclosures shall be submitted to the Book Running Lead Manager either through electronic form at the email mentioned in the PPD or through physical delivery at the address mentioned in PPD.

The Application Form and the PPD sent to you and the Placement Document which will be sent to you in electronic form, are specific to you and you may not distribute or forward the same and are subject to the disclaimers and restrictions contained or accompanying these documents.