



Letter of Offer

May 23, 2024

For Eligible Equity Shareholders Only



## GUJARAT TOOLROOM LIMITED

Our company was originally incorporated as private limited Company under the Companies Act, 1956 as Pirmmatic 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 Pirmmatic 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 5<sup>th</sup> 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 'GUJTLM' and ISIN 'INE145J01032'. For details see '**General Information**' on page 53 of this Letter of Offer.

**Corporate Identification Number:** L45208GJ1983PLC006056

**Registered Office:** 404 - 4th floor, Samarth Co. Op. H. Soc., Nr. Silicon Tower, Nr. Law Garden, Ellisbridge, Ahmedabad 380006

**Contact No:** +91-7227013356 | **Contact Person:** Ms. Asha Parmar, Company Secretary and Compliance Officer;

**Email-ID:** [cs@gujarattoolroom.com](mailto:cs@gujarattoolroom.com) | **Website:** [www.gujarattoolroom.com](http://www.gujarattoolroom.com)

**OUR COMPANY IS A PROFESSIONALLY MANAGED COMPANY AND DOES NOT HAVE ANY IDENTIFIABLE PROMOTER**

THE IMMEDIATE ERSTWHILE PROMOTERS OF THE COMPANY WERE BHAVIN SURYAKANTBHAI PARIKH HUF, BHAVIK SURYAKANTBHAI PARIKH HUF, MRS. PURVI BHAVIN PARIKH, MR. VISHAL MUKESHKUMAR SHAH AND MR. MITTAL MUKESHKUMAR SHAH. AS A RESULT OF RECLASSIFICATION, THEY ARE RECLASSIFIED FROM 'PROMOTER AND PROMOTER GROUP CATEGORY' TO 'PUBLIC CATEGORY VIDE BSE APPROVAL LETTER DATED JANUARY 12, 2024.

**FOR PRIVATE CIRCULATION TO THE ELIGIBLE EQUITY SHAREHOLDERS OF GUJARAT TOOLROOM LIMITED**

**("OUR COMPANY" OR "ISSUER") ONLY**

ISSUE OF UPTO 6,11,08,960\* FULLY PAID-UP EQUITY SHARES OF FACE VALUE OF ₹ 1/- EACH ("**RIGHTS EQUITY SHARES**") OF GUJARAT TOOLROOM LIMITED ("**GTL**" OR THE "**COMPANY**" OR THE "**ISSUER**") FOR CASH AT A PRICE OF ₹ 8/- EACH INCLUDING A SHARE PREMIUM OF ₹ 7/- PER RIGHTS EQUITY SHARE ("**ISSUE PRICE**") AGGREGATING UPTO ₹ 4,888.72 LAKHS ON A RIGHTS ISSUE BASIS TO THE ELIGIBLE EQUITY SHAREHOLDERS OF OUR COMPANY IN THE RATIO OF 11 (ELEVEN) RIGHTS EQUITY SHARES FOR EVERY 10 (TEN) EQUITY SHARE HELD BY SUCH ELIGIBLE EQUITY SHAREHOLDERS AS ON THE RECORD DATE, JUNE 05, 2024 ("**ISSUE**"). THE ISSUE PRICE IS 8 (EIGHT) TIME THE FACE VALUE OF THE EQUITY SHARE. FOR FURTHER DETAILS, KINDLY REFER TO THE SECTION TITLED '**TERMS OF THE ISSUE**' BEGINNING ON PAGE 172 OF THIS LETTER OF OFFER (the "**LOF**").

\*Assuming full subscription

**WILFUL DEFAULTERS AND/ OR FRAUDULENT BORROWERS**

Neither our Company nor any of our Directors are or have been categorized as Wilful Defaulter or Fraudulent Borrower by any bank or financial institution (as defined under the Companies Act, 2013) or consortium thereof, in accordance with the guidelines on Wilful Defaulter(s) or Fraudulent Borrower(s) issued by the Reserve Bank of India. Further, since our Company is a Professionally Managed Company and does not have any Identifiable Promoter, this clause is not applicable to the extent of Promoters.

**GENERAL RISK**

Investment in equity and equity related securities involves a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk with such investment. Investors are advised to read the risk factors carefully before taking an investment decision in this Issue. For taking an investment decision, investors must rely on their own examination of our Company and this Issue including the risks involved. The Rights Equity Shares have not been recommended or approved by the Securities and Exchange Board of India ("**SEBI**") nor does SEBI guarantee the accuracy or adequacy of the contents of this Letter of Offer. Investors are advised to refer section titled '**Risk Factors**' beginning on page 27 of this Letter of Offer before investing in the Issue.

**ISSUER'S ABSOLUTE RESPONSIBILITY**

Our Company has made all reasonable inquiries, accepts responsibility for and confirms that this Letter of Offer contains all information with regard to our Company and the Issue, which is material in the context of the Issue, that the information contained in this Letter of Offer is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Letter of Offer as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.

**LISTING**

The existing Equity Shares are listed on the BSE Limited ("**BSE**") (the "**Stock Exchange**"). Our Company has received 'in-principle' approval from BSE for listing the Rights Equity Shares to be issued pursuant to this Issue vide reference No. LOD/RIGHT/AB/FIP/1257/2023-24 their letters dated February 19, 2024. Our Company will also make applications to the Stock Exchange to obtain their trading approvals for the Rights Entitlements as required under the SEBI circular bearing reference number SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020. For this Issue, the Designated Stock Exchange is BSE.

**REGISTRAR TO THE ISSUE**



**CAMEO CORPORATE SERVICES LIMITED**

**Address:** Subramanian Building, No.1, Club House Road, Chennai 600 002

**Contact Person:** Ms. K. Sreepriya | **Tel No.:** +91 - 44 4002 0700

**Email:** [rights@cameoindia.com](mailto:rights@cameoindia.com) | **Investor grievance e-mail:** [investor@cameoindia.com](mailto:investor@cameoindia.com) | **Website:** [www.cameoindia.com](http://www.cameoindia.com)

**SEBI Registration No:** INR000001385

**ISSUE PROGRAMME**

**ISSUE OPENS ON**

Friday, June 14, 2024

**LAST DATE FOR ON-MARKET RENUNCIATIONS\***

Monday, July 08, 2024

**ISSUE CLOSES ON\*\***

Friday, July 12, 2024

\*Eligible Equity Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renounees on or prior to the Issue Closing Date.

\*\*Our Board or a duly authorized committee thereof will have the right to extend the Issue Period as it may determine from time to time, provided that this Issue will not remain open in excess of 30 (thirty) days from the Issue Opening Date. Further, no withdrawal of Application shall be permitted by any Applicant after the Issue Closing Date.

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## SECTION I – GENERAL

### DEFINITIONS AND ABBREVIATIONS

*This Letter of Offer 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 Letter of Offer is intended for the convenience of the reader/prospective Applicant only and may not be exhaustive.*

*In this Letter of Offer uses the definitions and abbreviations set forth below, which, unless the context otherwise indicates or implies, or unless otherwise specified, shall have the meaning as provided below. References to any legislation, act, regulation, rules, guidelines, or policies shall be to such legislation, act, regulation, rules, guidelines, or policies as amended, supplemented, or re-enacted from time to time and any reference to a statutory provision shall include any subordinate legislation made from time to time under that provision.*

*In this Letter of Offer, unless otherwise indicated or the context otherwise requires, all references to ‘the Company’, ‘we’, ‘our’, ‘Our Company’, ‘us’ or similar terms are to Gujarat Toolroom Limited as the context requires, and references to ‘you’ are to the Eligible Shareholders and/ or prospective Investors in this Rights Issue of Equity Shares.*

*The words and expressions used in this Letter of Offer, but not defined herein, shall have the same meaning (to the extent applicable) ascribed to such terms under the SEBI (ICDR) Regulations, the Companies Act, 2013, the SCRA, the Depositories Act, and the rules and regulations made thereunder. Notwithstanding the foregoing, terms used in section titled ‘Statement of Tax Benefits’, ‘Industry Overview’, ‘Financial Information’, ‘Outstanding Litigations, Defaults, and Material Developments’ and ‘Terms of the Issue’ beginning from page 70, 74, 105, 157 and 172 respectively, shall have the meaning given to such terms in such sections.*

### GENERAL / COMPANY RELATED TERMS

Term	Description
Gujarat Toolroom Limited / GTL / the Company / Our Company	Gujarat Toolroom Limited, a public limited Company incorporated under the provisions of the Companies Act, 1956, as amended having its Registered Office situated at 404 - 4th floor, Samarth Co. Op. H.Soc, Nr. Silicon Tower, Nr. Law Garden, Ellisbridge, Ahmedabad 380006, Gujarat, India.
We / us / our / Our Company	Unless the context otherwise indicates or implies, refers to Gujarat Toolroom Limited together.

Term	Description
AoA / Articles of Association	The Articles of Association of Gujarat Toolroom Limited, as amended;
Audit Committee	The committee of the Board of Directors constituted as our Company’s audit committee in accordance with the provisions of Section 177 of the Companies Act, 2013 read with Regulation 18 of the SEBI (LODR) Regulations;
Audited Financial Statements	The audited financial statements of our Company for the year ended March 31, 2023, March 31, 2022 and March 31, 2021, which comprises the balance sheet as at March 31, 2023, March 31, 2022 and March 31, 2021, the statement of profit and loss, including other comprehensive income, the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

Term	Description
Auditors / Statutory Auditors / Peer Review Auditor	The statutory auditor of our Company, being, M/s. K M Chauhan & Associates, Chartered Accountants;
Board of Directors / Board	The Board of Directors of Gujarat Toolroom Limited, including all duly constituted Committees thereof;
Chief Financial Officer / CFO	The Chief Financial Officer of our Company, being Mr. Rakesh Dutta;
Companies Act	The Companies Act, 2013 and rules issued thereunder, as amended;
Company Secretary and Compliance Officer	The Company Secretary and Compliance Officer of our Company, being Ms. Asha Parmar;
Directors	The director(s) on the Board of our Company, unless otherwise specified;
Eligible Shareholder(s)	Eligible holder(s) of the Equity Shares of Gujarat Toolroom Limited as on the Record Date;
Equity Shares	Equity Share of the Company having Face Value of ₹ 1/- (Rupee One Only), unless otherwise specified;
Financial Information	Collectively, the Restated Financial Statements and Unaudited Consolidated Financial Results along with the notes and accounting policies and limited review report, unless otherwise Specified in context thereof;
Independent Director	Independent directors on the Board and eligible to be appointed as an Independent Director under the provisions of Companies Act and SEBI (LODR) Regulations. For details of the Independent Directors, please refer to section titled ' <b>Our Management</b> ' beginning on page 96;
ISIN of our Company	International Securities Identification Number being INE145J01032;
Key Management Personnel/ KMP	Key management personnel of our Company in terms of Regulation 2(1)(bb) of the SEBI (ICDR) Regulations and Section 2(51) of the Companies Act, 2013. For details, please refer to section titled ' <b>Our Management</b> ' beginning on page 96;
Limited Reviewed Financial Information	The limited reviewed financial results for the nine months periods ended December 31, 2023, prepared in accordance with the Companies Act and SEBI Listing Regulations. For details, see ' <b>Financial Information</b> ' on page 105 of this Letter of Offer;
MoA / Memorandum of Association	The Memorandum of Association of Gujarat Toolroom Limited, as amended from time to time;
Nomination and Remuneration Committee	The committee of the Board of directors reconstituted as our Company's Nomination and Remuneration Committee in accordance with Section 178 of the Companies Act, 2013 read with Regulation 19 of the SEBI (LODR) Regulations;
Non-executive Director(s)	The Non-executive Director(s) of our Company
Registered Office	The registered office of our Company located at 404 - 4 <sup>th</sup> floor, Samarth Co. Op. H. Soc, Nr. Silicon Tower, Nr. Law Garden, Ellisbridge, Ahmedabad 380006, Gujarat, India;
Registrar of Companies / RoC	Registrar of Companies, ROC Bhavan, Opp. Rupal Park Society, Behind Ankur Bus Stop, Naranpura, Ahmedabad-380013, Gujarat.
Restated Financial Statement/ Restated Financial Information	The Restated financial statements of our Company for the year period ended on March 31, 2023, March 31, 2022 and March 31, 2021, which comprises the balance sheet as at March 31, 2023, March 31, 2022 and March 31, 2021, the statement of profit and loss, including other comprehensive income, the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information thereto prepared in accordance with Ind AS and restated

<b>Term</b>	<b>Description</b>
	by Company in accordance with the requirements of Section 26 of Part I of Chapter III of the Companies Act, 2013, SEBI ICDR Regulations and the Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India, each as amended.
Shareholders	The equity shareholders of our Company, from time to time, unless otherwise specified in the context thereof;
Stakeholders' Relationship Committee	The committee of the Board of Directors constituted as our Company's Stakeholders' Relationship Committee in accordance with Section 178 of the Companies Act, 2013 read with Regulation 20 of SEBI LODR Regulations 2015.
Wholly owned Subsidiary	Our Company has two wholly owned Subsidiary Companies as on the date of filing of this Letter of Offer as defined under the Companies Act, 2013 and the applicable Indian Accounting Standard.

## GENERAL ISSUE RELATED TERMS

<b>Term</b>	<b>Description</b>
Abridged Letter of Offer	Abridged Letter of Offer to be sent to the Eligible Shareholders with respect to the Issue in accordance with the provisions of the SEBI (ICDR) Regulations and the Companies Act;
Additional Rights Equity Shares	The Rights Equity Shares applied or allotted under this Issue in addition to the Rights Entitlement;
Allot / Allotment / Allotted	Unless the context requires, the allotment of Rights Equity Shares pursuant to this Issue;
Allotment Account	The account opened with the Banker to the Issue, into which the Application Money lying to the credit of the escrow account(s) and application amounts by ASBA blocked in the ASBA Account, with respect to successful Investors will be transferred on the Transfer Date in accordance with Section 40(3) of the Companies Act;
Allotment Advice	The note or advice or intimation of Allotment sent to each successful Applicant who has been or is to be Allotted the Rights Equity Shares pursuant to this Issue;
Allotment Date	Date on which the Allotment is made pursuant to this Issue;
Allottee(s)	Persons to whom Rights Equity Shares are issued pursuant to the Issue;
Applicant(s) / Investor(s)	Eligible Equity Shareholder(s) and/or Renouncee(s) who make an application for the Rights Equity Shares pursuant to this Issue in terms of the Letter of Offer, including an ASBA Investor;
Application	Application made through submission of the Application Form or plain paper Application to the Designated Branch(es) of the SCSBs or online/ electronic application through the website of the SCSBs (if made available by such SCSBs) under the ASBA process, to subscribe to the Rights Equity Shares at the Issue Price;
Application Form/ Common Application Form (CAF)	Unless the context otherwise requires, an application form (including online application form available for submission of application through the website of the SCSBs (if made available by such SCSBs) under the ASBA process) used by an Investor to make an application for the Allotment of Equity Shares in the Issue;
Application Money	Aggregate amount payable in respect of the Rights Equity Shares applied for in the Issue at the Issue Price;
Application Supported by Blocked amount or ASBA	Application (whether physical or electronic) used by ASBA Investors to make an application authorizing the SCSB to block the Application Money in the ASBA Account maintained with such SCSB;

Term	Description
ASBA Account	A bank account maintained with a SCSB and specified in the Application Form or plain paper application for blocking the amount mentioned in the Application Form or the plain paper application, in case of Eligible Shareholders, as the case may be;
ASBA Applicant /ASBA Investor	As per the SEBI Circular SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020, all investors (including Renounees) shall make an application for an Issue only through ASBA facility;
ASBA Bid	Bid made by an ASBA Bidder including all revisions and modifications thereto as permitted under the SEBI (ICDR) Regulations;
ASBA Circulars	Collectively, the SEBI circulars bearing reference numbers 'SEBI/CFD/DIL/ASBA/1/2009/30/12 dated December 30, 2009', 'CIR/CFD/DIL/1/2011 dated April 29, 2011', and 'SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020';
Bankers to the Issue Agreement	Agreement dated May 23, 2024 entered by and amongst our Company and the Registrar to the Issue, and the Bankers to the Issue for collection of the Application Money from applicants/Investors, transfer of funds to the Allotment Account from the Escrow Account and SCSBs, release of funds from Allotment Account to our Company and other persons and where applicable, refunds of the amounts collected from Investors and providing such other facilities and services as specified in the agreement;
Bankers to the Issue/ Refund Bank	Collectively, the Escrow Collection Bank and the Refund Bank to the Issue, in this case is Kotak Mahindra Bank Limited;
Basis of Allotment	The basis on which the Rights Equity Shares will be Allotted to successful Applicants in the Issue, and is described in the section titled ' <i>Terms of the Issue</i> ' beginning on page 172;
Controlling Branches / Controlling Branches of the SCSBs	Such branches of the SCSBs which co-ordinate with the Registrar to the Issue and the Stock Exchange, a list of which is available on <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes</a> updated from time to time or at such other website(s) as may be prescribed by the SEBI from time to time;
Demographic Details	Details of Investors including the Investor's address, name of the Investor's father/ husband, investor status, occupation and bank account details, where applicable;
Depository(ies)	NSDL and CDSL or any other depository registered with SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018 as amended from time to time read with the Depositories Act, 1996;
Designated Branches	SCSB Such branches of the SCSBs which shall collect the ASBA Forms submitted by ASBA Bidders, a list of which is available on the website of SEBI at <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=35">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=35</a> , updated from time to time, or at such other website as may be prescribed by SEBI from time to time;
Designated Exchange	Stock BSE Limited
Draft Letter of Offer/ DLoF	The Draft Letter of Offer dated December 22, 2023 filed with BSE Limited, in accordance with the SEBI (ICDR) Regulations, for their observations and In-principal approvals.
Eligible Shareholders	Equity Existing Equity Shareholders as on the Record Date i.e. June 05, 2024. Please note that the investors eligible to participate in the Issue exclude certain overseas shareholders;

Term	Description
Escrow Account(s)	One or more no-lien and non-interest-bearing accounts with the Escrow Collection Bank(s) for the purposes of collecting the Application Money from resident Investors updated from time to time or at such other website(s) as may be prescribed by the SEBI from time to time;
Escrow Collection Bank	Banks which are clearing members and registered with SEBI as bankers to an Issue and with whom Escrow Account(s) will be opened, in this case being Kotak Mahindra Bank Limited;
Issue Closing Date	July 12, 2024
Issue Material	Collectively, the Letter of Offer, the Abridged Letter of Offer, the Common Application Form (CAF)/ Application Form and Rights Entitlement Letter;
Issue Opening Date	June 14, 2024
Issue Period	The period between the Issue Opening Date and the Issue Closing Date, inclusive of both days, during which Applicants/ Investors can submit their applications, in accordance with the SEBI (ICDR) Regulations;
Issue Price	₹ 8/- (Rupee Eight Only) per Rights Equity Share;
Issue Proceeds	The proceeds of the Issue that are available to our Company;
Issue Size	Amount up to ₹ 4,888.72 Lakhs* (*Assuming full subscription)
Issue/ Rights Issue	Issue of up to 6,11,08,960 Equity Shares of our Company for cash at a price of ₹ 8/- (Rupee Eight Only) per Rights Equity share, including a share premium of ₹ 7 per Rights Equity Share, for an amount up to ₹ 4,888.72 Lakhs on a rights basis to the Eligible Shareholders of our Company in the ratio of 11 (Eleven) Rights Equity Shares for every 10 (Ten) Equity Share held by the Eligible Equity Shareholders of our Company on the Record Date i.e. June 05, 2024;
Letter of Offer/ LoF	The Letter of Offer dated May 23, 2024, filed with the BSE Limited after incorporating the observations received from the BSE on the Letter of Offer, including any addenda or corrigenda thereto;
Multiple Application Forms	Multiple application forms submitted by an Eligible Equity Shareholder/Renouncee in respect of the Rights Entitlement available in their demat account. However supplementary applications in relation to further Equity Shares with/without using additional Rights Entitlements will not be treated as multiple application;
Net Proceeds	Issue Proceeds less the Issue related expenses. For further details, please refer to the section titled ' <b>Objects of the Issue</b> ' beginning on page 62;
Non-Institutional Investors/ NIIs	An Investor other than a Retail Individual Investor or Qualified Institutional Buyer as defined under Regulation 2(1)(jj) of the SEBI (ICDR) Regulations;
Offer Documents	The Letter of Offer, Abridged Letter of Offer including any notices, corrigendum thereto;
Off-Market Renunciation	The renunciation of Rights Entitlements undertaken by the Investor by transferring them through off-market transfer through a depository participant in accordance with the SEBI Rights Issue Circulars and the circulars issued by the Depositories, from time to time, and other applicable laws;
On-Market Renunciation	The renunciation of Rights Entitlements undertaken by the Investor by trading them over the secondary market platform of the Stock Exchange through a registered stock broker in accordance with the SEBI Rights Issue Circulars and the circulars issued by the Stock Exchange, from time to time, and other applicable laws, on or before July 08, 2024;
QIBs or Qualified Institutional Buyers	Qualified institutional buyers as defined under Regulation 2(1)(ss) of the SEBI (ICDR) Regulations;

<b>Term</b>	<b>Description</b>
Record Date	Designated date for the purpose of determining the Equity Shareholders eligible to apply for Rights Equity Shares, being Wednesday, June 05, 2024;
Refund through electronic transfer of Funds	Refunds through NECS, Direct Credit, RTGS, NEFT or ASBA process, as applicable;
Registrar Agreement	Agreement dated November 28, 2023 entered between our Company and the Registrar in relation to the responsibilities and obligations of the Registrar to the Issue pertaining to this Issue;
Registrar to the Issue / Registrar / RTA	Cameo Corporate Services Limited
Renouncees	Any person(s) who has/have acquired the Rights Entitlements from the Eligible Equity Shareholders on renunciation either through On-Market Renunciation or through Off-Market Renunciation in accordance with the SEBI ICDR Regulations read with the SEBI Rights Issue Circulars, the Companies Act and any other applicable law;
Renunciation Period	The period during which the Investors can renounce or transfer their Rights Entitlements which shall commence from the Issue Opening Date i.e. June 14, 2024. Such period shall close on July 8, 2024 in case of On-Market Renunciation. Eligible Equity Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renouncee on or prior to the Issue Closing Date i.e. July 12, 2024;
Retail Individual Investors/ RIIs	An individual Investor who has applied for Rights Equity Shares for an amount not more than ₹ 2,00,000 (including an HUF applying through karta in the Issue as defined under Regulation 2(1)(vv) of the SEBI ICDR Regulations;
Rights Entitlement (s)/ REs	The number of Rights Equity Shares that an Eligible Equity Shareholder is entitled to in proportion to the number of Equity Shares held by the Eligible Equity Shareholder on the Record Date, in this case being 11 (Eleven) Rights Equity Shares for every 10 (Ten) Equity Share held by an Eligible Equity Shareholder;  The Rights Entitlements with a separate ISIN 'INE145J20016' will be credited to your demat account before the date of opening of the Issue, against the Equity Shares held by the Equity Shareholders as on the Record Date, pursuant to the provisions of the SEBI (ICDR) Regulations and the SEBI Rights Issue Circular, the Rights Entitlements shall be credited in dematerialized form in respective demat accounts of the Eligible Equity Shareholders before the Issue Opening Date;
Rights Entitlement Letter	Letter including details of Rights Entitlements of the Eligible Shareholders;
Rights Equity Shares	Equity Shares of our Company to be Allotted pursuant to this Issue, on fully Paid-up basis on Allotment;
SEBI Rights Issue Circulars	Collectively, SEBI ICDR Master Circular, SEBI circulars bearing reference number 'SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020', 'SEBI/HO/CFD/CIR/CFD/DIL/67/2020 dated April 21, 2020', 'SEBI/HO/CFD/DIL2/CIR/P/2020/78 dated May 6, 2020', 'SEBI/HO/CFD/DIL1/CIR/P/2020/136 dated July 24, 2020' 'SEBI/HO/CFD/DIL1/CIR/P/2021/13 dated January 19, 2021' and 'SEBI/HO/CFD/SSEP/CIR/P/2022/66 dated May 19, 2022';

Term	Description
Self-Certified Syndicate Banks/SCSB(s)	The banks registered with SEBI, offering services (i) in relation to ASBA (other than through UPI mechanism), a list of which is available on the website of SEBI at <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmlId=34">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmlId=34</a> or <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmlId=35">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmlId=35</a> , as applicable, or such other website as updated from time to time, and (ii) in relation to ASBA (through UPI mechanism), a list of which is available on the website of SEBI at <a href="https://sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmlId=40">https://sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmlId=40</a> or such other website as updated from time to time;
Transfer Date	The date on which the amount held in the escrow account(s) and the amount blocked in the ASBA Account will be transferred to the Allotment Account, upon finalization of the Basis of Allotment, in consultation with the Designated Stock Exchange;
Wilful Defaulter/ Fraudulent Borrower	A Company or person, categorized as a wilful defaulter or a fraudulent borrower by any bank or financial institution or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the RBI, including any company whose director or promoter is categorized as such;
Working Day(s)	In terms of Regulation 2(1)(mmm) of SEBI (ICDR) Regulations, Working day means all days on which commercial banks in Gujarat are open for business. Further, in respect of Issue Period, working day means all days, excluding Saturdays, Sundays, and public holidays, on which commercial banks in Ahmedabad are open for business. Furthermore, the time period between the Issue Closing Date and the listing of the Rights Equity Shares on the Stock Exchange, “Working Day” means all trading days of the Stock Exchange, excluding Sundays and bank holidays, as per circulars issued by SEBI;

## 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
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
IJS	India International Jewellery Show
IIP	Index of Industrial Production
IMF	The International Monetary Fund
ISO	International Organisation for Standardization
Kg/cm <sup>2</sup>	Kilogram per Square Centimetre

<b>Term</b>	<b>Description</b>
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

<b>Term</b>	<b>Description</b>
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;

## **ABBREVIATIONS**

<b>Term</b>	<b>Description</b>
₹/Rs. /Rupees /INR	Indian Rupees, the official currency of the Republic of India;
AGM	Annual General Meeting;
AIF	Alternative Investment Fund 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;
AY	Assessment Year;
CAF	Common Application Form;
CDSL	Central Depository Services (India) Limited;
CFO	Chief Financial Officer;
CIN	Corporate Identification Number;
CIT	Commissioner of Income Tax;
CLRA	Contract Labour (Regulation and Abolition) Act, 1970;
Companies Act, 1956	Companies Act, 1956, and the rules thereunder (without reference to the provisions thereof that have ceased to have effect upon the notification of the Notified Sections);
Companies Act, 2013	Companies Act, 2013 along with rules made thereunder;
COVID-19	A public health emergency of international concern as declared by the World Health Organization on January 30, 2020 and a pandemic on March 11, 2020;
CSR	Corporate Social Responsibility;
Depositories Act	The Depositories Act, 1996;

<b>Term</b>	<b>Description</b>
Depository	A depository registered with SEBI under the Securities and Exchange Board of India (Depositories and Participant) Regulations, 2018;
DIN	Director Identification Number;
DP	Depository Participant;
DP / Depository Participant	Depository Participant as defined under the Depositories Act;
DP-ID	Depository Participant's Identification;
DR	Depository Receipts;
EBITDA	Profit/(loss) after tax for the year adjusted for income tax expense, finance costs, depreciation, and amortization expense, as presented in the statement of profit and loss;
EGM	Extraordinary General Meeting;
EPS	Earning per Equity Share;
FCNR Account	Foreign Currency Non-Resident (Bank) account established in accordance with the FEMA;
FDI	Foreign Direct Investment;
FEMA	Foreign Exchange Management Act, 1999 read with rules and regulations made thereunder;
FEMA Rules	Foreign Exchange Management (Non-debt Instruments) Rules, 2019;
FII(s)	Foreign Institutional Investors registered with SEBI under applicable laws;
FIPB	Foreign Investment Promotion Board;
FPIs	A foreign portfolio investor who has been registered pursuant to the SEBI FPI Regulations, provided that any FII who holds a valid certificate of registration shall be deemed to be an FPI until the expiry of the block of three years for which fees have been paid as per the SEBI FPI Regulations;
Fugitive Economic Offender	An individual who is declared a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018;
FVCI	Foreign Venture Capital Investors (as defined under the Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000) registered with SEBI;
FY	Period of 12 months ended March 31 of that particular year, unless otherwise stated;
GAAP	Generally Accepted Accounting Principles;
GDP	Gross Domestic Product;
GoI / Government	The Government of India;
GST	Goods and Services Tax;
HUF	Hindu Undivided Family;
ICAI	The Institute of Chartered Accountants of India;
ICSI	The Institute of Company Secretaries of India;
IFRS	International Financial Reporting Standards;
Income Tax Act/ IT Act	The Income Tax Act, 1961 and amendments thereto;
Ind AS	Indian accounting standards as specified under section 133 of the Companies Act 2013 read with Companies (Indian Accounting Standards) Rules 2015, as amended;
Insider Trading Regulations	Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

<b>Term</b>	<b>Description</b>
Insolvency Code	Insolvency and Bankruptcy Code, 2016, as amended;
IT	Information Technology;
MCA	The Ministry of Corporate Affairs, GoI;
MN / Mn	Million;
Mutual Funds	Mutual funds registered with the SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996;
N.A. or NA	Not Applicable;
NAV	Net Asset Value;
NEFT	National Electronic Fund Transfer;
Notified Sections	The sections of the Companies Act, 2013 that have been notified by the MCA and are currently in effect;
NR/ Non-Resident	A person resident outside India, as defined under the FEMA and includes an NRI, FPIs registered with SEBI and FVCIs registered with SEBI;
NRE	Non-Resident External Account;
NRI	Non-Resident Indian;
NSDL	National Securities Depository Limited;
OCB	Overseas Corporate Body;
P.A.	Per annum;
P/E Ratio	Price/Earnings Ratio;
PAN	Permanent Account Number;
PAT	Profit After Tax;
RBI	Reserve Bank of India;
RBI Act	Reserve Bank of India Act, 1934;
RoNW	Return on Net Worth;
SCORES	SEBI Complaints Redress System;
SCRA	Securities Contracts (Regulation) Act, 1956;
SCRR	Securities Contracts (Regulation) Rules, 1957;
SEBI	Securities and Exchange Board of India;
SEBI (ICDR) Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 and amendments thereto;
SEBI (LODR) Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time;
SEBI (SAST) Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and amendments thereto;
SEBI Act	Securities and Exchange Board of India Act, 1992;
SEBI AIF Regulations	Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012;
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019;
Securities Act	United States Securities Act of 1933, as amended;
STT	Securities Transaction Tax;
TDS	Tax Deducted at Source;
Trade Mark Act	Trade Marks Act, 1999 and the rules thereunder, including subsequent amendments thereto;

<b>Term</b>	<b>Description</b>
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;
w.e.f.	With effect from

## NOTICE TO INVESTORS

The distribution of this Letter of Offer, the Abridged Letter of Offer, Application Form and Rights Entitlement Letter (“*Issue Material(s)*”) and the issue of Rights Entitlement and Rights Equity Shares to persons in certain jurisdictions outside India may be restricted by legal requirements prevailing in those jurisdictions. Persons into whose possession the Letter of Offer, Letter of Offer the Abridged Letter of Offer or CAFs may come are required to inform themselves about and observe such restrictions.

Our Company is making this Issue on a rights basis to the Eligible Equity Shareholders and Issue Materials will be sent electronically through email and physical dispatch through registered post/speed post/courier only to the Eligible Equity Shareholders who have a registered address in India or who have provided an Indian address to our Company. Further, the Letter of Offer will be provided, through email and registered post/speed post/courier, by the Registrar on behalf of our Company to the Eligible Equity Shareholders who have provided their Indian addresses to our Company or who are located in jurisdictions where the offer and sale of the Rights Equity Shares is permitted under laws of such jurisdictions and in each case who make a request in this regard. Investors can also access this Letter of Offer, the Abridged Letter of Offer and the Application Form from the websites of the Registrar, our Company, and the Stock Exchange.

No action has been or will be taken to permit this Issue in any jurisdiction where action would be required for that purpose, except that the Letter of Offer has been filed with BSE (“*Stock Exchange*”) for observations. Accordingly, the Rights Entitlements and Rights Equity Shares may not be offered or sold, directly or indirectly, and the Issue Materials may not be distributed in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Receipt of the Issue Materials will not constitute an offer in those jurisdictions in which it would be illegal to make such an offer, and, under such circumstances, Issue Materials must be treated as sent for information purpose only and should not be acted upon for subscription to Rights Entitlement and Rights Equity Shares and should not be copied or redistributed. Accordingly, persons receiving a copy of Issue Materials should not, in connection with this Issue of the Rights Equity Shares or Rights Entitlements, distribute or send the same in or into any jurisdiction where to do so would or might contravene local securities laws or regulations. If Issue Material is received by any person in any such jurisdiction, or by their agent or nominee, they must not seek to subscribe to the Rights Equity Shares, or the Rights Entitlements referred to in the Issue Material.

Any person who makes an application to acquire Rights Equity Shares offered in this Issue will be deemed to have declared, represented, warranted and agreed that such person is authorized to acquire the Rights Equity Shares in compliance with all applicable laws and regulations prevailing in his/ her jurisdiction. Our Company, the Registrar to the Issue or any other person acting on behalf of us reserve the Rights to treat any Application Form as invalid where we believe that Application Form is incomplete or acceptance of such Application Form may infringe applicable legal or regulatory requirements and we shall not be bound to allot or issue any Rights Equity Shares or Rights Entitlement in respect of any such Application Form.

Neither the delivery of this Letter of Offer, the Abridged Letter of Offer, Application Form and Rights Entitlement Letter nor any sale hereunder, shall, under any circumstances, create any implication that there has been no change in our Company’s affairs from the date hereof or the date of such information or that the information contained herein is correct as at any time subsequent to the date of this Letter of Offer and the Abridged Letter of Offer and the Application Form and Rights Entitlement Letter or the date of such information.

**THE CONTENTS OF THE ISSUE MATERIALS SHOULD NOT BE CONSTRUED AS LEGAL, TAX OR INVESTMENT ADVICE. PROSPECTIVE INVESTORS MAY BE SUBJECT TO ADVERSE FOREIGN, STATE, OR LOCAL TAX OR LEGAL CONSEQUENCES AS A RESULT OF THE OFFER OF RIGHT ENTITLEMENTS OR RIGHTS SHARES. AS A RESULT, EACH INVESTOR SHOULD CONSULT ITS OWN COUNSEL, BUSINESS ADVISOR, AND TAX ADVISOR AS TO**

**THE LEGAL, BUSINESS, TAX, AND RELATED MATTERS CONCERNING THE OFFER OF THE RIGHTS ENTITLEMENT OR THE RIGHTS SHARES. IN ADDITION, OUR COMPANY IS NOT MAKING ANY REPRESENTATION TO ANY OFFEREE OR PURCHASER OF THE RIGHTS ENTITLEMENT OR THE RIGHTS SHARES REGARDING THE LEGALITY OF AN INVESTMENT IN THE RIGHTS ENTITLEMENT OR THE RIGHTS SHARES BY SUCH OFFEREE OR PURCHASER UNDER ANY APPLICABLE LAWS OR REGULATIONS.**

#### **NO OFFER IN THE UNITED STATES**

The Rights Entitlement and the Rights Equity Shares of our Company have not been and will not be registered under the United States Securities Act of 1933, as amended (*the "US Securities Act"*), or any U.S. State Securities Laws and may not be offered, sold, resold, or otherwise transferred within the United States of America or the territories or possessions thereof, except in a transaction exempt from the registration requirements of the Securities Act.

The Rights Entitlements and Rights Equity Shares referred to in this Letter of Offer are being offered in India, but not in the United States. The offering to which the Letter of Offer relates is not, and under no circumstances is to be construed as, an offering of any Equity Shares or rights for sale in the United States or as a solicitation therein of an offer to buy any of the said Equity Shares or rights. Accordingly, the Issue Materials should not be forwarded to or transmitted in or into the United States at any time.

Neither our Company nor any person acting on behalf of our Company will accept subscriptions or renunciation from any person, or the agent of any person, who appears to be, or who our Company or any person acting on behalf of our Company has reason to believe is in the United States when the buy order is made. Envelopes containing an Application Form and Rights Entitlement Letter should not be postmarked in the United States or otherwise dispatched from the United States or any other jurisdiction where it would be illegal to make an offer, and all persons subscribing for the Equity Shares and wishing to hold such Equity Shares in registered form must provide an address for registration of the Equity Shares in India. Our Company is making the Rights Equity Shares to Eligible Shareholders of our Company on the Record Date and issue materials will be dispatched only to Equity Shareholders who have an Indian address. Any person who acquires rights and the Rights Equity Shares will be deemed to have declared, represented, warranted, and agreed, that:

- a. It is not and that at the time of subscribing for the Rights Equity Shares or the Rights Entitlements, it will not be, in the United States when the buy order is made,
- b. It does not have a registered address (and is not otherwise located) in the United States,
- c. It is authorized to acquire the rights and the Equity Shares in compliance with all applicable laws and regulations.
- d. Our Company believes that Application Form (CAF) is incomplete or acceptance of such Application Form (CAF) may infringe applicable legal or regulatory requirements; and
- e. Our Company shall not be bound to allot or issue any Rights Equity Shares or Rights Entitlement in respect of any such Application Form.

#### **Our Company reserves the rights to treat as invalid any Application form which:**

- a. Does not include the certification set out in the Application Form to the effect that the subscriber is authorised to acquire the Rights Equity Shares or Rights Entitlement in compliance with all applicable laws and regulations;
- b. Appears to our Company or its agents to have been executed in or dispatched from the United States;
- c. Where a registered Indian address is not provided; or
- d. Where our Company believes that Application Form is incomplete, or acceptance of such Application Form may infringe applicable legal or regulatory requirements; and our Company shall not be bound to allot or issue any Equity Shares or Rights Entitlement in respect of any such Application Form.

Rights Entitlements may not be transferred or sold to any person in the United States.

The Rights Entitlements and the Equity Shares have not been approved or disapproved by the US Securities and Exchange Commission (*the "US SEC"*), any state securities commission in the United States or any other U.S regulatory authority, nor have any of the foregoing authorities passed upon or endorsed the merits of the offering of the Rights Entitlements, the Equity Shares or the accuracy or adequacy of this Letter of Offer. Any representation to the contrary is a criminal offence in the United States.

The above information is given for the benefit of the Applicants / Investors. Our Company is not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Letter of Offer. Investors are advised to make their independent investigations and ensure that the number of Rights Equity Shares applied for do not exceed the applicable limits under laws or regulations.

**THIS DOCUMENT IS SOLELY FOR THE USE OF THE PERSON WHO RECEIVED IT FROM OUR COMPANY OR FROM THE REGISTRAR. THIS DOCUMENT IS NOT TO BE REPRODUCED OR DISTRIBUTED TO ANY OTHER PERSON.**

## **CERTAIN CONVENTIONS, USE OF FINANCIAL INFORMATION AND USE OF CURRENCY OF PRESENTATION**

### **CERTAIN CONVENTIONS**

Unless otherwise specified or the context otherwise requires, all references to “*India*” contained in this Letter of Offer are to the Republic of India and the “*Government*” or “*GoI*” or the “*Central Government*” or the “*State Government*” are to the Government of India, Central or State, as applicable.

Unless otherwise specified or the context otherwise requires, all references here into the “*US*” or “*U.S.*” or the “*United States*” are to the United States of America and its territories and possessions.

Unless otherwise specified, all references in this Letter of Offer are in Indian Standard Time (“*IST*”). Unless indicated otherwise, all references to a year in this Letter of Offer are to a calendar year.

Unless stated otherwise, all references to page numbers in this Letter of Offer are to the page numbers of this Letter of Offer.

In this Letter of Offer, unless otherwise indicated or the context otherwise requires, all references to the/our “*Company*”, “*we*”, “*our*”, “*us*” or similar terms are to Gujarat Toolroom Limited or, as the context requires, and references to “*you*” are to the Equity Shareholders and/ or prospective Investors in the Equity Shares.

### **FINANCIAL DATA**

Unless stated otherwise, the financial data in this Letter of Offer is derived from Unaudited Financial Results with Limited Review Report for the nine months period ended December 31, 2023 and Audited Restated Financial Statement for the financial year ended March 31, 2023, March 31, 2022, and March 31, 2021. For further details, please refer to the section titled ‘*Financial Information*’ beginning on page 105. Accordingly, all references to a particular financial year, unless stated otherwise, are to the twelve (12) month period ended on March 31 of that year.

The GoI has adopted the Indian Accounting Standards (“*Ind AS*”), which are converged with the International Financial Reporting Standards (“*IFRS*”) of the International Accounting Standards Board and notified under Section 133 of the Companies Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended (*the “Ind AS Rules”*). The Audited Financial Statements of our Company for the Financial Year ended March 2023, March 2022 and March 2021 and Limited Reviewed Unaudited Financial Results for the nine months period ended December 31, 2023, have been prepared in accordance with Ind AS, as prescribed under Section 133 of Companies Act read with the Ind AS Rules and other the relevant provisions of the Companies Act and in accordance with the SEBI ICDR Regulations and the Guidance Note on Reports in Company Prospectuses (revised), 2019, issued by the ICAI. The limited reviewed unaudited financial results for the nine months ended December 31, 2023, have been prepared in accordance with the Companies Act and SEBI Listing Regulations. Our Company publishes its financial statements in Rupees.

In this Letter of Offer, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding off and unless otherwise specified all financial numbers in parenthesis represent negative figures. Our Company has presented all numerical information in the Financial Statements in whole numbers and in this Letter of Offer in "lakh" units or in whole numbers where the numbers have been too small to represent in lakh. One lakh represents 1,00,000 and one million represents 1,000,000.

There are significant differences between Ind AS, US GAAP and IFRS. We have not provided a reconciliation of the financial information to IFRS or US GAAP. Our Company has not attempted to also explain those differences or quantify their impact on the financial data included in this Letter of Offer, and you are urged to

consult your own advisors regarding such differences and their impact on our financial data. Accordingly, the degree to which the financial information included in this Letter of Offer will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting policies and practices, Ind AS, the Companies Act and the SEBI ICDR Regulations. Letter For further information, see 'Financial Information' beginning on page 105 of this Letter of Offer. Any reliance by persons not familiar with these accounting principles and regulations on our financial disclosures presented in this Letter of Offer should accordingly be limited. For further information, see 'Financial Information' on page 105 of this Letter of Offer.

In this Letter of Offer, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding-off, and unless otherwise specified, all financial numbers in parenthesis represent negative figures.

Certain figures contained in this Letter of Offer, including financial information, have been subject to rounded off adjustments. All figures in decimals (including percentages) have been rounded off to one or two decimals. However, where any figures that may have been sourced from third-party industry sources are rounded off to other than two decimal points in their respective sources, such figures appear in this Letter of Offer rounded-off to such number of decimal points as provided in such respective sources. In this Letter of Offer, (i) the sum or percentage change of certain numbers may not conform exactly to the total figure given; and (ii) the sum of the numbers 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 are due to rounding off.

## CURRENCY OF PRESENTATION

All references in this Letter of Offer to "Rupees", "Rs.", "₹", "Indian Rupees" and "INR" are to Rupees, the official currency of the Republic of India.

All references to "U.S. \$", "U.S. Dollar", "USD" or "\$" are to United States Dollars, the official currency of the United States of America.

## Exchange Rates

This Letter of Offer contains conversion of certain other currency amounts into Indian Rupees that have been presented solely to comply with the SEBI ICDR Regulations. These conversions should not be construed as a representation that these currency amounts could have been, or can be converted into Indian Rupees, at any rate or at all.

Unless otherwise stated, the exchange rates referred to for the purpose of conversion of foreign currency amounts into Indian Rupee, are as follows:

Exchange Rate as on	December 31, 2023	March 31, 2023	March 31, 2022	March 31, 2021
1 USD = INR	83.12	82.22	75.81	73.50

Source: <https://www.rbi.org.in/scripts/ReferenceRateArchive.aspx>

## Please Note

In this Letter of Offer, our Company has presented certain numerical information. All figures have been expressed in "Lakhs". The amounts derived from financial statements included herein are represented in "Lakhs" as presented in the Restated Financial Statements:

## **INDUSTRY AND MARKET DATA**

Unless stated otherwise, industry and market data used in this Letter of Offer has been obtained or derived from publicly available information as well as industry publications and sources.

Industry publications generally state that the information contained in such publications has been obtained from publicly available documents from various sources believed to be reliable, but their accuracy and completeness are not guaranteed and their reliability cannot be assured. Although we believe the industry and market data used in this Letter of Offer is reliable, it has not been independently verified by us. Industry data used in this Letter of Offer has not been independently verified by our Company, or any of their affiliates or advisors. The data used in these sources may have been reclassified by us for the purposes of presentation. Data from these sources may also not be comparable. Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those discussed in the section titled ***'Risk Factors'*** on page 27. Accordingly, investment decisions should not be based solely on such information.

The extent to which the market and industry data used in this Letter of Offer is meaningful depends on the reader's familiarity with and understanding of the methodologies used in compiling such data. There are no standard data gathering methodologies in the industry in which the business of our Company is conducted and methodologies and assumptions may vary widely among different industry sources.

## FORWARD LOOKING STATEMENTS

Our Company has included statements in this Letter of Offer which contain words or phrases such as ‘anticipate’, ‘believe’, ‘continue’, ‘can’, ‘could’, ‘estimate’, ‘expect’, ‘expected to’, ‘future’, ‘intend’, ‘is likely’, ‘may’, ‘objective’, ‘plan’, ‘potential’, ‘project’, ‘pursue’, ‘shall’, ‘should’, ‘will’, ‘will continue’, ‘would’, or other words or phrases of similar import. Similarly, statements that describe our objectives, strategies, plans or goals are also forward looking statements. However, these are not the exclusive means of identifying forward looking statements. Forward-looking statements are not guarantees of performance and are based on certain assumptions, future expectations, describe plans and strategies, contain projections of results of operations or of financial condition or state other forward-looking information. All statements regarding our Company’s expected financial conditions, results of operations, business plans and prospects are forward-looking statements.

These forward-looking statements contained in this Letter of Offer (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 our actual results, performances and achievements to differ materially from any of the forward looking statements include, among others:

Further, actual results may differ materially from those suggested by the forward-looking statements due to risks or uncertainties or assumptions associated with the expectations with respect to, but not limited to, regulatory changes pertaining to the industry in which our Company operates and our ability to respond to them, our ability to successfully implement our strategy, our growth and expansion, technological changes, our exposure to market risks, general economic and political conditions which have an impact on our business activities or investments, the monetary and fiscal policies of India, inflation, deflation, unanticipated turbulence in interest rates, foreign exchange rates, equity prices or other rates or prices, the performance of the financial markets in India and globally, changes in domestic laws, regulations and taxes, changes in competition in its industry and incidents of any natural calamities and/or acts of violence.

Important factors that could cause actual results to differ materially from our Company’s expectations include, but are not limited to, the following:

- Uncertainty of the continuing impact of the COVID-19 or any other pandemic on our business and operations;
- The largely unorganized structure of the market can affect the systematic functioning of the Company.
- Our ability to successfully implement our growth strategy and expansion plans, and to successfully launch and implement various business plans;
- Geo political tensions and impact of war is seen in fluctuating conductive ink product prices. Also currency rate fluctuations due to this global scenario can impact business.
- There is an increased global outlook of rising interest rates and inflation which can adversely impact wider economy.
- General economic and business conditions globally, in India and in the markets in which we operate and in the local, regional, and national economies;
- Inability to comply conditions and restrictions on our operations, additional financing and capital structure under agreements governing our indebtedness;
- Changes in laws and regulations relating to the sectors and industry in which we operate;
- Our ability to manage our operating costs and impact on the financial results
- Our ability to successfully implement our business strategies and expansion plans;
- Changes in general, political and social conditions in India and elsewhere;

For a further discussion of factors that could cause the actual results to differ, please refer to the section titled '**Risk Factors**', '**Business Overview (Our Business)**' and '**Management's Discussion and Analysis of Financial Position and Results of Operations**' beginning on pages 27, 86 and 149 respectively. By their nature, certain market risk disclosures are only estimates and could materially be different from what occurs in the future. As a result, actual future gains or losses could materially differ from those that have been estimated and are not a guarantee of future performance. Our Company or advisors does not have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. In accordance with SEBI and Stock Exchanges requirements, our Company shall ensure that Investors in India are informed of material developments until the time of the grant of listing and trading permission by the Stock Exchanges.

## SECTION II – SUMMARY OF THE LETTER OF OFFER

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The following is a general summary of certain disclosures included in this Letter of Offer and is neither exhaustive, nor does it purport to contain a summary of all the disclosures in this Letter of Offer or all details relevant to prospective Investors. This summary should be read in conjunction with and is qualified by, the more detailed information appearing in this Letter of Offer, including the sections titled *'Risk Factors'*, *'Objects of the Issue'*, *'Business Overview'* and *'Outstanding Litigations, Defaults and Material Developments'* beginning on pages 27, 62, 86 and 157 respectively.

### SUMMARY OF THE INDUSTRY

India was one of the world's largest importers of Silver Conductive Inks. The country served as a crucial trading hub for conductive inks from various countries, including North America, Europe, Asia Pacific, Middle East & Africa, Latin America etc. Nano silver conductive ink is a specialized ink formulated with silver nanoparticles, which possess excellent electrical conductivity and other unique properties. It is widely used in various applications such as printed electronics, sensors, photovoltaic devices, and RFID tags, among others. The ink is typically formulated using silver nanoparticles, polymers, solvents, and dispersants, which provide stability and conductivity to the final product. Nano Silver Conductive Ink is a versatile material used in various industries, such as electronics, automotive, and healthcare. Nano silver conductive ink is widely used in various industries such as photovoltaic, membrane switches, displays, and the automotive market. In the photovoltaic sector, it is utilized for printing conductive lines on solar cells, enhancing their efficiency. For further details, please refer to the section titled *'Industry Overview'* at page 74.

### SUMMARY OF OUR BUSINESS

Our Company is engaged in the business of trading of Silver Conductive Ink. Our business is purely depends on the demand and supply of Silver Ink in the markets. We import silver ink from Hong Kong. Presently, we are dealing with single supplier of this Silver Ink. We generally do not require to maintain stock of our Silver Conductive Ink and hence presently we are not having our own warehouse facility. We procure our inks from suppliers based in the international market. Our 100% sales is in domestic market and in order to compete in the Conductive Ink market, we are in process of creating and maintaining independent sales and distribution network for our products within the domestic market. We also have two Wholly Owned Subsidiary (WoS) Companies, one in Dubai namely GTL GEMS DMCC and that Wholly Owned Subsidiary is engaged in the trading of diamonds. Another being in Zambia namely GUJARAT TOOLROOM ZAMBIA LIMITED and that Wholly Owned Subsidiary aspires to become a leading export-focused company in gold exploration, mining, extraction and jewellery processing, adhering to responsible and environmentally friendly practices. Our Wholly Owned Subsidiaries companies deals with suppliers and customers on mutually agreed terms.

For further details, please refer to the section titled *'Business Overview'* on page 86.

### OUR PROMOTER AND PROMOTER GROUP

The Promoters of our Company were Bhavin Suryakantbhai Parikh HUF, Bhavik Suryakantbhai Parikh HUF, Mrs. Purvi Bhavin Parikh, Mr. Vishal Mukeshkumar Shah and Mr. Mittal Mukeshkumar Shah are referred to as "Promoter".

At the time of filing the Draft Letter of Offer, the Promoters of the Company held 2,03,000 equity shares, which constituted 0.37% of the total shareholding of the Company.

Furthermore, the Promoters requested reclassification from 'Promoter and Promoter Group Category' to 'Public Category' via their request letter dated November 11, 2023, citing the reason that the outgoing promoters are neither engaged in the management nor involved in the day-to-day affairs of the Company. They also do not

have the right to appoint any Director of the Company or influence the management or policy decisions of the Company in any manner. None of their actions would influence the decisions taken by the Company.

Additionally, 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 Bhavin Suryakantbhai Parikh HUF, 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, the Company is now a Professionally Managed Company and does not have any identifiable promoter.

## OBJECTS OF THE ISSUE

The details of Issue Proceeds are set forth in the following table:

<i>(₹ in Lakhs)</i>	
Particulars	Amount
Gross Proceeds from the Issue <sup>#</sup>	4,888.72*
Less: Estimated Issue related Expenses	35.00
<b>Net Proceeds from the Issue</b>	<b>4853.72</b>

<sup>#</sup>Assuming full subscription

\*The Issue Size upto ₹ 4,888.72 Lakhs. If there is any reduction in the amount on account of or at the time of finalisation of Issue Price and Rights Entitlements Ratio, the same will be adjusted against General Corporate Purpose.

For further details, please refer to the section titled '*Objects of the Issue*' beginning on page 62.

## INTENTION AND EXTENT OF PARTICIPATION BY OUR PROMOTERS & PROMOTER GROUP IN THE ISSUE

As of the date of this Letter of Offer, our company is professionally managed and has no identifiable promoter.

The issue will not lead to a change in the management control of our company, as per the provisions of the SEBI Takeover Regulations. We are currently compliant with Regulation 38 of the SEBI LODR Regulations and will remain so.

## SUMMARY OF FINANCIAL INFORMATION

The following table sets forth the summary financial information derived from the Unaudited financial for nine Months period ended December 31, 2023 and Restated Financial Statements for the Financial Year ending March 31, 2023, March 31, 2022 and March 31, 2021.

<i>(₹ in Lakhs)</i>				
Particulars	December 31, 2023	March 31, 2023	March 31, 2022	March 31, 2021
Equity Share Capital	555.54	555.54	69.54	69.54
Net Worth <sup>1</sup>	2,387.29	635.32	10.58	26.63
Total Income	28,885.41	242.00	0.84	0.00
Profit / (loss) after tax	1,751.17	138.74	(16.05)	(4.49)
Basic and diluted EPS (in ₹)	3.15	0.56	(0.23)	(0.06)
Net asset value per Equity Share (in ₹)	4.30	1.14	1.52	3.83
Total borrowings <sup>2</sup>	19.83	94.49	33.47	13.91

<sup>1</sup>Equity Share Capital and Other Equity

<sup>2</sup>Consists of long term and short term borrowing.

For further details, please refer to the section titled '**Financial Information**' beginning on page 105.

## SUMMARY OF OUTSTANDING LITIGATIONS

Name	By / Against	Civil Proceedings	Criminal Proceedings	Tax Proceedings	Actions by Regulatory Authority	Amount Involved* (₹)
Company	By	Nil	Nil	1	Nil	60,00,000
	Against	Nil	1	1	Nil	6,89,540
Group Companies/ Entities	By	Nil	Nil	Nil	Nil	Nil
	Against	Nil	Nil	Nil	Nil	Nil
Directors other than Promoters	By	Nil	Nil	Nil	Nil	Nil
	Against	Nil	Nil	Nil	Nil	Nil

*\*To the extent quantifiable*

*Note: Since our Company is a Professionally Managed Company and does not have any Identifiable Promoters the information under the head Summary of Outstanding Litigations is not applicable to the extent of promoter.*

For further details, please refer to the section titled '**Outstanding Litigations, Defaults and Material Developments**' beginning on page 157.

## AUDITOR QUALIFICATIONS

There is no Auditor Qualifications in the Audit Report of the FY 2022-2023, 2021-2022 and 2020-2021. Please refer to section titled '**Financial Information**' beginning on page 105 SECTION VII – FINANCIAL INFORMATION and '**Management's Discussion and Analysis of Financial Condition and Results of Operations**' on page 149.

## RISK FACTORS

For details of potential risks associated with our ongoing business activities and industry, investment in Equity Shares, material litigations which impact the business of the Company and other economic factors, please refer to the section titled '**Risk Factors**' beginning on page 27.

## CONTINGENT LIABILITIES

For details of the contingent liabilities, as reported in the Financial Statements, please refer to the section titled '**Financial Information**' beginning on page 105.

## RELATED PARTY TRANSACTIONS

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:

No.	Particular	Nature of Transaction	(₹ in Lakhs)		
			As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
1.	Vishal Mukeshkumar Shah	Loan	-	3.90	3.90
2.	Shitalnath Buildcon Private Limited	Loan	37.40	37.40	37.40

For further details please refer to Page no. 105 of the Section titled ‘**Financial Information**’.”

For details of the related party transactions, as reported in the Financial Statements, please refer to the section titled ‘**Financial Information**’ beginning on page 105.

#### **FINANCING ARRANGEMENTS**

There have been no financing arrangements whereby our erstwhile Promoter, Promoter Group (reclassified w.e.f. January 12, 2024), our Directors and their relatives have financed the purchase of Equity Shares by any other person other than in the normal course of the business of the financing entity during the period of 6 (Six) months immediately preceding the date of this Letter of Offer.

#### **ISSUE OF EQUITY SHARES FOR CONSIDERATION OTHER THAN CASH IN THE LAST ONE YEAR**

Our Company has not issued any Equity Shares for consideration other than cash during the last 1 (One) year immediately preceding the date of filing this Letter of Offer.

#### **SPLIT OR CONSOLIDATION OF EQUITY SHARES IN THE LAST ONE YEAR**

Our Company has not carried out any corporate action to split or consolidate its Equity Shares in during the last 1 (One) year immediately preceding the date of filing this Letter of Offer.

#### **EXEMPTION FROM COMPLYING WITH ANY PROVISIONS OF SECURITIES LAWS, IF ANY, GRANTED BY SEBI**

Our Company has not submitted any application to SEBI for exemption from complying with any provisions of Securities laws, as on the date of this Letter of Offer.

## SECTION III – RISK FACTORS

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*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 Letter of Offer, including in ‘Industry Overview’, ‘Business Overview’, ‘Management’s Discussion and Analysis of Financial Condition and Results of Operations’ and ‘Financial Information’ beginning on pages 74, 86, 149 and 105 respectively in this Letter of Offer, 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, occur, our business, financial condition, and results of operations could suffer, the trading price and the value of your investment in, our Equity Shares could decline, and you may lose all or part of your investment. To the extent the COVID-19 pandemic has adversely affected and may affect our business and financial results, it may also have the effect of increasing many of the other risks described in this section, such as those relating to non-payment or default by borrowers. 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 Letter of Offer also contains forward-looking statements that involve risks and uncertainties. Our results could differ materially from such forward-looking statements because of certain factors, including the considerations described below and elsewhere in this Letter of Offer.*

*Unless specified or quantified in the relevant risk factors below, we are not able 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**

- 1. Our Company does not own the premises where its registered and corporate office is situated and lease & 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. 18<sup>th</sup> August, 2023. 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 lessor will not terminate the lease agreement, which would require us to locate to another premise and may have an adverse effect on our conducting our business operations.

- 2. Some of our corporate records, including forms filed in 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 of 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: -**

<b>Nature of Litigation</b>	<b>Number of Cases Outstanding</b>	<b>Section No.</b>	<b>Amount Involved (in ₹)</b>
Taxation Liabilities (Direct Tax)	200920065104267525F Dated – March 31, 2007	Section 115WF	9,950/-
	2009200651042463535C Dated – March 31,2007	Section 271(1)(c)	1,28,988/-
	2009200851042467530F Dated – March 31,2009	Section 115WF	11,212/-
	2015201437002170553C Dated – April 21,2015	Section 143(1)(a)	7,500/-
	2018201540400468854C Dated – June 26,2018	Section 271(1)(c)	4,30,890/-
	2019201837048213375C	Section 154	1,000/-
	<b>Total</b>		<b>5,89,540/-</b>

For further details, see '*Outstanding Litigation and Material Developments*' beginning on page 157 of this Letter of Offer.

**4. *We have had certain inaccuracy in relation to regulatory filings to be made with the RoC and our company has made non compliances of certain provision under applicable law.***

In the past, there have been certain instances of inaccuracy in relation to some forms filed in Registrar of Companies and there are some instances where forms are belatedly filed in RoC with requisite additional fees. In the event of any cognizance being taken by the concerned authorities, actions may be taken against our Company and its directors, in which event the financials of our Company and our directors may be affected.

The details of non-compliances /delayed filings by the Company in previous three FY i.e. FY 2020-2021, 2021-2022 and 2022-2023 are as under:

**➤ FY 2022-2023**

<b>S. No.</b>	<b>Non-Compliance</b>	<b>Remark</b>
1.	Section 203 of the Companies Act, 2013	Company has not appointed company secretary for the period 06/08/2022 to 16/12/2022 as per section 203 of the Companies Act, 2013.
2.	Section 161 of the Companies Act, 2013	Company had appointed MANISH KIRTILAL SHAH as additional director of the company as per section 161 of the companies Act 2023 w.e.f. 16/07/2020 till the date 31/03/2023 the company had not done

		regularisation as director of the company or vacate the office of director as per the Companies Act, 2013.
3.	Section 161 of the Companies Act, 2013	Company had appointed KUNJAN NARENDRAKUMAR VORA as additional director of the company as per section 161 of the companies Act 2013 w.e.f. 24/09/2015 till the date 31/03/2023 company had not done regularisation as director of the company or vacate the office of director as per the Companies Act, 2013.
4.	Section 149 (1) of the Companies Act, 2013	Non-Compliance of Section 149 (1) of the Companies Act, 2013 which stipulates that Every Listed Company is required to appoint at least one woman director on the Board.
5.	E-Form MGT-14	The Company has not filed E-Form MGT-14 for approval of financial statements, the Board's report, appointment of Internal Auditor and Secretarial Auditor for the year ending 31st March, 2022
6.	E-Form MGT-15	Noncompliance of section 121(1) of the Companies Act, 2013 and Rule 31(2) of Companies (Management and Administration) Rules, 2014 which stipulates that company require to file E-Form MGT-15 for filing Report on Annual General Meeting, however the company has not filed E-Form MGT-15 for the annual general meeting held in the year 2022.
7.	Regulation 47 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015	Newspaper Advertisement of Financial Results should be given as per Regulation 47 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
8.	Regulation 27(2)(a) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015	The Company failed to submit Corporate Governance Report as per regulation 27(2)(a) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the quarter ended, 30th September 2022.
9.	Initial Disclosure requirements for large entities	The Company failed to submit Initial Disclosure requirements for large entities as per Circular No. SEBI/HO/DDHS/CIR/P/2018/144
10.	Audit Report	Audit report of the company should be signed by CS and CFO of the company.
11.	Regulation 46 (1) of the SEBI (Listing Obligation and Disclosures Requirements) Regulations, 2015	The Company has functional website, but the website does not provide the minimum information in terms of the Regulation 46 (1) of the SEBI (Listing Obligation and Disclosures Requirements) Regulations, 2015 and it is also not updated with timely dissemination of the required information. Hence, the Company has not complied with Regulation 46 (1) of the SEBI (Listing Obligation and Disclosures Requirements) Regulations, 2015

S. No.	Delayed Filing	Remark
1.	E-Form MGT-7	The Company delayed the filing of Annual Return ie. E-Form MGT-7 for the financial year 2022-23 as per Section 92 of the Companies Act, 2013. However it was filed on 30/11/2023 along with additional fees.
2.	E-Form ADT-1	The Company has delayed the filing of E-Form ADT-1 for the financial year 2022-23 as per Section 139(1) of the Companies Act, 2013. However, it was filed on 24/02/2023 along with additional fees.
3.	Regulation 76 of the Securities and Exchange Board India (Depository and Participant) Regulations, 2018	The Company was late to submitting reconciliation of share capital Audit report as per Regulation 76 of the Securities and Exchange Board India (Depository and Participant) Regulations, 2018 for quarter ended 30th September 2022.
4.	Regulation 31 (1) (b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015	The Company was late to submitting Disclosure of Shareholding Pattern as per Regulation 31 (1) (b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the quarter ended 30th September 2022.
5.	Regulation 33 (3) (a) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015	The Company was late to submitting Financial Results along with Limited review report as per Regulation 33 (3) (a) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the quarter ended 30th September 2022 and 31st December 2022
6.	Regulation 13(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015	The Company was late to submitting Statement of Investor Complaints as per Regulation 13(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the Quarter ended 30th September 2022.
7.	Regulation 44(3) Of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015	The company was late to submit voting result of general meeting as per Regulation 44(3) Of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

➤ **FY 2021-2022**

S. No.	Non-Compliance	Remark
1.	Section 12(1) of the Companies Act, 2013	The Company had received show cause notice from Registrar of Companies (ROC) Ahmedabad under section 454 of the Company Act, 2013r.w. rule 3 of the Companies (Adjudication of Penalties) Rules 2014 for violation of Section 12(1) of the Companies Act, 2013 for non – maintaining the registered office as the Registrar of Companies (ROC) has issued letter dated 17.01.2022 to the Company regarding the difference noted in Authorized Share capital as mentioned in Annual Return (MGT-7) and the MCA data base (Master Data) and the said letter returned back to the Office of the ROC with postal remarks “NIL”.

2.	Section 149 (1) of the Companies Act, 2013	The Company had not appointed any women director on the Board during the year therefore, the Company had not complied with the Provision of Section 149 (1) of the Companies Act, 2013 ('the Act,) read with rule 3 of Companies (Appointment and Qualifications of Directors) Rules, 2014 ('Rules').
3.	Section 138 of the Companies Act, 2013	The Company has not appointed an Internal Auditor during the financial year 2021-22, however the Company has appointed Mr. Chintan V Janani & Co, Chartered Accountant, as Internal Auditor for F.Y. 2022-23. Hence, The Company has not complied the provision of section 138 of the Companies Act, 2013 read with Rule 13 of Companies (Accounts) Rules, 2014 for F.Y.2021-22.
4.	Regulation 46 (1) of the SEBI (Listing Obligation and Disclosures Requirements) Regulations, 2015	The Company has functional website, but the website does not provide the minimum information in terms of the Regulation 46 (1) of the SEBI (Listing Obligation and Disclosures Requirements) Regulations, 2015 and it is also not updated with timely dissemination of the required information.
5.	Regulation 76(1) of SEBI (Depositories and Participants) Regulation, 2021	The Company failed to submit reconciliation of share capital Audit report for the quarter ended on 30 <sup>th</sup> June 2021 within 30 days from the end of June quarter, however the same has been submitted on 30 <sup>th</sup> November 2021.
6.	Regulation 30 (1) & (2) of SEBI (Listing Obligation and Disclosures Requirements) Regulations 2015	The Company fails to submit the required disclosure under Regulation 30 (1) & (2) read with clause 7 of Para A under Part A of Schedule III of SEBI (Listing Obligation and Disclosures Requirements) regulation, 2015 for the Resignation of Ms. Avani Sejpal, Company Secretary & Compliance Officer of the Company on or before October 11, 2021. The Company has not Complied with Regulation 30(1) & (2) read with clause 7 of Para A under Part A of Schedule III of SEBI (LODR) Regulation, 2015.
7.	Regulation 6(1) of SEBI (LODR) Regulation, 2015	Miss Avani Sejpal resigned as Company secretary and Compliance officer of the Company w.e.f. October 10, 2021. On her resignation, the Company has designated Mr. Vishal Shah Managing Director of the Company as Compliance officer of the Company who was not qualified as company secretary, therefore the Company has violated the the Regulation 6(1) of SEBI (LODR) Regulation, 2015 relating to appointment of CS as Compliance officer. However, the Company has appointed Miss Ziral Soni as Company Secretary and Compliance officer w.e.f. December 21, 2021
8.	Fines imposed by The Bombay Stock Exchange ('BSE')	<ul style="list-style-type: none"> <li>The BSE has imposed fine amount of Rs. 3,20,960/- vide their e-mail Dtd. 07<sup>th</sup> September, 2021 for non-compliance of Regulation 6(1), 7(1), 17(1), 17(1A), 17(2A), 18(1), 19(1), 19(2), 20(2)/ 20(2A) 21(2), 23(9), and 27(2) and Regulation 76 of SEBI (Depositories &amp; Participants) Regulation, 2018.</li> </ul>

		<ul style="list-style-type: none"> <li>• The BSE has imposed fine amount of Rs. 6,90,000/- vide their e-mail Dtd. 04th October, 2021 for non-compliance of Regulation 13(3), 31, 34, 29(2)/ (3), 6(1), and 7(1).</li> <li>• The BSE has imposed the fine amount of Rs. 44,840/- vide their email 17th January 22 for non-compliance of Regulation 34 of SEBI (LODR) Regulations, 2015.</li> </ul>
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S. No.	Delayed Filing	Remark
1.	E-Form AOC-4	The Company delayed the filing of Financial Statements in the prescribed form i.e. E-Form AOC-4 for the financial year 2021-22 as per Section 137 of the Companies Act, 2013. However it was filed on 09/12/2022 along with additional fees.
2.	E-Form MGT-7	The Company delayed the filing of Annual Return i.e. E-Form MGT-7 for the financial year 2021-22 as per Section 92 of the Companies Act, 2013. However it was filed on 26/12/2022 along with additional fees.

➤ **FY 2020-2021**

S. No.	Non-Compliance	Remark
1.	E-Form MGT-14	The Company has not filed E-Form MGT-14 for approval of financial statements, the Board's report, appointment of Internal Auditor and Secretarial Auditor for the year ending 31st March, 2020.
2.	Section 203(4) of the Companies Act, 2013	The Company appointed Ms. Avani Sejpal as whole-time Company secretary and Compliance officer of the Company which is w.e.f. 11th May, 2021 i.e. delay of more than 6 months from resignation of previous Company secretary.
3.	Section 149 (1) of the Companies Act, 2013	Composition of Board of Directors of the Company is not constituted as per Section 149 (1) of the Companies Act, 2013. Every Listed Company is required to appoint at least one woman director on the Board. However, the Company is in process of appointment of Woman Director as per Section 149(1) of the Companies Act, 2013.
4.	Closure of Trading Window	Non-Compliance of Schedule B Regulation 4 (2) of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 which stipulates that the listed entity shall close the trading window after the end of every quarter till 48 hours after the declaration of Financial Results of that quarter. However, the Company has not closed its trading window for the June, 20 Quarter and September, 20 Quarter.
5.	Regulation 74(5) of the Securities and Exchange Board India (Depository and Participant) Regulations, 2018	Non-Compliance of Regulation 74(5) of the Securities and Exchange Board India (Depository and Participant) Regulations, 2018 which stipulates that the listed entity shall submit the Certificate from depository confirming that securities comprised in the

		said certificate have been listed on the Stock Exchange. However, the Company has not submitted this Certificate under regulation 74(5) for the June and December Quarter.
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S. No.	Delayed Filing	Remark
1.	E-Form MGT-7	The Company delayed the filing of Annual Return ie. E-Form MGT-7 for the financial year 2020-21 as per Section 92 of the Companies Act, 2013. However it was filed on 01/04/2022 along with additional fees.

5. ***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 “Pirmmatic 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 it’s present name. The Company was regularly filling all it’s Income Tax Returns and other applicable filing with IT in old PAN i.e. AAACG5585F and also getting all it’s 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.

6. ***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 during the current Financial Year 2023-24 and 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.

7. ***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 product used by us may cause

customers to delay their purchases, thereby adversely affecting our business, operations and financial condition.

**8. *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 results of operations.***

Our Company uses third party transportation providers for 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.

**9. *The total purchase of our Company presently sourced from Hong Kong from One (1) Client.***

Our Company is importing Silver Conductive Ink from Imperial Business Trading Limited and presently all purchase is sourced from one Supplier, based at Hong Kong. Our Company in FY 2023-24 for the Half year ended on 30th September, 2023 is performing well with total turnover of 15,777.84 (Amt. in lakhs) and Net Profit of Rs.317.83 (Amt. in lakhs) and is also looking good performance in coming period. Looking to the size and future expectation of business, the present business pattern of Our Company dealing with single supplier and also sourcing from one country may cause disruption and or affect consistency in this business, if our terms and/or other business conditions with our single supplier get effected negatively or they find good buyer in India. Our Company is looking to increase its supplier base of Silver Conductive Ink and any success in sourcing new supplier will give chance of better consistency in this business.

**10. *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 enter into rent agreement, which is renewable based on the terms of the agreement. Typically for the short term lease, the lease is required to be renewed in 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 as a result of any termination or non-renewal of our leases, we may incur additional cost as a result 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 86 of this Letter of Offer.

**11. Present line of Business commenced in the FY 2023-24 and it is first year of operation in this product and non-experience may cause adverse effect on our business operations and results thereof.**

Our Company has commenced the trading of 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 man power to this trade but non experience of our management in this business segment may cause inconstancy and/or financial uncertainty.

**12. There are no long-term supply agreements with our vendors/suppliers.**

We do not have any long-term agreements with our vendors/suppliers; we operate on a purchase order system. In absence of any formal contract with our vendors/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 our results of operations. In the event of any disruption in the product supply or the non-availability of product in the required quantity and quality from alternate source, it may be adversely affected impacting the sales and profitability of the Company.

**13. Our revenues are significantly dependent upon sales of a products.**

Our business presently consist of Silver Conductive Ink only, which is an imported material and hence our income is fully dependent on sales of ink. Our continued reliance on sales of this particular type of ink trends for a 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.

**14. Our Company and our Directors are not involved in legal proceedings. If in future any event occurred, it will adversely affect our business and results of operations.**

Our Company and our Directors are currently not involved in any legal proceedings but in future legal proceedings at different levels of adjudication before various courts and tribunals which affect the business operations of the Company. We can give no assurance that the legal proceedings will be decided in our favour and we may incur significant expenses and management time in such proceedings and may have to make provisions in our financial statements, which could increase our expenses and liabilities. The summary of outstanding litigation in relation to Civil, Criminal, Tax matters, actions by regulatory/statutory authorities and matters above the materiality threshold against our Company, and our Directors, have been set out below.

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 section titled '**Outstanding Litigation and Material Developments**' beginning on page 157.

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

Our Company intend to invest in the shares of our wholly owned subsidiary i.e. GTL Gems DMCC (WOS), incorporated in the region of United Arab of Emirates (UAE), to the extent of Rs.1200 lakhs out of funds raised through present Right Issue. The WOS of the Company will be 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. Continuous and significant increase in the prices of diamond 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 reduce during such periods. Any such fluctuation in the price of diamond may materially and adversely affect the revenue from operations and profitability.

**16. Our Company requires significant amount of working capital for a continuing growth. Our inability to meet our working capital requirements may adversely affect our 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 financings may not be successful or be on terms favourable 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.

**17. We are 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.

**18. 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	Dec 2023	2022-23	2021-22	2020-21
Net Cash from (used in) Operating activities	1981.69	(226.03)	(16.53)	(10.42)
Net Cash from (used in) Investing activities	(1737.52)	0.00	0.00	0.00
Net Cash from (used in) Financing activities	(27.05)	224.89	19.44	15.19

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 105 and 149 respectively of this Letter of Offer.

**19. *Our Company presently deals with one buyer only and if we fail to convert existing customers into repeat customers or to acquire new customers, our business, financial condition, and results of operations would be harmed.***

Our business continuity and profitability are dependent only on one Buyer and we are trying to add new customers to our customer base. This is mainly dependent on our product offerings, goodwill, quality of products, price point and various other factors. It is imperative for our business to ensure that we have repeat customers and also that we reach out to new customers. Our failure to achieve this will have an impact on our business, profitability and results of operations.

**20. *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.***

Bhavin Suryakantbhai Parikh HUF, Bhavik Suryakantbhai Parikh HUF, Mrs. Purvi Bhavin Parikh, Mr. Vishal Mukeshkumar Shah and Mr. Mittal Mukeshkumar Shah were 'Promoters' of the Company at the time of filing of draft letter of Offer 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 Bhavin Suryakantbhai Parikh HUF, 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.

For further details, see '*Our Promoters and Promoter Group*' on page 103, respectively.

**21. *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 results of operations.

**22. 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.

**23. 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 defaults 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.

**24. 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. 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 ‘*Outstanding Litigation and Other Material Developments*’ beginning on page 157 of this Letter of Offer.

A Summary of material outstanding legal proceedings involving our Company, Promoter, Promoter Group, Directors as on date of this Letter of Offer, 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* (₹)
<b>COMPANY</b>					
By the Company	Nil	Nil	1	Nil	60,00,000
Against the Company	Nil	1	1	Nil	6,89,540
<b>GROUP COMPANIES/ENTITIES</b>					
By the Company	Nil	Nil	Nil	Nil	Nil
Against the Company	Nil	Nil	Nil	Nil	Nil

<b>DIRECTORS OTHER THAN PROMOTERS</b>					
By the Company	Nil	Nil	Nil	Nil	Nil
Against the Company	Nil	Nil	Nil	Nil	Nil

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.

**25. 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:

<i>(₹ in Lakhs)</i>					
No.	Particular	Nature of Transaction	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
1.	Vishal Mukeshkumar Shah	Loan	-	3.90	3.90
2.	Shitalnath Buildcon Private Limited	Loan	37.40	37.40	37.40

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 105.

**26. Our Company's securities are subject to surveillance and categorised on account of ESM: Stage 1 by Securities and Exchange Board of India (SEBI), resulting which the investors may face restriction and hinderance in trading.**

In order to enhance market integrity and safeguard interest of investors SEBI has introduced various enhanced pre-emptive surveillance measures such as reduction in price band, periodic call auction and transfer of securities to Trade to Trade category from time to time.

Along with the aforesaid measures there are additional Graded Surveillance Measures on securities which witness an abnormal price rise not commensurate with financial health and fundamentals.

Presently, our Company's securities are under SEBI surveillance and categorised under ESM: Stage 1, repercussions of which are as follows:

- Applicable margin shall be 100% from T+2 day, and
- Trade for Trade settlement with price band of 5% or 2% (In case scrip is already in 2% band)

Due to these actions the investors may face restriction and hinderance in trading. We can't provide assurance that in future the Company will be able to exit the surveillance or even the Company may move to higher stage of the Surveillance framework or a higher level of Surveillance such as GSM.

All market participants dealing in the securities of our Company have to be extra cautious and diligent as, Exchanges and SEBI may at an appropriate time subject to satisfaction of certain criteria even lay additional restrictions such as:

- placing / continuing securities in trade-to-trade category
- requirement of depositing additional amount as Surveillance Deposit, which shall be retained for an extended period.
- once in a week trading,
- once in a month trading and
- freezing of price on upper side of trading in securities, as may be required
- any other surveillance measure as deemed fit in the interest of maintaining the market integrity

Any such adverse regulatory action or development could affect our Company's operations and result in an adverse effect on the trading price of the Equity Shares.

**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 results of operations.

**28. *We could be harmed by employee misconduct or errors that are difficult to detect and any such incidences 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 of 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 the Equity Shares may be highly volatile after the Issue.***

The price of the Equity Shares on the Indian stock exchanges 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, 2023, 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:

- a. The Company was late to submitting reconciliation of share capital Audit report as per Regulation 76 of the Securities and Exchange Board India (Depository and Participant) Regulations, 2018 for quarter ended 30th September 2022.
- b. The Company was late to submitting Disclosure of Shareholding Pattern as per Regulation 31 (1) (b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the quarter ended 30th September 2022.
- c. The Company failed to submit Corporate Governance Report as per regulation 27(2)(a) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the quarter ended, 30th September 2022.
- d. The Company was late to submitting Financial Results along with Limited review report as per Regulation 33 (3) (a) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the quarter ended 30th September 2022 and 31st December 2022.
- e. Non-compliance of section 121(1) of the Companies Act, 2013 and Rule 31(2) of Companies (Management and Administration) Rules, 2014 which stipulates that company require to file E-Form MGT-15 for filing Report on Annual General Meeting, however the company has not filed E-Form MGT-15 for the annual general meeting held in the year 2022.
- f. Non-Compliance of Section 117 of Companies Act, 2013 which stipulates that the Company is required to file E-Form MGT-14 for approval of financial statement & the Board's report for the year ending 31st March, 2022 within 30 days from the date of Board Meeting. However, the Company has not filed E-Form MGT-14 for approval of financial statements, the Board's report, and appointment of Internal Auditor and Secretarial Auditor for the year ending 31st March, 2022.
- g. Non-Compliance of Section 149 (1) of the Companies Act, 2013 which stipulates that Every Listed Company is required to appoint at least one woman director on the Board.
- h. The Company has functional website, but the website does not provide the minimum information in terms of the Regulation 46 (1) of the SEBI (Listing Obligation and Disclosures Requirements) Regulations, 2015 and it is also not updated with timely dissemination of the required information. Hence, the Company has not complied with Regulation 46 (1) of the SEBI (Listing Obligation and Disclosures Requirements) Regulations, 2015

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. Our insurance coverage may not adequately protect us 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 affect our factories and distribution centres or in the regions/areas where our stores and distribution centres are located. Although we maintain insurance coverage in relation to fire and other natural and accidental risks at our facilities, money and fidelity insurance and stock insurance, there are possible losses, which we may not have insured against or covered or wherein the insurance cover in relation to the same may not be adequate. Any damage suffered by us in excess of such limited coverage amounts, or in respect of uninsured events, not covered by such insurance policies will have to be borne by us. Further, while there has been no past instance of inadequate insurance coverage for any loss, there

can however be no assurance that the terms of our insurance policies will be adequate to cover any damage or loss suffered by us or that such coverage will continue to be available on reasonable terms or will be available in sufficient amounts to cover one or more large claims, or that the insurer will not disclaim coverage as to any future claim. A successful enforcement of one or more claims against us that exceeds our available insurance coverage or changes in our insurance policies, including premium increases or the imposition of a larger deductible or co-insurance requirement, could adversely affect our business, financial condition, cash flows and results of operations.

**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 Exchanges, therefore we are subject to the obligations and reporting requirements prescribed under the SEBI (LODR) Regulations, to the extent applicable, and have to 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” of this Letter of Offer.

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 Letter of Offer 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 Letter of Offer 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 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. *SEBI has recently, by way of circulars dated January 22, 2020, May 6, 2020, January 19, 2021, April 22, 2021, October 01, 2021 and May 19, 2022 streamlined the process of rights issues. You should follow the instructions carefully, as stated in such SEBI circulars and in this Letter of Offer.***

The concept of crediting Rights Entitlements into the demat accounts of the Eligible Equity Shareholders has recently been introduced by the SEBI. Accordingly, the process for such Rights Entitlements has been recently devised by capital market intermediaries. Eligible Equity Shareholders are encouraged to exercise caution, carefully follow the requirements as stated in the SEBI circulars dated January 22, 2020, May 6, 2020, January 19, 2021, April 22, 2021, October 01, 2021 and May 19, 2022, and ensure completion of all necessary steps in relation to providing/updating their demat account details in a timely manner. For details, please refer the section titled '*Terms of the Issue*' beginning on page 172.

In accordance with Regulation 77A of the SEBI ICDR Regulations read with the SEBI Rights Issue Circular, the credit of Rights Entitlements and Allotment of Rights Equity Shares shall be made in dematerialized form only. Prior to the Issue Opening Date, our Company shall credit the Rights Entitlements to (i) the demat accounts of the Eligible Equity Shareholders holding the Equity Shares in dematerialised form; and (ii) a demat suspense escrow account opened by our Company, for the Eligible Equity Shareholders which would comprise Rights Entitlements relating to (a) Equity Shares held in a demat suspense account pursuant to Regulation 39 of the SEBI Listing Regulations; or (b) Equity Shares held in the account of IEPF authority; or (c) the demat accounts of the Eligible Equity Shareholder which are frozen or details of which are unavailable with our Company or with the Registrar on the Record Date;

or (d) credit of the Rights Entitlements returned/reversed/failed; or (e) the ownership of the Equity Shares currently under dispute, including any court proceedings.

**40. *Our company will not distribute the letter of offer, letter of offer and application form to certain overseas Shareholders who have not provided an address in India for service of documents.***

Our Company will dispatch the Letter of Offer, the Abridged Letter of Offer, Rights Entitlement Letter and Application Form (*the “Offering Materials/ Issue Materials”*) to such Shareholders who have provided an address in India for the service of documents. The Offering Materials will not be distributed to addresses outside India on account of restrictions that apply to the circulation of such materials in various overseas jurisdictions. However, the Companies Act requires companies to serve documents at any address, which may be provided by the members as well as through e-mail. Presently, there is a lack of clarity under the Companies Act, 2013, and the rules thereunder, with respect to the distribution of Offering Materials to retail individual shareholders in overseas jurisdictions where such distribution may be prohibited under applicable laws of such jurisdictions.

**41. *Failure to exercise or sell the Rights Entitlements will cause the Rights Entitlements to lapse without compensation and result in a dilution of shareholding.***

The Rights Entitlements that are not exercised prior to the end of the Issue Closing Date will expire and become null and void, and Eligible Shareholders will not receive any consideration for them. The proportionate ownership and voting interest in our Company of Eligible Shareholders who fail (or are not able) to exercise their Rights Entitlements will be diluted. Even if you elect to sell your unexercised Rights Entitlements, the consideration you receive for them may not be sufficient to fully compensate you for dilution of your percentage ownership of the equity share capital of our Company that may be caused as a result of the Issue. Renounees may not be able to apply in case of failure in completion of renunciation through off-market transfer in such a manner that the Rights Entitlements are credited to the demat account of the Renounees prior to the Issue Closing Date. Further, in case, the Rights Entitlements do not get credited in time, in case of On-Market Renunciation, such Renounee will not be able to apply in this Issue with respect to such Rights Entitlements.

**42. *Applicants to this Issue are not allowed to withdraw their Applications after the Issue Closing Date.***

Applicants in this Issue are not allowed to withdraw their Applications after the Issue Closing Date. The Allotment in this Issue and the credit of such Rights Equity Shares to the Applicant’s demat account with its depository participant shall be completed within such period as prescribed under the applicable laws. There is no assurance, however, that material adverse changes in the international or national monetary, financial, political or economic conditions or other events in the nature of force majeure, material adverse changes in our business, results of operation, cash flows or financial condition, or other events affecting the Applicant’s decision to invest in the Rights Equity Shares, would not arise between the Issue Closing Date and the date of Allotment in this Issue. Occurrence of any such events after the Issue Closing Date could also impact the market price of our Equity Shares. The Applicants shall not have the Rights to withdraw their applications in the event of any such occurrence. We cannot assure you that the market price of the Equity Shares will not decline below the Issue Price. To the extent the market price for the Equity Shares declines below the Issue Price after the Issue Closing Date, the shareholder will be required to purchase Equity Shares at a price that will be higher than the actual market price for the Equity Shares at that time. Should that occur, the shareholder will suffer an immediate unrealized loss as a result. We may complete the Allotment even if such events may limit the Applicants’ ability to sell our Equity Shares after this Issue or cause the trading price of our Equity Shares to decline.

**43. 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.

**44. 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 Tax Benefits*' beginning on page 70 of this Letter of Offer.

**45. 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 Exchanges 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 Exchanges. 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.

**46. 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.

**47. 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 '**Objects of the Issue**' beginning on page 62. 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.

**48. 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.

**49. Investors will not have the option of getting the Allotment of Rights Equity Shares in physical form and the Rights Entitlement of Eligible Equity Shareholders holding Equity Shares in physical form ("Physical Shareholders") may lapse in case they fail to furnish the details of their demat account to the Registrar.**

In accordance with Regulation 77A of the SEBI ICDR Regulations read with the SEBI Rights Issue Circular, the credit of Rights Entitlements and Allotment of Rights Equity Shares shall be made in dematerialised form only. Accordingly, the Rights Entitlements of the Physical Shareholders shall be credited in a suspense escrow demat account opened by our Company during the Issue Period. The Physical Shareholders are requested to furnish the details of their demat account to the Registrar not later than two Working Days prior to the Issue Closing Date to enable the credit of their Rights Entitlements in their demat accounts at least one day before the Issue Closing Date. The Rights Entitlements of the Physical Shareholders who do not furnish the details of their demat account to the Registrar not later than two Working Days prior to the Issue Closing Date, shall lapse. Further, pursuant to a press release dated December 3, 2018 issued by the SEBI, with effect from April 1, 2019, a transfer of listed Equity Shares cannot be processed unless the Equity Shares are held in dematerialized form (except in case of transmission or transposition of the Equity Shares and except the pending transfers). For details, refer the section titled '*Terms of the Issue – Procedure for Application by Eligible Equity Shareholders holding Equity Shares in physical form*' on page 172 of this Letter of Offer.

**50. The entitlement of Equity Shares to be allotted to investors applying for Allotment in physical form, will be kept in abeyance.**

Investors will not have the option of getting the allotment of Equity Shares in physical form. The Equity Shares Allotted to the Applicants who do not have demat accounts or who have not specified their demat details, will be kept in abeyance till receipt of the details of the demat account of such Applicants. This further means that they will have no voting rights in respect of the Equity Shares. For details, see "*Terms of the Issue – Procedure for Application by Eligible Equity Shareholders holding Equity Shares in physical form*" on page 172 of this Letter of Offer.

**51. *The Eligible Equity Shareholders holding Equity Shares in physical form will have no voting rights in respect of Equity Shares until they provide details of their demat account and Equity Shares are transferred to such demat account from the demat suspense account thereafter.***

The Equity Shares will be credited to a demat suspense account to be opened by our Company, in case of Allotment in respect of resident Eligible Equity Shareholders holding Equity Shares in physical form and who have not provided the details of their demat account to the Registrar or our Company at least two Working Days prior to the Issue Closing Date. Such Eligible Equity Shareholders are required to send, amongst others, details of their demat accounts to our Company or the Registrar to enable our Company to transfer, after verification of the details of such demat account by the Registrar, the Equity Shares from the demat suspense account to the demat accounts of such Eligible Equity Shareholders. Unless and until such Eligible Equity Shareholders provide details of their demat account and the Equity Shares are transferred from demat suspense account to such demat accounts thereafter, they will have no voting rights in respect of Equity Shares. For details, see '**Terms of the Issue**' on page 172 of this Letter of Offer.

**52. *The Rights Entitlement of Eligible Equity Shareholders holding Equity Shares in physical form ("Physical Shareholder") may lapse in case they fail to furnish the details of their demat account to the Registrar.***

The concept of crediting Rights Entitlements into the demat accounts of the Eligible Equity Shareholders has recently been introduced by the SEBI. Accordingly, the process for such Rights Entitlements has been recently devised by capital market intermediaries. Eligible Equity Shareholders are encouraged to exercise caution, carefully follow the requirements as stated in the SEBI circulars dated January 22, 2020 and May 6, 2020, read with SEBI circular SEBI/HO/CFD/DIL1/CIR/P/2020/136 dated July 24, 2020, SEBI circular SEBI/HO/CFD/DIL1/CIR/P/2021/13 dated January 19, 2021 and SEBI circular bearing reference number SEBI/HO/CFD/DIL2/CIR/P/2021/552 dated April 22, 2021, and ensure completion of all necessary steps in relation to providing/updating their demat account details in a timely manner. For details, see "**Terms of the Issue**" on page 172 of this Letter of Offer. In accordance with Regulation 77A of the SEBI (ICDR) Regulations read with the SEBI Rights Issue Circulars, the credit of Rights Entitlements and Allotment of Rights Equity Shares shall be made in dematerialized form only.

## **EXTERNAL RISK FACTORS**

**53. *Changes in government regulations or their implementation could disrupt our operations and adversely affect our business and results of operations.***

Our business and industry are regulated by different laws, rules and regulations framed by the Central and State Government. These regulations can be amended/ changed on a short notice at the discretion of the Government. If we fail to comply with all applicable regulations or if the regulations governing our business or their implementation change adversely, we may have to incur costs or may be subject to penalties, which could disrupt our operations and adversely affect our business and results of operations.

**54. *Taxes and other levies imposed by the Government of India or other State Governments and any other statutory authorities, as well as other financial policies and regulations, may have a material adverse effect on our business, financial condition and results of operations.***

Taxes and other levies imposed by the Central or State Governments and any other statutory authorities in India that affect our industry include:

- Custom duties (including anti-dumping duties, etc.) on imports of products;
- Goods and Service Tax
- Direct Taxes

These taxes and levies affect the cost and prices of our products and therefore demand for our product. An increase in any of these taxes or levies, or the imposition of new taxes or levies in the future, may have a material adverse effect on our business, profitability and financial condition.

***55. Political instability or a change in economic liberalization and deregulation policies could seriously harm business and economic conditions in India generally and our business in particular.***

The Government of India has traditionally exercised and continues to exercise influence over many aspects of the economy. Our business and the market price and liquidity of our Equity Shares may be affected by interest rates, changes in Government policy, taxation, social and civil unrest and other political, economic or other developments in or affecting India. The rate of economic liberalization could change, and specific laws and policies affecting the information technology sector, foreign investment and other matters affecting investment in our securities could change as well. Any significant change in such liberalization and deregulation policies could adversely affect business and economic conditions in India, generally, and our business, prospects, financial condition and results of operations, in particular.

***56. Global economic, geo political and social conditions may harm our ability to do business, increase our costs and negatively affect our stock price.***

Global economic and geo political factors that are beyond our control, influence forecasts and directly affect performance. These factors include interest rates, rates of economic growth, fiscal and monetary policies of governments, inflation, deflation, foreign exchange fluctuations, consumer credit availability, fluctuations in commodities markets, consumer debt levels, unemployment trends and other matters that influence consumer confidence, spending and tourism. Increasing volatility in financial markets may cause these factors to change with a greater degree of frequency and magnitude, which may negatively affect our stock prices.

***57. 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.***

Under the foreign exchange regulations currently in force in India, transfer 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 the 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.

***58. The extent and reliability of Indian Infrastructure could adversely affect the Company's results of operations and financial condition.***

India's physical infrastructure is in developing phase compared to that of many developed nations. Any congestion or disruption in its port, rail and road networks, electricity grid, communication systems or any other public facility could disrupt the Company's normal business activity. Any deterioration of India's physical infrastructure would harm the national economy, disrupt the transportation of goods and supplies, and add costs to doing business in India. These problems could interrupt the Company's business operations, which could have an adverse effect on its results of operations and financial condition.

***59. Natural calamities could have a negative impact on the Indian economy and cause the Company's business to suffer.***

Our Country in the past has experienced natural calamities such as earthquakes, tsunami, floods etc. The extent and severity of these natural disasters determine their impact on the Indian economy. Prolonged spells of abnormal rainfall or other natural calamities could have a negative impact on the Indian economy, which could adversely affect our business, prospects, financial condition and results of operations as well as the price of the Equity Shares.

**60. *Terrorist attacks, civil unrests and other acts of violence or war involving India or other countries could adversely affect the financial markets, our business, financial condition and the price of our Equity Shares.***

Any major hostilities involving India or other acts of violence, including civil unrest or similar events that are beyond our control, could have a material adverse effect on India's economy and our business. Incidents such as the terrorist attacks in India, other incidents such as those in US, Indonesia, Madrid and London, and other acts of violence may adversely affect the Indian stock markets where our Equity Shares will trade as well the global equity markets generally. Such acts could negatively impact business sentiment as well as trade between countries, which could adversely affect the Company's business and profitability. Additionally, such events could have a material adverse effect on the market for securities of Indian companies, including the Equity Shares.

**61. *The outbreak of Novel Coronavirus, or outbreak of any other severe communicable disease could have a potential impact on our business, financial condition and results of operations.***

The outbreak, or threatened outbreak, of any severe epidemic caused due to viruses (particularly the Novel Coronavirus) could materially adversely affect overall business sentiment and environment, particularly if such outbreak is inadequately controlled. The spread of any severe communicable disease may also adversely affect the operations of our customers and suppliers, which could adversely affect our business, financial condition, and results of operations. The outbreak of Novel Coronavirus has resulted in authorities implementing several measures such as travel bans and restrictions, quarantines, shelter in place orders, and shutdowns. These measures have impacted and may further impact our workforce and operations, the operations of our customers, and those of our respective vendors and suppliers. There is currently substantial medical uncertainty regarding Novel Coronavirus and no government-certified treatment or vaccine is available. A rapid increase in severe cases and deaths where measures taken by governments fail or are lifted prematurely, may cause significant economic disruption in India and in the rest of the world. The scope, duration and frequency of such measures and the adverse effects of Novel Coronavirus remain uncertain and could be severe. Our ability to meet our ongoing disclosure obligations might be adversely affected, despite our best efforts. If any of our employees were suspected of contracting Novel Coronavirus or any other epidemic disease, this could require us to quarantine some or all these employees or disinfect the facilities used for our operations. In addition, our revenue and profitability could be impacted to the extent that a natural disaster, health epidemic or other outbreak harms the Indian and global economy in general.

The outbreak has significantly increased economic uncertainty. It is likely that the current outbreak or continued spread of Novel Coronavirus will cause an economic slowdown and it is possible that it could cause a global recession. The spread of Novel Coronavirus has caused us to modify our business practices (including employee travel, employee work locations, and cancellation of physical participation in meetings, events, and conferences), and we may take further actions as may be required by government authorities or that we determine are in the best interests of our employees, customers, partners, and suppliers. There is no certainty that such measures will be sufficient to mitigate the risks posed by the outbreak, and our ability to perform critical functions could be harmed.

The extent to which the Novel Coronavirus further impacts our results will depend on future developments, which are highly uncertain and cannot be predicted, including new information which may emerge concerning the severity of the coronavirus and the actions taken globally to contain the coronavirus or treat its impact, among others. Existing insurance coverage may not provide protection for all costs that may arise from all such possible events. We are still assessing our business operations and system supports and the impact Novel Coronavirus may have on our results and financial condition, but there can be no assurance that this analysis will enable us to avoid part or all any impact from the spread of Novel Coronavirus or its consequences, including downturns in business sentiment generally or in our sector. The degree to which Novel Coronavirus impacts our results will depend on future developments, which are highly uncertain and cannot be predicted, including, but not limited to, the duration and spread of the outbreak, its severity, the actions taken to contain the outbreak or treat its impact, and how quickly and to what extent normal economic and operating conditions can resume. The above risks can threaten the safe operation of our facilities and cause disruption of operational activities, environmental harm, loss of life, injuries and impact the wellbeing of our people.

Further in case the lockdown is extended, it could result in muted economic growth or give rise to a recessionary economic scenario, in India and globally, which could adversely affect the business, prospects, results of operations and financial condition of our Company.

***62. An outbreak of other infectious or virulent diseases, if uncontrolled, may have an adverse effect on our operations.***

An outbreak of other infectious or virulent diseases, such as severe acute respiratory syndrome, the H1N1 virus, avian influenza (bird flu), the Zika virus or the Ebola virus, if uncontrolled, may have a material adverse effect on the economies of certain countries and our operations. If any of our employees or the employees of our suppliers and/or customers are infected with such diseases or if a significant portion of our workforce refuses to work for fear of contracting an infectious disease, our Company, our suppliers and/or our customers may be required to shut down operations for a period of time, and this could adversely affect our business, results of operations and financial condition.

***63. 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. Further, the GoI has previously initiated economic measures to combat high inflation rates, and it is unclear whether these measures will remain in effect. There can be no assurance that Indian inflation levels will not worsen in the future.

## SECTION IV – INTRODUCTION

### THE ISSUE

This Issue has been authorised by way of a resolution passed by our Board of Directors on August 14, 2023 in pursuance of Section 62 and other applicable provisions of the Companies Act, 2013. The terms of the Issue including the Record Date and Rights Entitlement Ratio have been determined by Board of Directors/Rights Issue Committee at its meeting held on May 23, 2024.

The following is a summary of the Issue, which should be read in conjunction with, and is qualified in its entirety by, more detailed information in section titled '*Terms of the Issue*' beginning on page 172.

<b>Equity Shares Outstanding Prior to the Issue</b>	5,55,53,600 Equity Shares
<b>Rights Equity Shares Offered in the Issue</b>	Up to 6,11,08,960 Rights Equity Shares
<b>Equity Shares outstanding after the Issue (Assuming full subscription for and allotment of the Rights Entitlement)</b>	11,66,62,560 Equity Shares
<b>Rights Entitlement for Equity Shares</b>	11 Rights Equity Shares for every 10 Equity Shares held on the Record Date
<b>Record Date</b>	Wednesday, June 05, 2024
<b>Face Value Per Equity Share</b>	₹ 1/- each
<b>Fractional Entitlement</b>	<p>The Right Equity Shares are being offered on a rights basis to existing Eligible Shareholders in the ratio of 11 (Eleven) Right Equity Shares for every 10 (Ten) Equity Shares held as on the Record Date.</p> <p>As per SEBI Rights Issue Circulars, the fractional entitlements are to be ignored. Accordingly, if the shareholding of any of the Eligible Shareholders is less than 10 Equity Shares or is not in the multiple of 10 Equity Shares, the fractional entitlements of such Eligible Shareholders shall be ignored by rounding down of their Rights Entitlements. However, the Eligible Equity Shareholders whose fractional entitlements are being ignored, will be given preferential consideration for the Allotment of one additional Rights Security if they apply for additional Right Shares over and above their Rights Entitlements, if any, subject to availability of Right Shares in this Issue post allocation towards Rights Entitlements applied for.</p>
<b>Issue Price Per Rights Equity Share</b>	₹ 8/- per Rights Equity Share (including a premium of ₹ 7 per Rights Equity Share)
<b>Issue Size</b>	6,11,08,960 Fully Paid Equity Shares of Face Value of ₹ 1/- each for cash at a price of ₹ 8/- per Rights Equity Share amounting up to ₹ 4888.72 Lakhs
<b>Terms of The Issue</b>	Please refer to the section titled ' <i>Terms of the Issue</i> ' beginning on page 172;
<b>Use of Issue Proceeds</b>	Please refer to the section titled ' <i>Objects of the Issue</i> ' beginning on page 62;
<b>Security Code/ Scrip Details</b>	<b>ISIN:</b> INE145J01032 <b>BSE Scrip ID:</b> GUJTLRM <b>ISIN for Rights Entitlements:</b> INE145J20016

For details in relation fractional entitlements, see the section titled '*Fractional Entitlements*' under the section *Terms of the Issue* on page 182 of this Letter of Offer.

### Terms of Payment

Amount payable per rights equity share	Face value (₹)	Premium (₹)	Total (₹)
On Application	1.00	7.00	8.00
<b>Total</b>	<b>1.00</b>	<b>7.00</b>	<b>8.00</b>

### Issue Schedule

<b>Issue Opening Date</b>	Friday, June 14, 2024
<b>Last date for On-Market Renunciation of Rights*</b>	Monday, July 08, 2024
<b>Issue Closing Date**</b>	Friday, July 12, 2024

*\*Eligible Equity Shareholders are requested to ensure that renunciation through off-market transfer is completed in such manner that the Rights Entitlement are credited to the demat account of the Renouncees on or prior to the Issue Closing Date*

*\*\*The Board of Directors or a duly authorized committee thereof will have the right to extend the Issue period as it may determine from time to time, provided that the Issue will not remain open in excess of 30 (thirty) days from the Issue Opening Date.*

## GENERAL INFORMATION

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 5<sup>th</sup> 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'.

### Registered Office of our Company

Gujarat Toolroom Limited	
<b>Registered</b>	: 404 - 4th floor, Samarth Co. Op. H.Soc, Nr. Silicon Tower, Nr. Law Garden,
<b>Office Address</b>	Ellisbridge, Ahmedabad – 380006, Gujarat, India.
<b>Contact No.</b>	: +91-7227013356
<b>Email</b>	: <a href="mailto:cs@gujarattoolroom.com">cs@gujarattoolroom.com</a>
<b>Website</b>	: <a href="http://www.gujarattoolroom.com">www.gujarattoolroom.com</a>
<b>CIN</b>	: L45208GJ1983PLC006056
<b>Registration No.</b>	: 006056

### Registrar of Companies

The Registrar of Companies, Ahmedabad	
<b>Address</b>	: ROC Bhavan, Opp. Rupal Park Society, Behind Ankur Bus Stop, Naranpura, Ahmedabad - 380013, Gujarat, India
<b>Contact No.</b>	: 079-27438531
<b>Email</b>	: <a href="mailto:roc.ahmedabad@mca.gov.in">roc.ahmedabad@mca.gov.in</a>

### Changes in our Registered Office

The registered office of our Company is situated as follow:

Address	Effective		Reason For Change
	From	Till	
86/4, Phase-I GIDC Vatva, Ahmedabad - 382445, Gujarat, India	2006*	30.08.2007	
153, Mukti Medan, Near Krishna Baug, Maninagar, Ahmedabad - 380008, Gujarat, India	01.09.2007	24.08.2009	Convenient for business operation
A-61, Dhaval Avenue, B/h Associated Petrol Pump, Off C.G. Road, Panchvati, Ahmedabad - 380007, Gujarat, India	25.08.2009	18.01.2011	

Address	Effective		Reason For Change
	From	Till	
402, Shil Complex, Nr. Mithakhali Under Bridge, Navrangpura, Ahmedabad - 380009, Gujarat, India.	19.01.2011	11.08.2011	
402, Sheel Complex, Nr. Mithakhali Under Bridge, Navrangpura, Ahmedabad - 380009, Gujarat, India.	12.08.2012	22.11.2022	
10, Ankur Complex, B/H Town Hall, Ashram Road, Ellisbridge, Ahmedabad - 380006, Gujarat, India	23.11.2022	13.08.2023	
404 - 4th floor, Samarth Co.Op.H.Soc, Nr. Silicon Tower, Nr. Law Garden, Ellisbridge, Ahmedabad - 380006, Gujarat, India	14.08.2023	Till date of this LoF	

*\*as per 2006 year forms available*

*\*\*The record date is not available in records.*

### Board of Directors of our Company

Name, Designation and Age of Directors	DIN	Address
<b>Mr. Narendra Sharma</b> Executive Director and Managing Director Age: 40	10295571	Flat No. 144, Bahuchar Nagar Society, Ved Road, Surat City, Surat – Gujarat 395004
<b>Mr. Sunil Surendra Pachlangia</b> Executive Director Age: 50	07850377	B-305, Prasanna Park, CHS Ltd., Nevghar Road, Siddhivinayak Lane, Bhayandra East, Thane, Mumbai – 401105.
<b>Mr. Avchalbhai Hemtabhai Chaudhary</b> Executive Director Age: 41	10049028	Chaudharivas, Near Sahakari Dairy, Lunva (Rajpur), Lunva, Mahsana, Gujarat - 384130.
<b>Mr. Vinodkumar Mishra</b> Independent Director Age:47	07552109	Amrit Hights, Aaga Chowk, Life Medicity Hospital, Jabalpur – 482002, Madhya Pradesh.
<b>Mr. Vaibhav Pankajbhai Kakkad</b> Independent Director Age: 41	08148272	Dharamnagar Society, Magan Road, 150 Feet Ring Road, Rajkot, Gujarat – 360007.
<b>Ms. Nirali P Karetha</b> Non-Executive Director Age: 33	07850377	B-802, Haridwar Hills, Alay Park Main Road, Near Mokaji Circle, Nana Mava Main Road, Rajkot, Gujarat – 3600005.

For further details of our Board of Directors, please refer to the section '**Our Management**' beginning on page 96.

### Company Secretary and Compliance Officer

<b>MS. ASHA PARMAR</b>	
<b>Address</b>	: 404 - 4th floor, Samarth Co. Op. H.Soc, Nr. Silicon Tower, Nr. Law Garden, Ellisbridge, Ahmedabad – 380006, Gujarat, India.
<b>Tel No.</b>	: +91-7227013356
<b>Email</b>	: <a href="mailto:cs@gujarattoolroom.com">cs@gujarattoolroom.com</a>
<b>Website</b>	: <a href="http://www.gujarattoolroom.com">www.gujarattoolroom.com</a>

## Chief Financial Officer

### MR. RAKESH RAJKUMAR DUTTA

**Address** : 404 - 4th floor, Samarth Co. Op. H. Soc, Nr. Silicon Tower, Nr. Law Garden, Ellisbridge, Ahmedabad – 380006, Gujarat, India.

**Tel No.** : +91-7227013355

**Email** : [cfo@gujarattoolroom.com](mailto:cfo@gujarattoolroom.com)

**Website** : [www.gujarattoolroom.com](http://www.gujarattoolroom.com)

## Bankers of our Company

### INDIAN BANK

**Address** : 74, Eternia Complex, Swastik Society, off. C.G. Road, Navrangura, Ahmedabad- 380009

**Tel No.** : +91-079-26463520

**Email** : [ahmedabadmain@indianbank.co.in](mailto:ahmedabadmain@indianbank.co.in)

**Website** : [www.indianbank.in](http://www.indianbank.in)

**Contact Person** : Mr. Sanjaykumar

## Registrar to the Issue

### CAMEO CORPORATE SERVICES LIMITED

**Address** : Subramanian Building, No.1, Club House Road, Chennai – 600002, Tamil Nadu, India.

**Tel No.** : +91- 44 4002 0700

**Contact Person** : Ms. K. Sreepriya

**Email** : [rights@cameoindia.com](mailto:rights@cameoindia.com)

**Investor grievance e-mail** : [investor@cameoindia.com](mailto:investor@cameoindia.com)

**Website** : [www.cameoindia.com](http://www.cameoindia.com) / <https://rights.cameoindia.com/gtl>

**SEBI Reg. No.** : INR000001385

## Banker to the Issue/ Refund Bank

### Kotak Mahindra Bank Limited

**Address** : Kotak Infiniti, 6th Floor, Building No. 21, Infinity Park, Off Western Express Highway, General AK Vaidya Marg, Malad (East), Mumbai - 400 097, Maharashtra, India

**Tel No.** : 022-66056588

**Email** : [cmsipo@kotak.com](mailto:cmsipo@kotak.com)

**Website** : [www.kotak.com](http://www.kotak.com)

**Contact Person** : Mr. Siddhesh Shirodkar

**SEBI Reg. No.** : INBI00000927

## Statutory Auditor of our Company

### M/s. K M Chauhan & Associates, Chartered Accountants

**Address** : 204, Krishna Con-Arch, Near Post Office, University Road, Rajkot – 360005, Gujarat, India.

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**Tel No.** : +91- 9033722499

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**Contact Person** : Kishorsinh M. Chauhan

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**Email** : [office@chotai.in](mailto:office@chotai.in)

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**Membership No.** : 118326

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**Firm Reg. No.** : 125924W

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**Peer Review No.** : 015245

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### **Grievances Relating to Issue Related Matter**

Investors may contact the Registrar to the Issue or the Company Secretary and Compliance Officer of our Company for any pre-Issue or post-Issue related matters. All grievances relating to the ASBA process may be addressed to the Registrar to the Issue, with a copy to the SCSBs (in case of ASBA process), giving full details such as name, address of the Applicant, contact number(s), e-mail address of the sole/ first holder, folio number or demat account number, number of Rights Equity Shares applied for, amount blocked, ASBA Account number and the Designated Branch of the SCSBs where the Application Form or the plain paper application, as was submitted by the Investors along with a photocopy of the acknowledgement slip. For details on the ASBA process, please refer to the section titled '*Terms of the Issue*' beginning on page 172.

### **Expert**

Except as stated below, our Company has not obtained any expert opinion:

Our Company has received a written consent dated November 1, 2023 from our Statutory Auditors, M/s. KM Chauhan & Associates, Chartered Accountants, to include their name in this Letter of Offer and as an 'expert', as defined under applicable laws, to the extent and in their capacity as statutory auditors of our Company and in respect of the inclusion of the Restated Financial Statements and the Statement of Special Tax Benefits dated December 4, 2023 included in this Letter of Offer and such consent has not been withdrawn as of the date of this Letter of Offer.

### **Self-Certified Syndicate Banks**

The list of banks that have been notified by SEBI to act as SCSBs for the ASBA process is provided at the website of the SEBI <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes> and updated from time to time. For details on Designated Branches of SCSBs collecting the Application Forms, refer to the website of the SEBI <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>. On Allotment, the amount will be unblocked and the account will be debited only to the extent required to pay for the Rights Equity Shares Allotted.

### **Issue Schedule**

The subscription will open upon the commencement of the banking hours and will close upon the close of banking hours on the dates mentioned below:

<b>Last Date for credit of Rights Entitlements</b>	Tuesday, June 11, 2024
<b>Issue Opening Date</b>	Friday, June 14, 2024
<b>Last Date for On-Market Renunciation of Rights Entitlements<sup>#</sup></b>	Monday, July 08, 2024
<b>Issue Closing Date*</b>	Friday, July 12, 2024
<b>Finalization of Basis of Allotment (on or about)</b>	Thursday, July 18, 2024
<b>Date of Allotment (on or about)</b>	Friday, July 19, 2024
<b>Date of credit (on or about)</b>	Monday, July 22, 2024
<b>Date of listing (on or about)</b>	Thursday, July 25, 2024

*#Eligible Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renouncees on or prior to the Issue Closing Date;*

*\*Our Board or a duly authorized committee will have the right to extend the Issue Period as it may determine from time to time but not exceeding 30 (Thirty) days from the Issue Opening Date (inclusive of the Issue Opening Date). Further, no withdrawal of Application shall be permitted by any Applicant after the Issue Closing Date.*

*The above schedule is indicative and does not constitute any obligation on our Company.*

Please note that if Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date or who have not provided the details of their demat accounts to our Company or to the Registrar to the Issue, they are required to provide their demat account details to our Company or the Registrar to the Offer not later than 2 (Two) Working Days prior to the Issue Closing Date, i.e., July 12, 2024, to enable the credit of the Rights Entitlements by way of transfer from the demat suspense escrow account to their respective demat accounts, at least 1 (One) day before the Issue Closing Date, i.e., July 12, 2024.

Investors are advised to ensure that the Applications Forms are submitted on or before the Issue Closing Date. Our Company or the Registrar to the Issue will not be liable for any loss on account of non-submission of Applications on or before the Issue Closing Date. Further, it is also encouraged that the applications are submitted well in advance before the Issue Closing Date. For details on submitting Application Forms, please refer to the section titled '**Terms of the Issue**' beginning on page 172 of this Letter of Offer.

The details of the Rights Entitlements with respect to each Eligible Shareholders can be accessed by such respective Eligible Shareholders on the website of the Registrar to the Issue at [www.cameoindia.com](http://www.cameoindia.com) after keying in their respective details along with other security control measures implemented there at. For further details, please refer to the paragraph titled see '**Credit of Rights Entitlements in demat accounts of Eligible Shareholders**' beginning on page 175 of this Letter of Offer.

Please note that if no Application is made by the Eligible Shareholders of Rights Entitlements on or before Issue Closing Date, such Rights Entitlements shall get lapsed and shall be extinguished after the Issue Closing Date. No Equity Shares for such lapsed Rights Entitlements will be credited, even if such Rights Entitlements were purchased from market and purchaser will lose the premium paid to acquire the Rights Entitlements. Persons who are credited the Rights Entitlements are required to make an application to apply for Equity Shares offered under Rights Issue for subscribing to the Equity Shares offered under this Issue.

### **Credit Rating**

As this proposed Issue is of Rights Equity Shares, the appointment of a credit rating agency is not required.

### **Debenture Trustee**

As this proposed Issue is of Rights Equity Shares, the appointment of debenture trustee is not required.

### **Monitoring Agency**

Since the Issue Size does not exceed ₹ 10,000 Lakhs, there is no requirement to appoint a monitoring agency in relation to the Issue in terms of SEBI (ICDR) Regulation.

### **Appraising Entity**

None of the purposes for which the Net Proceeds are proposed to be utilized have been financially appraised by any banks or financial institution or any other independent agency.

## **Underwriting**

This Issue is not underwritten and our Company has not entered any underwriting arrangement.

## **Filing**

SEBI vide the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) (Fourth Amendment) Regulations, 2020 w.e.f. September 28, 2020, has amended Regulation 3 (b) of the SEBI (ICDR) Regulations as per which the threshold of the rights Issue Size under Regulation 3 of the SEBI (ICDR) Regulations has been increased from ₹ 10 Crores to ₹ 50 Crores.

Since the size of this Issue falls below this threshold, this Letter of Offer will be filed with the Stock Exchanges and not with SEBI. However, the Letter of Offer will be submitted with SEBI for information and dissemination and will be filed with the Stock Exchanges.

## **Minimum Subscription**

In accordance with Regulation 86 of SEBI (ICDR) Regulations, if our Company does not receive the minimum subscription of at least 90% of the Issue of the Equity Shares being offered under this Issue, on an aggregate basis, our Company shall refund the entire subscription amount received within 4 (four) days from the Issue Closing Date. If there is delay in making refunds beyond such period as prescribed by applicable laws, our Company will pay interest for the delayed period at rates prescribed under applicable laws. The above is subject to the terms mentioned under '*Terms of the Issue*' beginning on page 172 of this Letter of Offer.

Pursuant to the SEBI (Issue of Capital and Disclosure Requirements) (Fourth Amendment) Regulations, 2020, our Company is not required to achieve minimum subscription for the Rights Issue in case of the following reason:

1. Objects of the issue being other than capital expenditure for a project
2. Promoter and Promoter Group have confirmed that they will subscribe to their right entitlement and will not renounce rights except to the extent of renunciation within the promoter group.

The objects of the Issue are meeting the Working Capital Requirements, Investment in our wholly owned subsidiary and General Corporate Purpose, and do not involve financing of capital expenditure for a project. In addition to it our Company is a professionally managed Company and does not have any Identifiable Promoter, therefore in terms of Regulation 86(1) of the SEBI ICDR Regulations, the requirement of minimum subscription is not applicable to the Issue.

However, in the Draft Letter of Offer dated December 22, 2023, it is confirmed that the requirement of minimum subscription is applicable to the issue, hence we hereby voluntarily opted to comply with the provisions of minimum subscription, accordingly, in terms of Regulation 86(1) of the SEBI ICDR Regulations, the requirement of minimum subscription is applicable to the Issue.

## CAPITAL STRUCTURE

The capital structure of our Company and related information as on date of this Letter of Offer, prior to and after the proposed Issue, is set forth below:

*(Amount in ₹ Lakhs, except data relating to shares)*

Particulars	Aggregate Nominal Value	Aggregate Value at Issue Price
<b>Authorized Equity Share capital</b>		
56,00,00,000 Equity Shares of face value of ₹ 1 each	5,600.00	NA
<b>Issued, subscribed and paid-up Equity Share capital before this Issue</b>		
5,55,53,600 Equity Shares of face value of ₹ 1 each	555.53	NA
<b>Present Issue in terms of this Letter of Offer</b>		
6,11,08,960 Equity Shares of face value of ₹ 1 each	611.09	4,888.72
<b>Issued, subscribed and paid-up Equity Share capital after the Issue</b>		
11,66,62,560 Fully Paid Equity Shares of face value of ₹ 1 each	1,166.63	-
<b>Subscribed and paid-up Equity Share capital</b>		
11,66,62,560 Fully Paid Equity Shares of face value of ₹ 1 each	1,166.63	
<b>Securities Premium account</b>		
Before the Issue		-
After the Issue		4,277.62

**Notes:**

- (a) *The present Issue has been authorized by our Board of Directors pursuant to the resolution passed in their meeting conducted on August 14, 2023.*
- (b) *Assuming full subscription for allotment of Rights Equity Shares;*
- (c) *Subject to finalization of Basis of Allotment, Allotment and deduction of Issue expenses;*

**Notes to the Capital Structure**

1. The Equity Shares of our Company are fully paid-up and there are no partly paid-up Equity Shares as on the date of this Letter of Offer;
2. At any given time, there shall be only one denomination of the Equity Shares. Our Company shall comply with such disclosure and accounting norms as may be specified by SEBI from time to time;
3. As on the date of this Letter of Offer, our Company has not issued any special voting Rights Equity Shares and there are no outstanding Equity Shares having special voting rights;

4. The Ex-rights price arrived in accordance with the formula prescribed Regulation 10(4)(b) of the SEBI (SAST) Regulations, in connection with the Issue is ₹ 20.30 (Rupees Twenty and Paise Thirty Only);
5. **Details of outstanding warrants, outstanding instruments with an option to convert or securities which are convertible at a later date into Equity Shares**

As on the date of this Letter of Offer, our Company has no outstanding warrants, options to be issued or rights to convert debentures, loans or other convertible instruments into Equity Shares.

6. **Details of stock option scheme of our Company**

As on the date of this Letter of Offer, our Company does not have a stock option scheme.

7. **Details of Equity Shares held by the promoter and promoter group including the details of lock-in, pledge of and encumbrance on such Equity Shares**

As on the date of this Letter of Offer, our Company is a Professionally Managed Company and does not have any Identifiable Promoter. The Erstwhile Promoters of the Company were reclassified from 'Promoter and Promoter Group Category' to 'Public Category' vide BSE approval letter dated January 12, 2024.

Hence, none of the Equity Shares held by the members of the Promoter and Promoter Group of the Company are locked-in, pledged and encumbered.

8. **Details of Equity Shares acquired by the promoter and promoter group in the last one year prior to the filing of this Letter of Offer**

None of our erstwhile Promoters or members of the Promoter Group (reclassified w.e.f. January 12, 2024) i.e., Bhavin Suryakantbhai Parikh HUF, Bhavik Suryakantbhai Parikh HUF, Mrs. Purvi Bhavin Parikh, Mr. Vishal Mukeshkumar Shah, and Mr. Mittal Mukeshkumar Shah, acquired any Equity Shares of the Company in the last one year prior to the filing of the Letter of Offer.

As of the date of this Letter of Offer, our Company is a Professionally Managed Company and does not have any Identifiable Promoter.

9. **Intention and participation by the promoter and promoter group**

As on the date of this Letter of Offer, our Company is a Professionally Managed Company and does not have any Identifiable Promoter.

The issue will not result in a change of management control of our Company, in accordance with the provisions of the SEBI Takeover Regulations. Our Company is compliant with Regulation 38 of the SEBI LODR Regulations and will continue to adhere to it.

In case this Issue remains unsubscribed, the Board of Directors may dispose of such unsubscribed portion in the best interest of the Company and in compliance with the applicable laws.

No person connected with this Issue shall offer any incentive, whether direct or indirect, in any manner, whether in cash or kind or services or otherwise to any Investor for making an application in this Issue, except for fees or commission for services rendered in relation to the Issue;

## 10. Shareholding Pattern of our company

The shareholding pattern of our Company as on March 31, 2024 is as follows:

- a) The details of the shareholding pattern of our Company as on March 31, 2024 can be accessed on the website of exchange at <https://www.bseindia.com/stock-share-price/gujarat-toolroom-ltd/gujtlrm/513337/shareholding-pattern/>
- b) The statement showing the holding of Equity Shares of persons belonging to the category “Promoter and Promoters Group” March 31, 2024 can be accessed on the website of exchange at <https://www.bseindia.com/corporates/shpPromoterNGroup.aspx?scripcd=513337&qtrid=121.00&QtrName=March%202024>
- c) The statement showing holding of the Equity Shares of persons belonging to the category “Trading Members” holding more than 1% or more of the Total Shares as on March 31, 2024, can be accessed on the website of the BSE at <https://www.bseindia.com/corporates/shpdrPercnt.aspx?scripcd=513337&qtrid=121.00&CompName=GUJARAT%20TOOLROOM%20LTD.&QtrName=March%202024&Type=TM>

## SECTION V – PARTICULARS OF THE ISSUE

### OBJECTS OF THE ISSUE

Our Company proposes to utilize the gross proceeds raised through the Issue (the “*Issue Proceeds*”) after deducting the Issue related expense (“*Net Proceeds*”) for the below mentioned Objects:

1. To augment the existing and incremental working capital requirement of our Company;
2. Investment in our wholly owned subsidiary, GTL Gems DMCC for augmentation of working capital requirements for its business activities;
3. General Corporate Purposes;  
(Collectively, referred to herein as the “*Objects*”).

The main object clause of the Memorandum of Association of our Company enables us to undertake the existing activities and the activities for which the funds are being raised through the Issue. Further, we confirm that the activities which we have been carrying out till date are in accordance with the object clause of our Memorandum of Association.

### Issue Proceeds

The details of Issue Proceeds are set forth in the following table:

Particulars	Amount (₹ in Lakhs)
Gross Proceeds from the Issue*	4,888.72 <sup>#</sup>
<b>Less:</b> Estimated Issue related Expenses	35.00
<b>Net Proceeds from the Issue</b>	<b>4,853.72</b>

\*The Issue Size will not exceed ₹ 4,888.72 Lakhs. If there is any reduction in the amount on account of or at the time of finalisation of Issue Price and Rights Entitlements Ratio, the same will be adjusted against General Corporate Purpose.

<sup>#</sup>Assuming full subscription of the Issue and subject to the finalisation of the basis of Allotment and the allotment of the Rights Equity Shares.

### Requirement of Funds, Schedule of Implementation and Utilization of Issue Proceeds

Particulars	Amount Proposed to be Funded from Net Proceeds (₹ in Lakhs)	Estimated Deployment of Net Proceeds in FY 2024-25 (₹ in Lakhs)
To augment the existing and incremental working capital requirement of our Company	2,550.00	2,550.00
Investment in our wholly owned subsidiary, GTL Gems DMCC for augmentation of funding its working capital requirements.	1,200.00	1,200.00
General Corporate Purposes <sup>#</sup>	1,103.72	1,103.72
<b>Total Net Proceeds**</b>	<b>4,853.72</b>	<b>4,853.72</b>

<sup>#</sup>The amount to be utilized for General corporate purposes will not exceed 25.00% (Twenty-Five Percent) of the Gross Proceeds;

<sup>\*\*</sup>Assuming full subscription in the Issue and subject to the finalisation of the basis of Allotment and the allotment of the Rights Equity Shares.

The above stated fund requirements are based on our current business plan, internal management estimates and have not been appraised by any bank or financial institution or independent agency. Our Company's funding requirements and deployment schedules are subject to revision in the future at the discretion of our Board. Our Company's funding requirements and deployment schedules are subject to revision in the future at the discretion of our Board and will not be subject to monitoring by any independent agency. Given the dynamic nature of our business and the competitive environment in which we operate, we may have to revise our business plan and accordingly, funding requirements may also get altered. Our historical funding requirements may not be reflective of our future funding plans. We may have to revise our funding requirements and deployment from time to time on account of various factors such as our economic and business conditions, business strategy, increased competition and other external factors such as market conditions, competitive environment, interest or exchange rate fluctuations, taxes and duties, working capital margin which may not be within the control of our management. This may entail rescheduling or revising the planned expenditure and funding requirements, including the expenditure for a particular purpose, at the discretion of our management, subject to applicable law.

If the actual utilisation towards meeting the existing and incremental working capital requirements is lower than the proposed deployment, the balance will be used towards 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 any increase in the actual utilisation of funds earmarked for any of the Objects of the Issue or a shortfall in raising requisite capital from the Net Proceeds towards meeting the Objects, 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 the Net Proceeds are not completely utilised in a scheduled Financial Year due to any reason, the same would be utilised (in part or full) in the next Financial Year/subsequent period as may be determined by our Company, in accordance with applicable law.

***The deployment of the Net Proceeds from the Issue is based on management estimates and have not been independently appraised by any bank or financial institution and is not subject to any monitoring by any independent agency and our Company's management will have flexibility in utilizing the Net Proceeds from the Issue'.***

## **Means of Finance**

Our Company proposes to meet the entire requirement of funds for the objects of the Issue from the Net Proceeds. Accordingly, our Company confirms that there is no requirement to make firm arrangements of finance through verifiable means towards at least 75% (Seventy-Five Percent) of the stated means of finance for the aforesaid object, excluding the amount to be raised from the Issue.

## **Details of the Objects of the Issue**

The details in relation to objects of the Issue are set forth herein below:

### **1. To augment the existing and incremental working capital requirement of our Company**

We fund the majority of our working capital requirements in the ordinary course of our business from our internal accruals. We operate in a highly competitive and dynamic market conditions and may have to revise our estimates from time to time on account of external circumstances, business or strategy, foreseeable opportunity. Consequently, the requirement is proportionate and variable in nature with the growth of the Company. The investment in the working capital requirements of our Company will help us in meeting the expected growth in demand as per the business plans. Such working capital enhancement will help our Company to capitalise on the growth opportunities and expand into the new markets.

The details of estimation of Working Capital Requirement are as under:

(₹ in Lakhs)

Particulars	March 31, 2021	March 31, 2022	March 31, 2023	December 31, 2023	March 31, 2024	March 31, 2025
	Restated	Restated	Restated	Limited Reviewed	Estimated	Estimated
<b>Current Assets</b>						
Inventories	-	-	168.65	208.78	5,658.70	583.00
Trade Receivables	-	-	226.30	0.22	260.60	2,916.00
Cash and Cash Equivalents	5.03	7.94	6.80	1,140.36	784.92	200.00
Short Term Loans and Advances	37.40	37.40	359.53	2,316.93	2,462.74	400.00
Other current Assets	-	-	0.27	0.10	15.70	675.00
<b>Total Current Assets (A)</b>	<b>42.43</b>	<b>45.34</b>	<b>761.55</b>	<b>3,666.39</b>	<b>9,182.66</b>	<b>4,774.00</b>
<b>Current Liabilities</b>						
Trade Payables	1.59	1.59	-	2,613.24	7,585.37	-
Other Current Liabilities	0.30	-	-	-	-	-
Provisions	-	-	31.74	106.19	90.56	360.00
<b>Total Current Liabilities (B)</b>	<b>1.89</b>	<b>1.29</b>	<b>31.74</b>	<b>2,719.43</b>	<b>7,675.93</b>	<b>360.00</b>
<b>Working Capital Requirements (A-B)</b>	<b>40.54</b>	<b>44.05</b>	<b>729.81</b>	<b>946.96</b>	<b>1,506.73</b>	<b>4,414.00</b>
<b>Proceeds from the Issue</b>	-	-	-	-	-	<b>2,550.00</b>
<b>Working Capital Limit from Bank and Internal Accruals</b>	<b>40.54</b>	<b>44.05</b>	<b>729.81</b>	<b>946.96</b>	<b>1,506.73</b>	<b>1,864.00</b>

Kindly note that the above working capital requirement is for the short-term purpose of the Company.

The following table set forth the **holding period** (with days rounded-off to the nearest) considered:

Particulars	March 31, 2023	December 31, 2023	March 31, 2024	March 31, 2025
Inventory	1,187	5	100	4
Debtors	343	-	5	20
Creditors	-	62*	135	-

\*Not annualised

The number of days as mentioned above has been calculated as follows:

- Receivable turnover in Days = Accounts Receivable divided by Revenue from Operation \* 365
- Inventory Turnover in Days = Inventory divided by Cost of Goods Sold \* 365
- Payable Turnover in Days = Accounts Payable divided by Cost of Goods Sold \* 365

The working capital projections made by the Company are based on certain key assumptions, as set out below:

Particulars	Basis of Estimation / Assumption
Inventories	The Company has entered into the trading business of and hence to secure its consistency in supply to its' customers the management decides to change the policy of inventory and plan to hold sufficient amount of inventory in hands. The inventory period also includes transit period. Maintenance of sufficient quantity of inventory will help the company to meet its' buyers requirement in time to have edge in this competitive business and also help the company to achieve targeted growth in its revenue.
Trade Receivables	The management foresee to provide credit to it's is customers to maintain the existing customers and also to add new customers in the highly competitive segment and hence we plan to provide average 20 days of credit to our customers, which is similar to the generally acceptable business of our nature. The reasonable credit to its customer will also help to achieve better trading margin.
Trade Payables	The credit period days, with additional working capital funding, our Company intends would provide advance to creditors to avail cash discount as well as competitive purchase price to increase overall profitability of our Company. By paying upfront we aim to negotiate more favourable terms and conditions with our suppliers, enabling us to access competitive pricing for the goods we procure.

## 2. Investment in our wholly owned subsidiary, GTL Gems DMCC for funding its working capital requirements.

Our Company also operates its businesses through its Subsidiary. Our Company proposes to utilise ₹ 1200.00 lakhs from the Net Proceeds towards making an investment in our wholly owned subsidiary in form of equity participation, GTL Gems DMCC for augmentation of funding requirements for its business activities. GTL Gems DMCC is a company with limited liability registered with the Registrar of Companies of Dubai Multi Commodities Centre Authority (DMCCA) bearing Certificate No. DMCC198188 incorporated on October 19, 2023. GTL Gems DMCC has obtained a trading license as a Free Zone Company from the Authority to carry out activities related to trading of Pearls & Precious Stones, Non-Manufactured Precious Metal and Jewellery. The said license is valid till October 22, 2024.

We intend to pursue this opportunities in the business activities of GTL Gems DMCC (i) that allow us to create our scale and market position; (ii) that allow us to enhance our product portfolio including product category adjacencies by unlocking potential synergy benefits; (iii) that provide us with a platform to extend our reach to new geographic markets within India; and (iv) that add new services complementary to our service offerings or that allow us to enter strategic businesses to capture additional revenue opportunities from our existing customer base to improve our margin profile.

Sr. No.	Particulars	Provisional 2023-24	Estimated 2024-25
<b>I</b>	<b>Current Assets</b>		
1	Inventory	2,588.69	1,340.00
2	Sundry Debtors	7,318.03	2,681.00
3	Cash & Cash Equivalents	70.02	150.00
	<b>Total I</b>	<b>9,976.74</b>	<b>4,171.00</b>
<b>II</b>	<b>Current Liabilities</b>		
1	Sundry Creditors	8,835.17	1,950.00

<b>Sr. No.</b>	<b>Particulars</b>	<b>Provisional 2023-24</b>	<b>Estimated 2024-25</b>
2	Short- term Provisions	-	60.00
3	Other Current Liabilities	19.73	-
	<b>Total II</b>	<b>8,835.17</b>	<b>2,010.00</b>
<b>III</b>	<b>Net Working Capital Requirements</b>	<b>1,141.58</b>	<b>2,161.00</b>
<b>IV</b>	<b>Working Capital Funding</b>		
1	Borrowings	1,121.84	961.00
2	Issue Proceeds	-	1,200.00
	<b>Total IV</b>	<b>1,121.84</b>	<b>2,161.00</b>

The table below sets forth the details of holding levels (in days) for year ended March 2024, and 2025.

<b>Particulars</b>	<b>March 31, 2024</b>	<b>March 31, 2025</b>
Inventory	76	10
Trade Receivables	76	20
Trade Payables	92	15

<b>Particulars</b>	<b>Justification*</b>
Inventories	The Company has entered the business of trading business of Diamonds during current financial year. Since it is an initial inventory buildup required to support the launch of operations, followed by a steady turnover rate as the business stabilizes. The Company has inventory holding period of 76 days for Fiscal 2024 and is expected to maintain holding period of 10 days for Fiscal 2025. The holding period is selected on careful analysis of market demand, and sales forecasts.
Trade Receivables	The management foresee to provide credit to its' is customers in order to create relations with customers. Assuming a reasonable collection period for accounts receivable, considering industry standards and customer payment behaviours for Fiscal 2024 and Fiscal 2025, the company establishes an expected credit term of 20 days.
Trade Payables	Assuming negotiated and favourable payment terms with suppliers to optimize cash flow, while maintaining good relationships. The Company will maintain holding level of Trade Payables at 15 days in Fiscal 2025.

Assuming full subscription and Allotment of the Rights Equity Shares in the Issue, our Company proposes to utilise ₹ 1200.00 lakhs from the Net Proceeds towards making an investment in our wholly owned subsidiary for augmentation of funding requirements for its business activities. We will determine the form of investment for the abovementioned investment in GTL Gems DMCC, i.e., whether they will involve equity in accordance with the applicable law and regulations. As on this date of LOF, our Company has not finalised whether the form of investment will be equity, debt or any other instrument or combination thereof.

GTL Gems DMCC does not have any stated dividend policy and our Company cannot be assured of any dividends from it. Our Company will remain invested in GTL Gems DMCC, and will derive benefits from it, to the extent of our direct or indirect shareholding in it, or as a lender if funds are deployed in the form of debt.

### 3. General Corporate Purpose

In terms of Regulation 62(2) of the SEBI ICDR Regulations, the extent of the Issue Proceeds proposed to be used for General Corporate Purposes shall not in the aggregate exceed 25% of the Gross Proceeds of the

Issue. Such utilization towards general corporate purposes shall be to drive our business growth, including, amongst other things including but not limited funding our growth opportunities, strengthening marketing capabilities and brand building exercises, and strategic initiatives and any other purpose as permitted by applicable laws; subject to meeting regulatory requirements and obtaining necessary approvals/ consents, as applicable.

Our management, in accordance with the policies of our Board, will have flexibility in utilizing the proceeds earmarked for General Corporate Purposes. In the event that we are unable to utilize the entire amount that we have currently estimated for use out of Net Proceeds in a Financial Year, we will utilize such unutilized amount in the next Financial Year.

### Issue Related Expenses

The total Issue related expenses estimated not to exceed ₹ 35.00 Lakhs. The Issue related expenses include fees payable to the Legal counsel to this Issue, the stock exchanges, Registrar to the Issue, printing and stationery expenses, advertising, marketing and distribution expenses and all other incidental and miscellaneous expenses for listing the Rights Equity Shares on the Stock Exchanges. The break-up of the estimated Issue expenses is disclosed below:

The break-down of the estimated Issue expenses is disclosed below:

Activity	Estimated Expense (₹ in lakhs)	% of Total Estimated Issue Expenses	% of Total Issue Size*
Fees of Registrar to the Issue	2.00	5.71	0.04
Fees to the Legal advisors, other professional service providers and statutory fees	7.5	21.43	0.15
Fees paid to regulators including depositories, Stock Exchange	12.5	35.71	0.26
Statutory Advertising Marketing Printing and distribution of issue stationery	7	20.00	0.14
Other expenses (including miscellaneous expenses and stamp duty)	6.00	17.15	0.12
<b>Total estimated Issue expenses*</b>	<b>35.00</b>	<b>100.00</b>	<b>0.71</b>

*\*Subject to finalization of Basis of Allotment and actual Allotment. Above mentioned fees are excluding Taxes. In case of any difference between the estimated Issue related expenses and actual expenses incurred, the shortfall or excess shall be adjusted with the amount allocated towards general corporate purposes. All Issue related expenses will be paid out of the Gross Proceeds from the Issue. Assuming full subscription.*

### Appraisal of the Objects

None of the Objects of the Issue for which the Net Proceeds will be utilized have been appraised by any bank or financial institution.

### Strategic and/or Financial Partners

There are no strategic and financial partners to the objects of the issue.

### Schedule of Implementation and Deployment of Funds

Our Company proposes to deploy the entire Net Proceeds towards the Objects as described herein during Financial Year 2024-25.

The funds deployment described herein is based on management estimates and current circumstances of our business and operations. Given the dynamic nature of our business, we may have to revise our funding requirements and deployment on account of variety of factors such as our financial condition, business and strategy, including external factors which may not be within the control of our management. This may entail rescheduling and revising the planned funding requirements and deployment and increasing or decreasing the funding requirements from the planned funding requirements at the discretion of our management. Accordingly, the Net Proceeds of the Issue would be used to meet all or any of the purposes of the fund requirements described herein.

### **Bridge Financing Facilities**

Our Company have not raised or availed any bridge financing facilities for meeting the expenses as stated under the Objects of the Issue as on the date of this Letter of Offer.

### **Interim Use of Net Proceeds**

Our Company, in accordance with the policies formulated by our Board from time to time, will have flexibility to deploy the Net Proceeds. Pending utilization of the Issue Proceeds for the Objects of the Issue described above, we undertake to temporarily deposit the funds from the Net Proceeds in deposits with one or more scheduled commercial banks (as included in the Second Schedule of Reserve Bank of India Act, 1934) for the necessary duration. Such investments will be approved by our Board from time to time or in any such other manner as permitted under the SEBI ICDR Regulations or as may be permitted by the SEBI.

In accordance with Section 27 of the Companies Act, 2013, our Company confirms that pending utilisation of the proceeds of the Issue as described above, it shall not use the funds from the Issue Proceeds for any investment in equity and/or real estate products, providing loans to or for acquiring shares, except in ordinary course of business.

### **Monitoring of Utilization of Funds**

Since the proceeds from this Issue are less than ₹ 10,000 Lakhs, in terms of the SEBI Regulations, there is no requirement for the appointment of a monitoring agency for this Issue. However, as per SEBI (LODR) Regulation, the Board of Directors and Audit Committee of the Company would be monitoring the utilization of the proceeds of the Issue. Our Company will disclose the utilization of the Issue Proceeds, including interim use, under a separate head in our balance sheet along with the relevant details, for all such Issue Proceeds that have not been utilized. Our Company will indicate investments, if any, of unutilized Issue Proceeds in the Financial Statements of the Company for the relevant Financial Years subsequent to receipt of listing and trading approvals from the Stock Exchange.

We will also on an annual basis, prepare a statement of the funds which have been utilized for purposes other than those stated in this Letter of Offer, if any, and place it before the Audit Committee and the Board. Such disclosure will be made only until all the Issue Proceeds have been utilized in full. The statement shall be certified by our Statutory Auditor. Further, in accordance with Regulation 32 of the SEBI (LODR) Regulation, Our Company shall, on a quarterly basis, disclose to the Audit Committee the uses and applications of the Issue Proceeds. In accordance with Regulation 32 of the SEBI (LODR) Regulation, the Company shall furnish to the Stock Exchanges, on a quarterly basis, a statement on material deviations, if any, in the utilization of the Issue Proceeds from the objects of the Issue as stated above.

## **Key Industry Regulations for the Objects of the Issue**

We believe that no additional provisions of any acts, regulations, rules and other laws are or will be applicable to the Company for the proposed Objects of the Issue other than those as may be prescribed under the Foreign Exchange Management Act, 1999 and the Companies Act, 2013 including rules, regulations, notifications, circulars, guidelines, etc. issued thereunder as amended for the purpose of Investment in our wholly owned subsidiary, GTL Gems DMCC for augmentation of funding requirements for its business activities.

Except as required under the provisions as mentioned in the above paragraph, our Company does not require any material government and regulatory approvals in relation to the Objects of the Issue.

## **Other Confirmations**

None of our erstwhile Promoters and Promoter Group (reclassified w.e.f. January 12, 2024) and Directors have any interest in the Objects of the Issue. There are no material existing or anticipated transactions with our erstwhile Promoters, our Directors and our Company's Key Managerial Personnel in relation to the utilization of the Net Proceeds. No part of the Net Proceeds will be paid by us as consideration to our erstwhile Promoters, our Directors or Key Managerial Personnel except in the normal course of business and in compliance with the applicable laws.

As on the date of Letter of Offer, our Company is a Professionally Managed Company and does not have any Identifiable Promoter.

## STATEMENT OF TAX BENEFITS

**K M Chauhan & Associates**

Chartered Accountants



### STATEMENT OF SPECIAL TAX BENEFITS

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

**Re: Proposed rights issue of equity shares of face value of ₹1 each (the "Equity Shares" and such offering, the "Issue") of Gujarat Toolroom Limited (the "Company") pursuant to Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("SEBI Regulations") and the Companies Act, 2013, as amended (the 'Act')**

Dear Sirs,

We M/s. **K M Chauhan & Associates** Chartered Accountants, the statutory auditors of the Company hereby report that the enclosed Statement prepared by Gujarat Toolroom Limited (the "Company") states the possible special tax benefits available to the Company and to the shareholders of the Company under the Income-tax Act, 1961 and Income tax Rules, 1962 including amendments made by Finance Act, 2022 (hereinafter referred to as "**Income Tax Laws**"), the Central Goods and Services Tax Act, 2017, Integrated Goods and Services Tax Act, 2017, respective State Goods and Services Tax Act, 2017, Customs Act, 1962, Customs Tariff Act, 1975 as amended, the rules and regulations there under, Foreign Trade Policy, presently in force in India under the respective tax laws of their country as on the signing date, for inclusion in the Draft Letter of Offer and the Letter of Offer for the proposed rights issue of the Company to the existing shareholders. These benefits are dependent on the Company or the shareholders of the Company fulfilling the conditions prescribed under the relevant provisions of the Tax Laws. Hence, the ability of the Company or the shareholders of the Company to derive the special tax benefits is dependent upon fulfilling such conditions, which is based on business imperatives the Company may face in the future and accordingly, the Company or the shareholders of the Company may or may not choose to fulfill.

The benefits discussed in the enclosed Statement cover only special tax benefits available to the Company and to the shareholders of the Company and are not exhaustive and also do not cover any general tax benefits available to the Company. Further, any benefits available under any other laws within or outside India have not been examined and covered by this Statement.

Further, the preparation of the enclosed Statement and its contents was the responsibility of the management of the Company. We were informed that this Statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the proposed offer.

We have conducted our examination in accordance with the 'Guidance Note on Reports or Certificates for Special Purposes (Revised 2016)' ('the Guidance Note') issued by the Institute of Chartered Accountants of India ('ICAI'). The Guidance Note requires that we comply with ethical requirements of the Code of Ethics issued by the ICAI.

We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Performs Audits and Reviews of Historical Financial information and Other Assurance and Related Services Engagements.



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Mo. : 94262 40363 E-mail : cak\_sinh@rediffmail.com



We do not express any opinion or provide any assurance whether:

- the Company or the shareholders of the Company will continue to obtain these benefits in future; or
- the conditions prescribed for availing the benefits, where applicable, have been / would be met with.

The contents of the enclosed Statement are based on the information, explanations and representations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company. Our views expressed herein are based on the facts and assumptions indicated to us. 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 change from time to time. We do not assume responsibility to update the views consequent to such changes. We shall not be liable to the Company for 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.

We will not be liable to any other person in respect of this Statement.

This statement is solely for your information and not intended for general circulation or publication and is not to be reproduced or used for any other purpose without our prior written consent, other than for inclusion of extracts of this statement in the Draft Letter of Offer and Letter of Offer and submission of this statement to the Securities and Exchange Board of India, the stock exchanges where the Equity Shares of the Company are proposed to be listed, in connection with the proposed Issue, as the case may be.

**For M/s. K M Chauhan & Associates.**

Chartered Accountants

FRN: 125924W

**Kishrosinh M. Chauhan**

Partner

Membership No. :118326

UDIN: 23118326BGSJRJO4269

Place: Rajkot

Date: 04/12/2023





## Annexure- I

### ANNEXURE TO THE STATEMENT OF SPECIAL TAX BENEFITS AVAILABLE TO GUJARAT TOOLROOM LIMITED ("THE COMPANY") AND ITS SHAREHOLDERS

#### I. UNDER THE INCOME TAX LAWS

##### 1. Special tax benefits available to the Company

There are no special tax benefits available to the Company.

##### 2. Special tax benefits available to the shareholders

There are no special tax benefits available to the shareholders of the Company.

#### Notes:

- a. The above Statement sets out the provisions of law in a summarized manner only and is not a complete analysis or listing of all potential tax consequences of the purchase, ownership and disposal of shares.
- b. 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.
- c. The above statement of possible tax benefits is as per the current direct tax laws relevant for the assessment year 2023-24.
- d. This statement is intended only to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of tax consequences, each investor is advised to consult his/her own tax advisor with respect to specific tax consequences of his/her investment in the shares of the Company.
- e. In respect of non-residents, the tax rates and consequent taxation will be further subject to any benefits available under the relevant DTAA, if any, between India and the country in which the non-resident has fiscal domicile.





**Annexure- II**

**STATEMENT OF INDIRECT TAX BENEFITS AVAILABLE TO GUJARAT TOOLROOM LIMITED (THE "COMPANY") AND ITS SHAREHOLDERS**

**II. The Central Goods and Services Tax Act, 2017 / the Integrated Goods and Services Tax Act, 2017 ("GST Act"), the Customs Act, 1962 ("Customs Act") and the Customs Tariff Act, 1975 ("Tariff Act") (collectively referred to as "Indirect Tax Laws")**

**1. Special tax benefits available to the Company under the Indirect Tax Laws**

There are no special tax benefits available to the Company.

**2. Special tax benefits available to the shareholders under the Indirect Tax Laws**

There are no special indirect tax benefits applicable in the hands of shareholders for investing in the shares of the Company.

**Notes:**

- a. The above statement is based upon the provisions of the specified Indirect Tax Laws, and judicial interpretation thereof prevailing in the country, as on the date of this Annexure.
- b. The above statement covers only above-mentioned tax laws benefits and does not cover any direct tax law benefits or benefit under any other law.
- c. This statement is intended only to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice.
- d. 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.



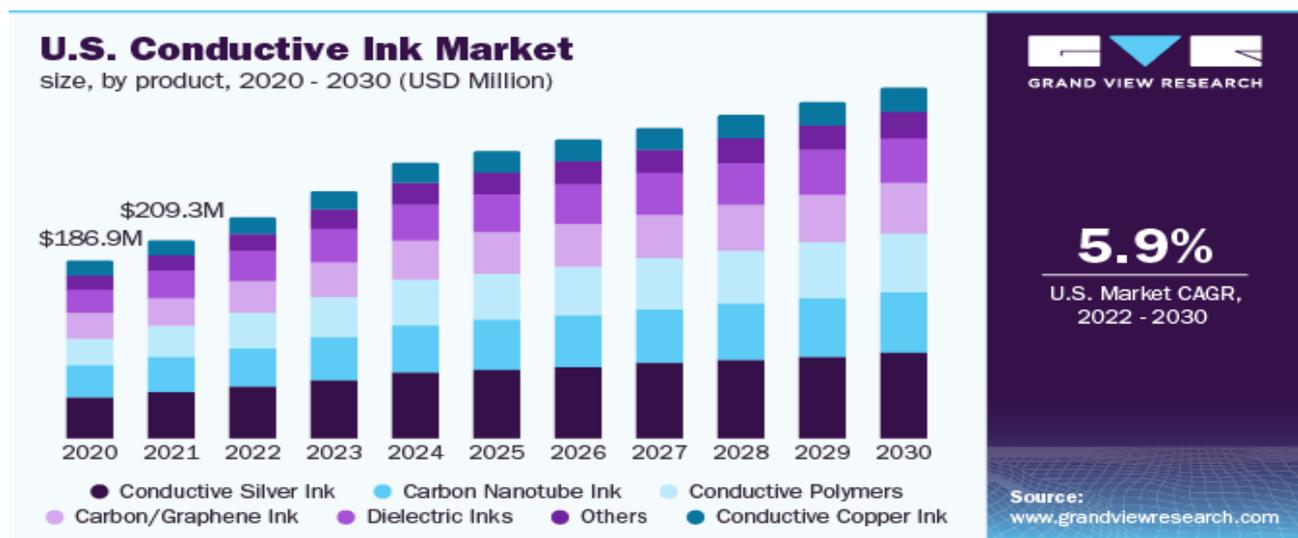
INDUSTRY OVERVIEW

The information in this section has been extracted from various websites and publicly available documents from various industry sources. The data may have been re-classified by us for the purpose of presentation. None of the Company and any other person connected with the Issue have independently verified this information. Industry sources and publications generally state that the information contained therein has been obtained from believed to be reliable, but their accuracy, completeness and underlying assumptions 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, projection forecasts and assumptions that may prove to be incorrect.

Before deciding to invest in the Equity Shares, prospective investors should read this entire Letter of Offer, including the information in the sections ‘Risk Factors’ on page 27. An investment in the Equity Shares involves a high degree of risk. For a discussion of certain risks in connection with an investment in the Equity Shares, please see the section titled ‘Risk Factors’ on page 27. Accordingly, investors should not place undue reliance on information.

GLOBAL ECONOMIC OUTLOOK

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.



Conductive copper ink is used for photonic curing in consumer electronics, radio-frequency identification, membrane touch switch, and antenna applications. The inks are cost-effective in comparison to conductive silver ink. Conductive polymers are used in spin coatings and slot dies coatings. Carbon nanotube ink is used for inkjet printing. In terms of application, the market for conductive ink has been bifurcated into photovoltaic, membrane switches, displays, automotive, smart packaging, biosensors, printed circuits, and other

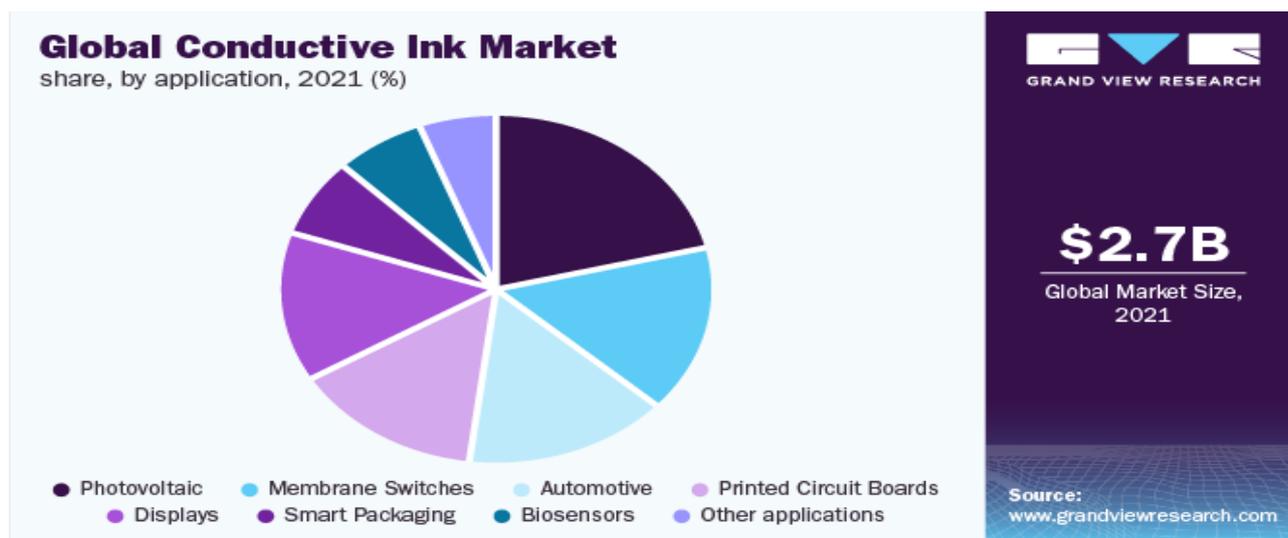
applications. Other applications include batteries, electromagnetic interference, and fuel cells. The conductive inks help in conducting electricity in a printed object.

The photovoltaic application has witnessed a positive trend in the recent past and the trend is projected to continue in the near future. Conductive inks are used in photovoltaic cells, which look similar to solar panels and help in producing steam or hot water. Although the changes in government policies in 2016 in the U.S., China, India, and the U.K. for the surplus PV module installation have slowed the photovoltaic growth rate, conductive inks still hold a major share in the market. The regional market has been segmented into North America, Europe, Asia Pacific, Central and South America, and the Middle East and Africa. The Asia Pacific accounted for more than 58% of the total conductive inks market in 2021 in terms of revenue.

The region is expected to witness a similar trend followed by Europe and North America over the next eight years. Countries such as China and Japan accounted for a significant share of the market. Application segments such as batteries, sensors, and automobiles are presumed to record the highest growth over the forecast period in the regional market. Rapid technological advancements in the electronics and automobile sectors in the Asia Pacific region are anticipated to fuel the growth of the market for conductive ink.

The conductive silver ink product segment led the market and accounted for more than 21.0% revenue share in 2021. Major conductive ink products include conductive silver ink, conductive copper ink, conductive polymers, carbon nanotube ink, dielectric inks, and carbon/graphene ink. The conductive silver ink segment is estimated to dominate the market for conductive ink during the forecast period. The segment is estimated to gain market share from more than 22.0% in 2021 to 24.0% by 2030. The increasing prominence of the product in industries such as printed electronics and flexible electronics is likely to act as a key catalyst for segment growth in the coming years.

The photovoltaic application segment led the market for conductive ink and accounted for more than 21.0% revenue share in 2021. The market, on the basis of application, is classified into photovoltaic, membrane switches, displays, automotive, smart packaging, biosensors, printed circuit boards, and others. The smart packaging segment dominated the application sector in 2021. The segment is expected to show the fastest growth rate, ascending with a CAGR of 7.0% from 2021 to 2030 and holding a market share of over 7% by 2030.



Conductive inks are used in the fabrication of photovoltaic textiles. The rising prominence of clean energy is likely to push the growth of the photovoltaic segment over the forecast period. The globally rising electrical demand is likely to be the key propellant of solar plants. Countries such as China, India, and the U.S. are projected to generate robust demand for the photovoltaic segment. The solar energy installation in India grew

by nearly 89% from 2019 to 2020. Thus, owing to the demand for clean energy, the market for conductive inks is projected to witness a robust growth rate over the forecast period.

The Asia Pacific led the market for conductive ink and accounted for more than 58.0% of revenue share in 2021. The Asia Pacific dominated the market over recent years ahead of Europe and North America. Market shares of developed markets such as North America and Europe are anticipated to decrease owing to application saturation. Developing markets such as the Asia Pacific, and Middle East & Africa are projected to experience brisk growth in areas such as Photovoltaic, Membrane switches, Displays, Automotive, Smart packaging, Biosensors, Printed circuit boards, Other applications. Robust demand for these applications is projected to fuel the regional market.



(Source: <https://www.grandviewresearch.com/industry-analysis/conductive-ink-market>)

## 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)

Apart from gold jewellery, the other type of jewellery which is gaining traction is the studded ornaments segment. The key factor contributing to the growth of this segment is the younger population's preference for diamond studded gold jewellery, typically made with 14 or 18 carat gold rather than heavy 22 carat gold. India is one of the leading cutting and polishing centre for diamonds with support from government policies. India is deemed as hub for this industry because of low cost and availability of highly skilled labour. Due to its potential for growth and value addition, the government considers this segment as a focus area for exports. The industry has become highly sophisticated over the years with the use of hi-technology in different

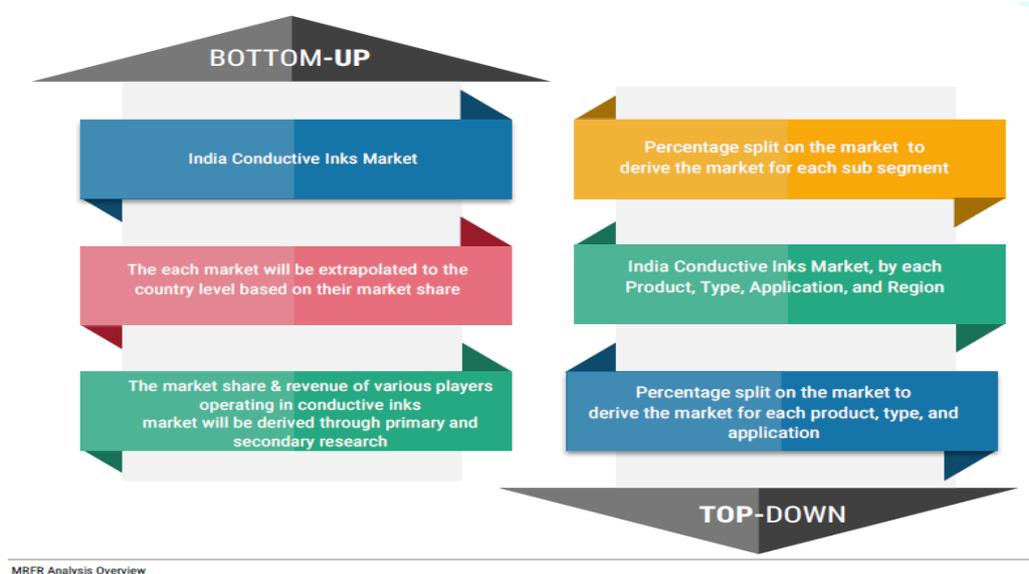
processes, especially, in planning, inclusion plotting, and laser sawing. Grading of polished diamonds, is an established practice – the 4Cs of cut, clarity, colour and carat are being the standard measure for assigning grade.

(Source: [https://loksabhadocs.nic.in/Refinput/New\\_Reference\\_Notes/English/13022023\\_150309\\_102120474.pdf](https://loksabhadocs.nic.in/Refinput/New_Reference_Notes/English/13022023_150309_102120474.pdf))

## 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.



MRFR Analysis Overview

### 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.



MRFR Analysis Overview

As a part of the market engineering, the 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 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

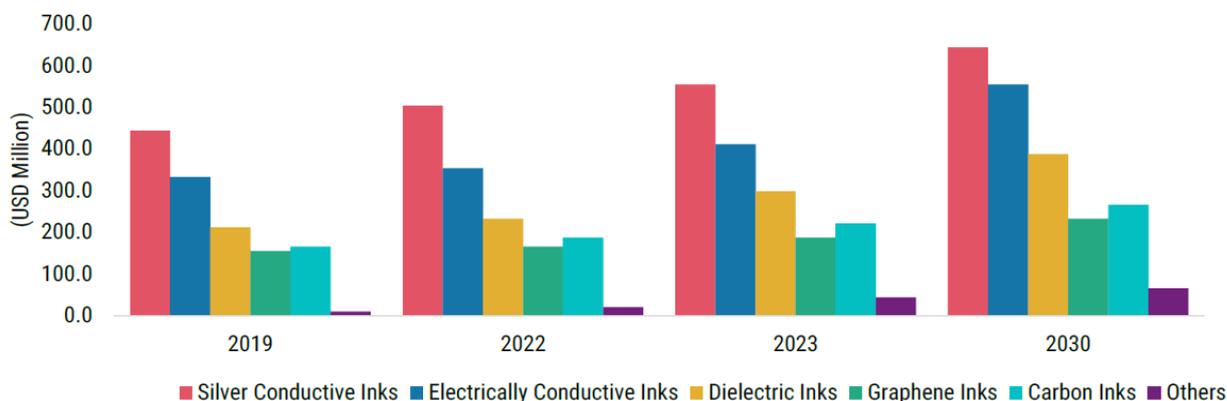
Market trade analysis is formulated by mining import and exports by region, by country, and product. Authentic secondary by country are used, which provides import and export database for HS commodities for countries along with some paid data sources are used. Moreover, the import-export by region is 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.

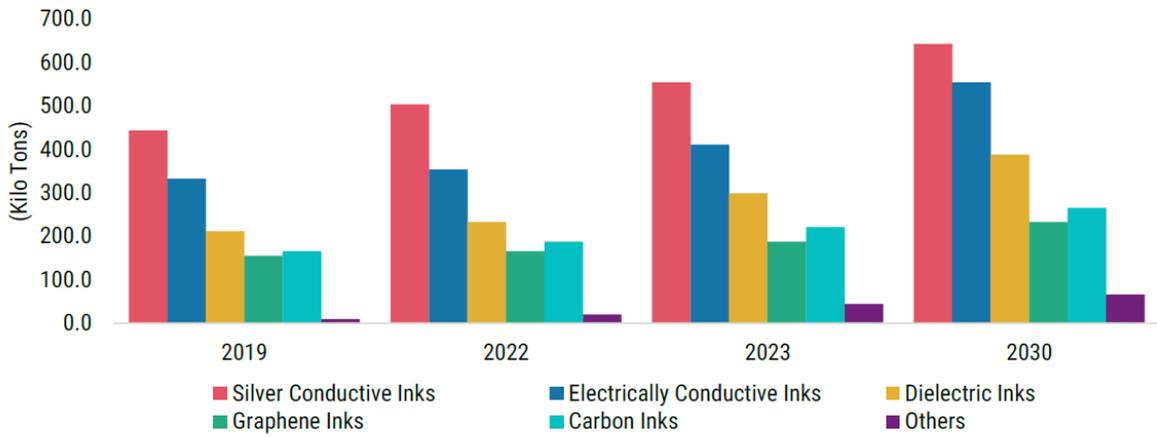
## INDIA CONDUCTIVE INKS MARKET, BY PRODUCT

INDIA CONDUCTIVE INKS MARKET, BY PRODUCT, 2019–2030 (USD MILLION)



Source: Industry Expert, Secondary Research, and MRFR Analysis

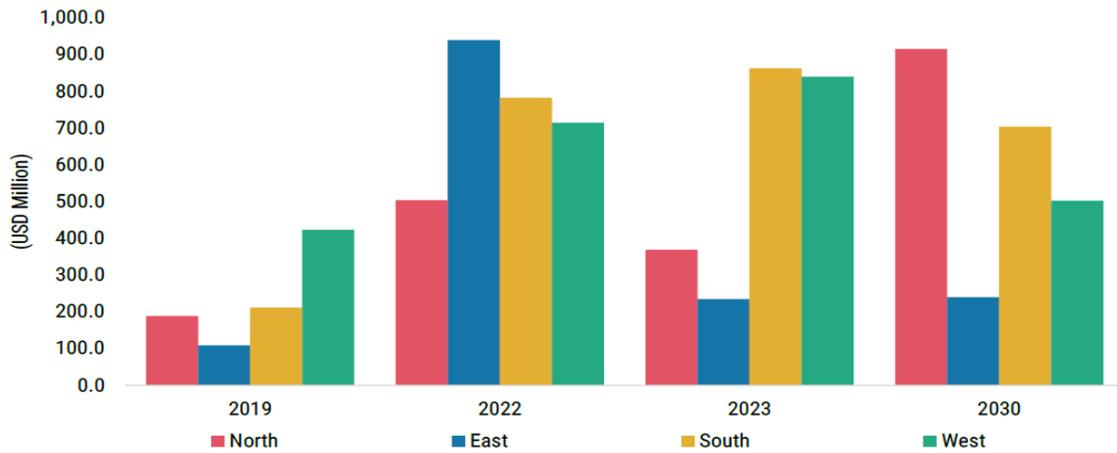
## INDIA CONDUCTIVE INKS MARKET, BY PRODUCT, 2019–2030 (KILO TONS)



Sources: Industry Expert, Secondary Research, and MRFR Analysis

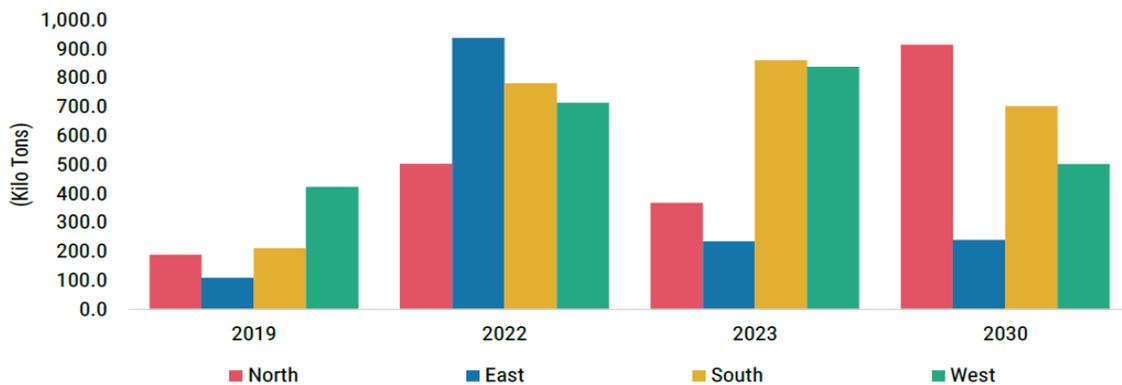
## INDIA CONDUCTIVE INKS MARKET, BY REGION

### INDIA CONDUCTIVE INKS MARKET, BY REGION, 2019–2030 (USD MILLION)



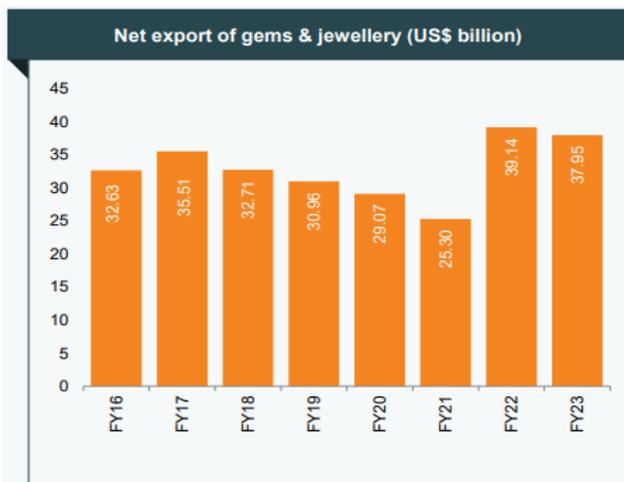
Source: Industry Expert, Secondary Research, and MRFR Analysis

### INDIA CONDUCTIVE INKS MARKET, BY REGION, 2019–2030 (KILO TONS)



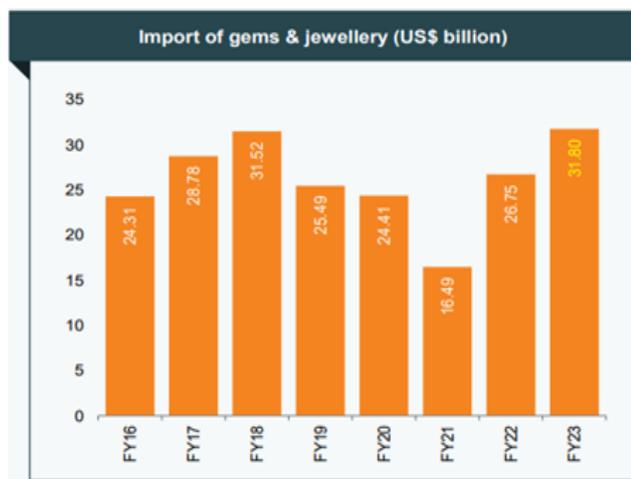
Source: Industry Expert, Secondary Research, and MRFR Analysis

## 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 export during April-March 2023 stood at US\$ 37.95 billion.

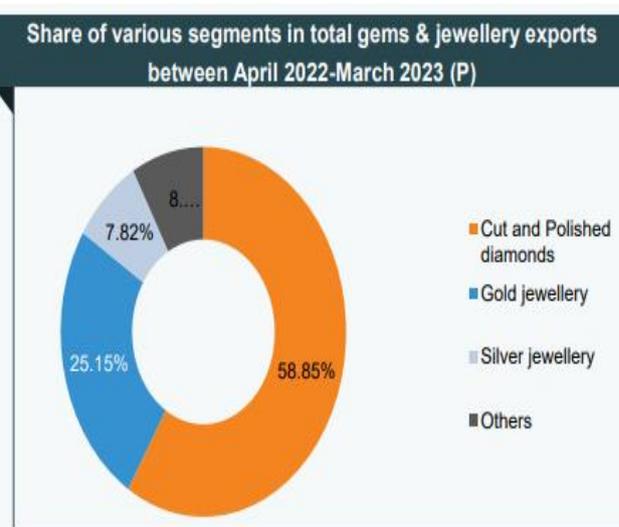
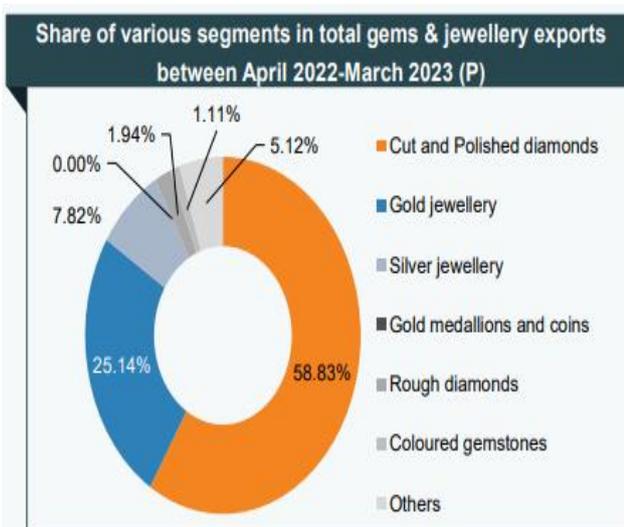
- During April-November 2022, the gem and jewellery exports to the UAE, Belgium, Singapore, Thailand, and Switzerland have shown a rise.



- 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 comprises various items such as cut and polished diamonds, silver and gold jewellery, gold medallions and coins, rough diamonds, coloured 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 begin 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.

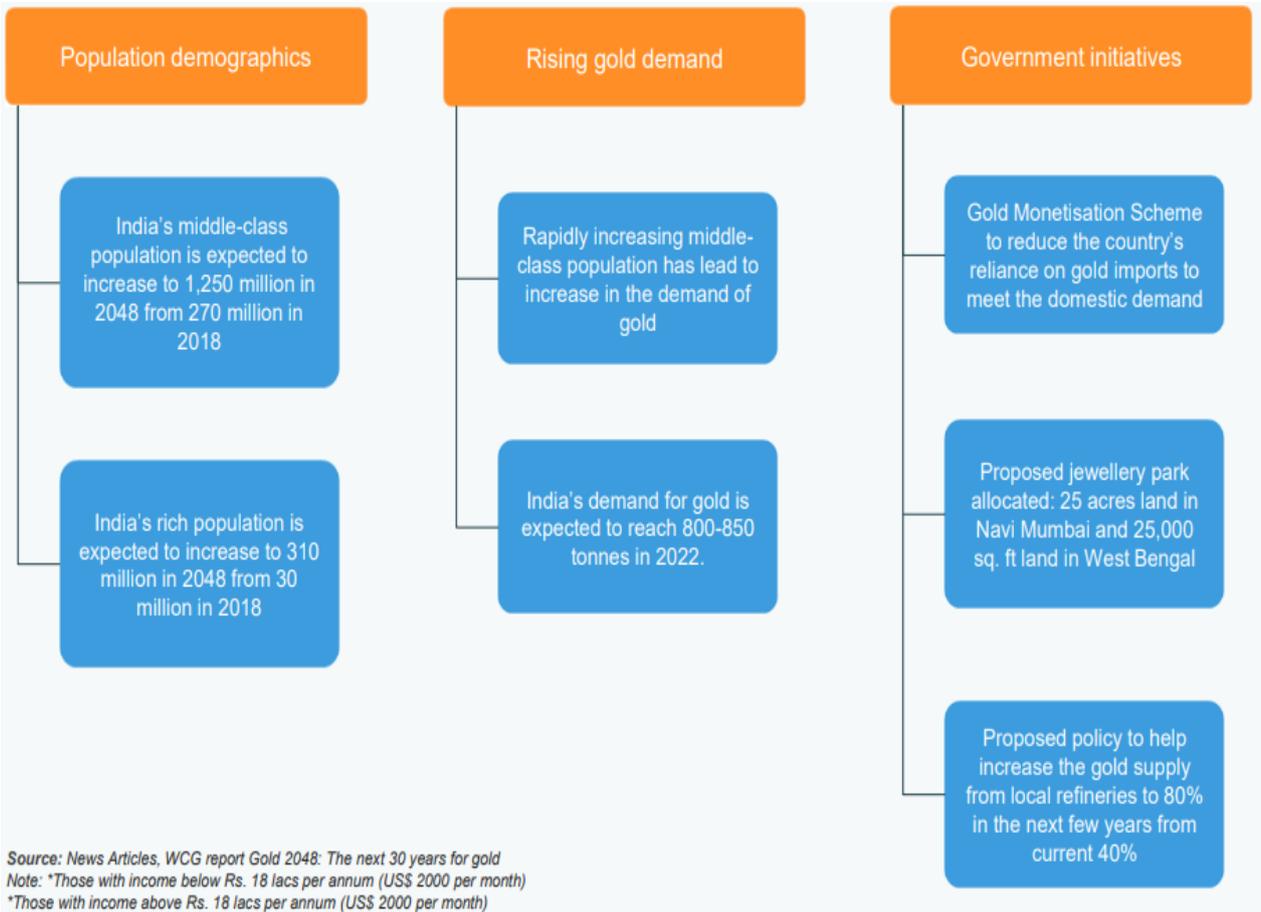
Gold is imported from Switzerland, South Africa, the United Arab Emirates, and Australia, among other countries. Raw pearls, precious and semi-precious stones, and other items are imported from Belgium, the United Kingdom, and Hong Kong.

Rough diamonds account for more than half of all G&J imports (66%). The total rough diamond imports i– April 2022 - January 2023 stands 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**

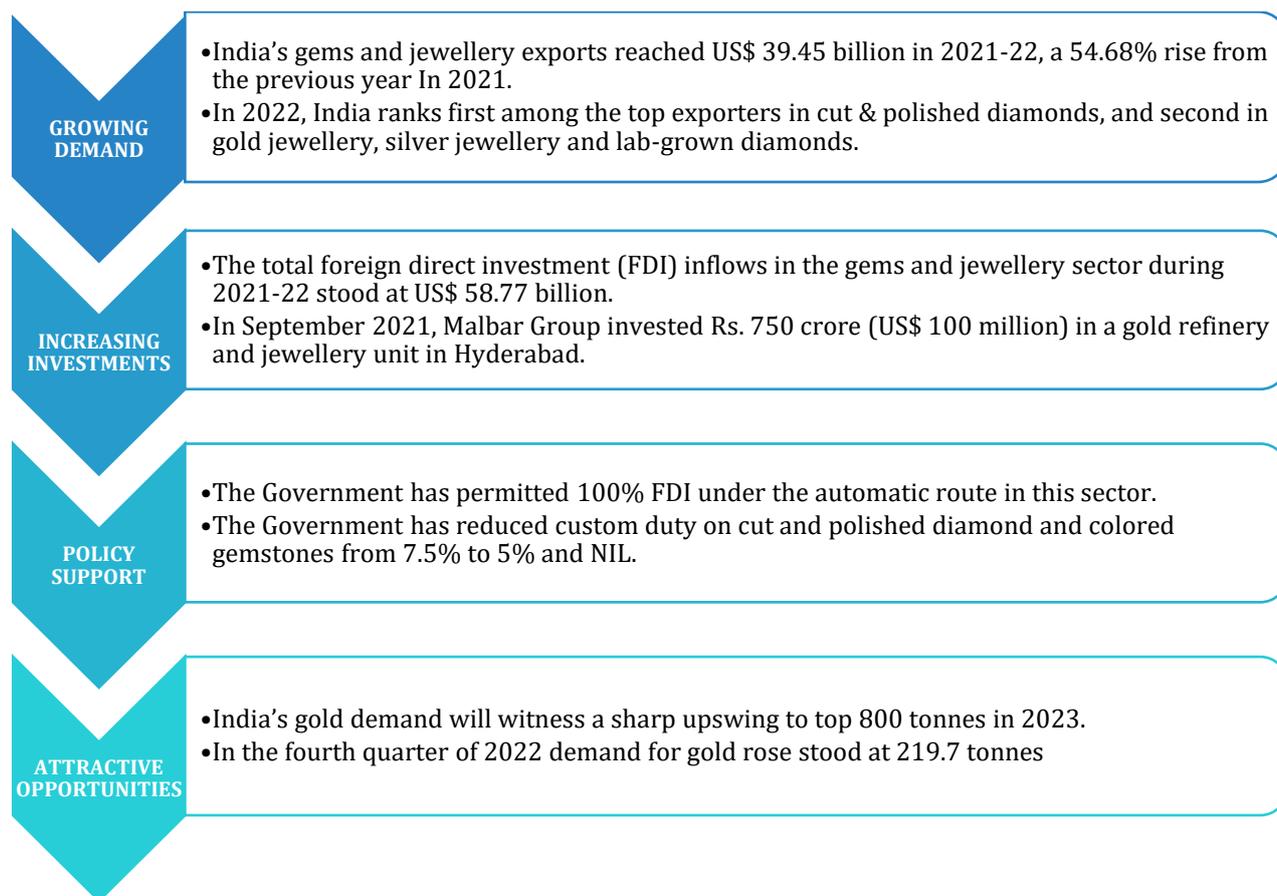
The Unites States, Hong Kong, UAE and Belgium are key export Destinations for Indian G&J industry. The United States accounted for about 37% to total exports of gems and jewellery in FY22. Persistent high inflation rates and slowdown in these economies will have an adverse impact on the gems and jewellery exports from India.

**GROWTH DRIVERS OF GEMS & JEWELLERY SECTOR IN INDIA:**



(Source: [https://www.ibef.org/download/1690789781\\_Gems-and-Jewellery-May-2023.pdf](https://www.ibef.org/download/1690789781_Gems-and-Jewellery-May-2023.pdf))

## ADVANTAGE



## 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 visitors, 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, GJPEC 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 GJPEC 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 (IJS-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 and 10 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 monetisation 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 & Palladium (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 organised market and are opening opportunities to grow. Increasing penetration of organised 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 stabilisation of gold prices at lower levels is also expected to drive volume growth for jewellers over the short to medium term. India has 450 organised 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.

## BUSINESS OVERVIEW

*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 Letter of Offer. An investment in the Equity Shares involves a high degree of risk.*

*For a discussion of certain risks in connection with investment in the Equity Shares, you should read the section titled '**Risk Factors**' beginning on page 27, for a discussion of the risks and uncertainties related to those statements, as well as '**Financial Information**' and '**Management's Discussion and Analysis of Financial Condition and Results of Operations**' beginning on pages 105 and 149 respectively, for a discussion of certain factors that may affect our business, financial condition or results of operations. 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 Restated Financial Statements.*

### OUR 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 5<sup>th</sup> 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 'GUJTLMR' and ISIN 'INE145J01032'. 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.

Started in 1983 as a precision toolroom the company is having technical collaboration with Schober AG Switzerland with the object of bringing world class injection mould technology to India. Stamag Ag. Thun Switzerland Company engaged in manufacturing of injection moulds was acquired in 1995 by Gujarat Toolroom Limited. The company is planning to shift its focus more on supply of Components and reduce its dependence on mould making. To reduce its cost of operations this strategy is being planned out. 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).

### BUSINESS OF THE COMPANY

#### 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 generally do not require to maintain stock of our Silver

Conductive Ink and hence presently we are not having our own warehouse facility. 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 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 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 screen 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 cap 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.

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 endeavour 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 upto 15.00 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 utmost 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.

## **MAIN OBJECTS OF OUR COMPANY**

1. To carry on the business of ginners, spinners, weavers, manufacturers, knitters, crimpers, texturisers, twistors, sizers, dyers, bleachers, printers, processors, packers and bakers of cotton, jute, hemp silk, art silk, rayon, nylon, stretchion, 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 othetwise dealing in cotton, jute, hemp, silk, art silk, rayon, stretchlon, 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 setlers.
2. To carry on the business of buying, selling, manufacturing, ginning, byeing, bleaching, cleaning, pressing and packing of wastes cotton, linen, silk, jute, hemp, flax, polyester, nylon, stretchlon 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 favourable 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. 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
2023	Alteration of Memorandum of Association for change of object of the Company
2023	Adoption of New Memorandum of Association & Article of Association

## DETAILS OF OUR WHOLLY OWNED SUBSIDIARY COMPANIES

Our Company consist of two foreign wholly owned subsidiary company. 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. GGD will commence its business operations in due course and thus financials are not available.
- 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 jewellerys, at the customer's end.

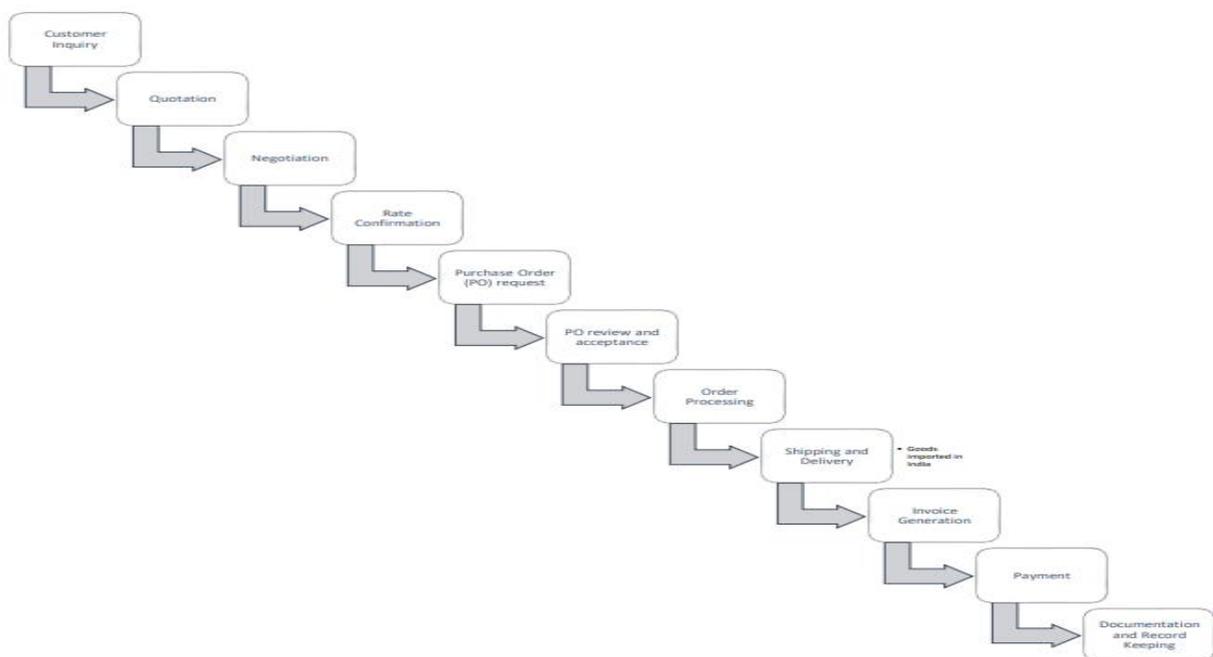
### 4. Quality of our products

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

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.

## PROCESS FLOW AND KEY EVENTS:



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:

### 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.

**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.

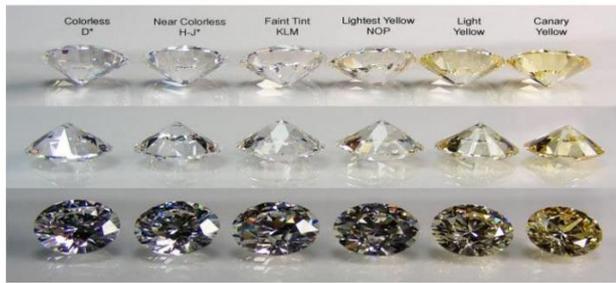
**OUR KEY PRODUCTS**

Our product profile includes traditional, contemporary and combination designs across jewellery lines, for special occasions such as weddings and festivals to daily wear jewellery for all ages, genders and across various price points. We have a dedicated design team, focused on developing new products and designs that meet customers' requirements. We also customised jewellery for individual needs.

## OUR SUBSIDIARY COMPANY PRODUCT PORTFOLIO

- **GTL GEMS DMCC (GGD) :**  
Engaged in trading of Pearls & Precious Stones, Non-Manufactured Precious Metal and Jewellery

The main color of our rough and polished diamond is:



FANCY COLOR INTENSITY



- **GUJARAT TOOLROOM ZAMBIA LIMITED :**  
Engaged in gold exploration, mining, extraction and jewellery processing.

## RAW MATERIAL AND OTHER SUPPLIERS

Our Company is a trading company and our major trading item is silver conductive Ink. Further the wholly owned subsidiary company based at Dubai (UAE) is in trading of diamonds.

## MARKETING STRATEGY

Our primary factors considered in marketing is creating our customer's confidence by providing them quality products as per their needs and requirement, offering reasonable pricing for our products, timely and reliable delivery of our products together with the level and quality of customer service. We maintain an ongoing relationship with our existing customers. We believe that our success lies in the strength of our relationship with our existing customers.

## CUSTOMERS

We believe in making mutually beneficial relationship with our customers by providing them optimum quality 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

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 sale 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. Operations

## UTILITIES & INFRASTRUCTURE 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 17, which may increase further as the Company's business is in expansion.

<b>Details</b>	<b>Total</b>
Director	6
Company Secretary	1
Accounts & Administration	6
Operations	4
<b>Total</b>	<b>17</b>

### **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.

## OUR PROPERTIES

Details of the Deed / Agreement	Particulars of the property	Consideration/ License Fee/Rent	Tenure	Usage
18 <sup>th</sup> August, 2023	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 Letter of offer, our company does not hold any intellectual property.

## OUR MANAGEMENT

### BOARD OF DIRECTORS

Our Articles of Association provide that our Board shall consist of minimum 3 (Three) Directors and not more than 15 (Fifteen) Directors, unless otherwise determined by our Company in a General Meeting. As on date of this Letter of Offer, our Company currently has 4 Four directors on its Board. The present composition of our Board of Directors and its committees are in accordance with the corporate governance requirements provided under the Companies Act and SEBI (LODR) Regulations.

The following table sets forth details regarding our Board of Directors as on the date of this Letter of Offer:

Name, Designation, Address, Occupation, Term, Nationality, Date of Birth and DIN	Age	Other Directorships
<b>Mr. Narendra Sharma</b> <b>Designation:</b> Executive & Managing Director <b>DIN:</b> 10295571 <b>Date of Birth:</b> 06.09.1983 <b>Occupation :</b> Business <b>Address:</b> Flat No. 144, Bahuchar Nagar Society, Ved Road, Surat City, Surat – Gujarat 395004 <b>Nationality:</b> Indian <b>Original Date of Appointment:</b> 04.09.2023 <b>Term:</b> for a period of 1 year	40	• None
<b>Mr. Sunil Surendra Pachlangia</b> <b>Designation:</b> Executive Director <b>DIN:</b> 07850377 <b>Date of Birth:</b> 13.03.1972 <b>Occupation :</b> Business <b>Address:</b> B-305, Prasanna Park, CHS Ltd., Nevghar Road, Siddhivinayak Lane, Bhayandra East, Thane, Mumbai - 401105 <b>Nationality:</b> Indian <b>Original Date of Appointment:</b> 22.08.2023 <b>Term:</b> Not Applicable	50	• None
<b>Mr. Avchalbhai Hemtabhai Chaudhary</b> <b>Designation:</b> Executive Director <b>DIN:</b> 10049028 <b>Date of Birth:</b> 01.05.1982 <b>Occupation :</b> Service <b>Address:</b> Chaudharivas, Near Sahakari Dairy, Lunva (Rajpur), Lunva, Mahsana, Gujarat - 384130 <b>Nationality:</b> Indian <b>Original Date of Appointment:</b> 17.08.2023 <b>Term:</b> Not Applicable	41	• None

Name, Designation, Address, Occupation, Term, Nationality, Date of Birth and DIN	Age	Other Directorships
<p><b>Ms. Nirali Prabhatbhai Karetha</b></p> <p><b>Designation:</b> Non-Executive &amp; Non-Independent Director</p> <p><b>DIN:</b> 10289583</p> <p><b>Date of Birth:</b> 31.07.1990</p> <p><b>Occupation :</b> Service</p> <p><b>Address:</b> B-802, Haridwar Hills, Alay Park Main Road, Near Mokaji Circle, Nana Mava Main Road, Rajkot, Gujarat – 3600005.</p> <p><b>Original Date of Appointment:</b> 04.09.2023</p> <p><b>Term:</b> Not Applicable</p>	33	<ul style="list-style-type: none"> <li>• Kkrrafton Developers Limited</li> </ul>
<p><b>Mr. Vaibhav Pankajbhai Kakkad</b></p> <p><b>Designation:</b> Non-Executive Independent Director</p> <p><b>DIN:</b> 08148272</p> <p><b>Date of Birth:</b> 23.08.1982</p> <p><b>Occupation :</b> Service</p> <p><b>Address:</b> Dharamnagar Society, Magan Road, 150 Feet Ring Road, Rajkot, Gujarat – 360007.</p> <p><b>Nationality:</b> Indian</p> <p><b>Original Date of Appointment:</b> 04.09.2023</p> <p><b>Term:</b> period of five years</p>	41	<ul style="list-style-type: none"> <li>• None</li> </ul>
<p><b>Mr. Vinodkumar Bholanath Mishra</b></p> <p><b>Designation:</b> Additional Non-executive Independent Director</p> <p><b>DIN:</b> 07552109</p> <p><b>Date of Birth:</b> 04.12.1977</p> <p><b>Occupation :</b> Service</p> <p><b>Address:</b> Amrit Hights, Aaga Chowk, Life Medicity Hospital, Jabalpur – 482002, Madhya Pradesh</p> <p><b>Nationality:</b> Indian</p> <p><b>Original Date of Appointment:</b> 13.11.2023</p> <p><b>Term:</b> period of five years</p>	47	<ul style="list-style-type: none"> <li>• Chandrayan Herbal And Food Private Limited</li> <li>• Haru Worldwide Limited</li> <li>• Kkrrafton Developers Limited</li> </ul>

## BRIEF DETAILS OF OUR DIRECTORS

### Mr. Narendra Sharma

Mr. Narendra Sharma aged 40 years, is the Managing Director of our Company. He has done Bachelors in Commerce Graduation from Gujarat University. His extensive experience in logistics for 25 Years. He has been on the board of our Company as Director w.e.f. 4<sup>th</sup> September, 2023

### Mr. Sunil Surendra Pachlangia

Mr. Sunil Surendra Pachlangia aged 50 years, is the Executive Director of our Company. He has completed his Bachelor from Maharashtra. He has more than 23 years of experience in Security & Financial Market. He has been on the board of our Company as Director w.e.f. 22<sup>nd</sup> August, 2023.

**Mr. Avchalbhai Hemtabhai Chaudhary**

Mr. Avchalbhai Hemtabhai Chaudhary aged 41 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. 17<sup>th</sup> August 2023.

**Ms. Nirali Prabhatbhai Karetha**

Ms. Nirali Prabhatbhai Karetha aged 33 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. 4<sup>th</sup> September 2023.

**Mr. Vaibhav Pankajbhai Kakkad**

Mr. Vaibhav Pankajbhai Kakkad aged 41 years, is the Non-Executive Independent Director of our Company. He has done his B. Com and BJMC from Saurashtra University with main subject of Corporate Accounts, and Media. He is a Practicing Company Secretary since 2016. He was the Director of Kakkad and Kakkad Associates Private Limited from June 2018 to June 2022. He is having More than 05 Years of experience in corporate fields. He has been on the board of our Company as Director w.e.f. 4<sup>th</sup> September 2023.

**Mr. Vinodkumar Bholanath Mishra**

Mr. Vinodkumar Bholanath Mishra aged 46 years, is the Non-Executive Independent Director of our Company. He is post graduate by qualification and having experience of more than 10 years in wholesale business of the Ayurvedic medicine. He has been on the board of our Company as Director w.e.f. 13<sup>th</sup> November 2023.

**Confirmations**

- 1) Neither Company nor our Directors are declared as fugitive economic offenders as defined in Regulation 2(1) (p) of the SEBI ICDR Regulations and have not been declared as a 'fugitive economic offender' under Section 12 of the Fugitive Economic Offenders Act, 2018.
- 2) None of the Directors of our Company have held or currently hold directorship in any listed company whose shares have been or were suspended from being traded on any of the stock exchanges in the five years preceding the date of filing of this Letter of Offer, during the term of his/ her directorship in such company.
- 3) None of our Directors of our Company are or were associated in the capacity of a director with any listed company which has been delisted from any stock exchange(s) at any time in the past.
- 4) None of our Directors have been debarred from accessing capital markets by the Securities and Exchange Board of India. Additionally, none of our directors are or were, associated with any other company which is debarred from accessing the capital market by the Securities and Exchange Board of India.
- 5) None of our Directors have been identified as a wilful defaulter or fraudulent borrower, as defined in the SEBI Regulations and there are no violations of securities laws committed by them in the past and no prosecution or other proceedings for any such alleged violation are pending against them.
- 6) Our Company has not entered into any service contracts with our Directors, which provide for benefits upon termination of their directorship.

## RELATIONSHIP BETWEEN DIRECTORS

None of the Directors are related to each other as per the provisions of the Companies Act, 2013.

## PAST DIRECTORSHIPS IN SUSPENDED COMPANIES

None of our Directors are, or were a director of any listed company, whose shares have been, or were suspended from being traded on any of the stock exchanges during the term of their directorships in such companies during the last 5 (Five) years preceding the date of this Letter of Offer.

## PAST DIRECTORSHIPS IN DELISTED COMPANIES

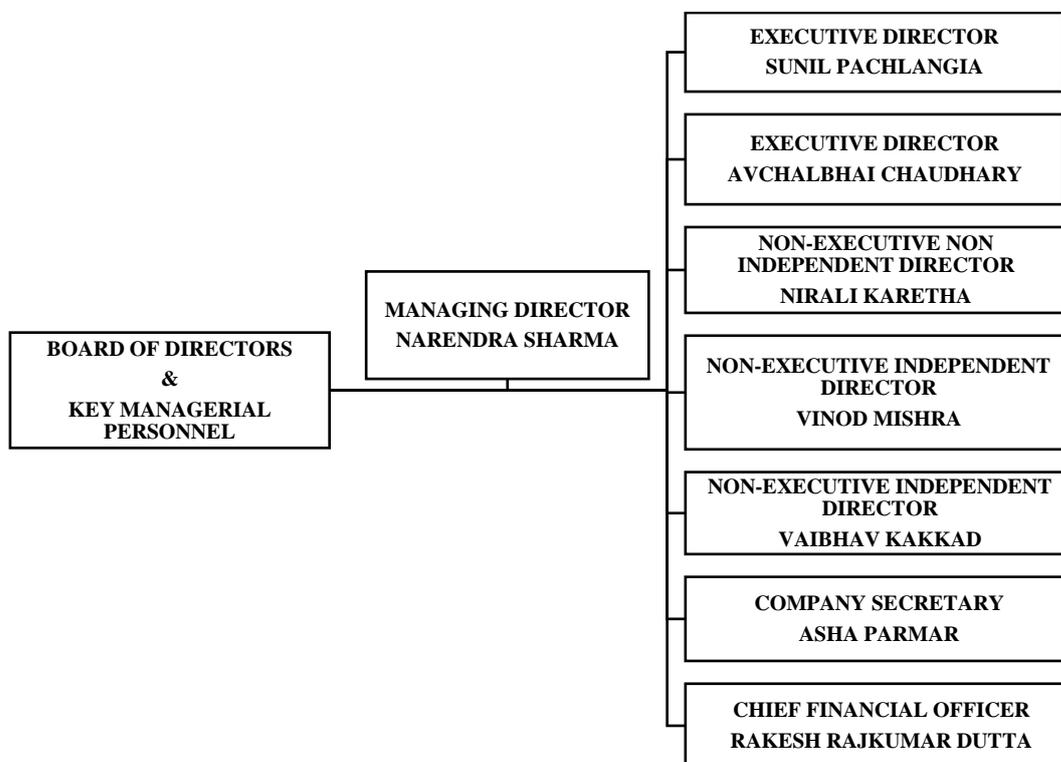
None of our directors are or were a director of any listed company, which has been, or was delisted from any stock exchange during the term of their directorship in such Company during the last 10 (Ten) years preceding the date of this Letter of Offer.

## SENIOR MANAGEMENT AND KEY MANAGERIAL PERSONNEL

Set forth below are the details of our senior management and key managerial personnel: -

Name	Designation	Associated with Company since
Mr. Narendra Sharma	Managing Director	04.09.2023
Mr. Rakesh Rajkumar Dutta	Chief Financial Officer	05.12.2023
Ms. Asha B. Parmar	Company Secretary & Compliance Officer	05.12.2023

## MANAGEMENT ORGANIZATIONAL STRUCTURE



## CORPORATE GOVERNANCE

Since the Paid-up equity share Capital of Company is less than Rs. 10 Crores and net worth not exceeding Rs. 25 Crores as on the last day of the previous financial year therefore by virtue of Regulation 15 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 the compliance with the corporate governance provisions as specified in regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 and Para C, D and E of Schedule V are not applicable to the Company. Hence Report on Corporate Governance does not applicable to us.

### COMMITTEES OF OUR BOARD

Our Company stands committed to good corporate governance practices based on the principles such as accountability, transparency in dealings with our stakeholders, emphasis on communication and transparent reporting.

We have a Board constituted the Board Committees in compliance with the Companies Act. The Board functions either as a full Board or through various committees constituted to oversee specific operational areas. Our Board has constituted following committees in accordance with the requirements of the Companies Act and SEBI Listing Regulations:

1. Audit Committee
2. Nomination Remuneration Committee
3. Stakeholders Relationship Committee

Details of each of these committees are as follows:

#### 1. Audit Committee

Our Company has constituted an Audit Committee, as per the provisions of Section 177 of the Companies Act, 2013 and Regulation 18 of SEBI Listing Regulations, vide resolution passed in the meeting of the Board of Directors held on December 05, 2023.

The terms of reference of Audit Committee complies with the requirements of Companies Act, 2013 and SEBI Listing Regulations. The committee presently comprises the following 3 (Three) directors.

Composition of Audit Committee:

Name	Position	Category of Director
Vaibhav Pankajbhai Kakkad	Chairman	Independent Director
Vinodkumar Mishra	Member	Independent Director
Narendra Sharma	Member	Executive Director

The Company Secretary of the Company acts as the Secretary to the Audit committee.

Set forth below are the scope, functions and the terms of reference of our Audit Committee, in accordance with Section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI (LODR) Regulations, 2015.

- a. Reviewing of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible
- b. Recommending the appointment, remuneration and terms of appointment of external Auditor.
- c. Review and monitor the auditor's independence and performance and effectiveness of audit process.
- d. Approval or any subsequent modification of transactions of the company with related parties.

- e. Scrutiny of inter-corporate loans and investments.
- f. Valuation of undertakings or assets of the Company, wherever it is necessary.
- g. Monitoring the end use of funds raised through public offers and related matters.
- h. Reviewing with management the Annual financial statements and half yearly and quarterly financial results before submission to the Board.
- i. Reviewing periodically the adequacy of the internal control system.
- j. Discussions with Internal Auditor on any significant findings and follow up there on.

The Audit Committee acts in accordance with the terms of reference specified by the Board of Directors of the Company. Further during the period under review, the Board of Directors of the Company has accepted all the recommendations of the Committee.

## 2. Nomination Remuneration Committee

The Nomination and Remuneration Committee of the Company is constituted in accordance with the provisions of Regulation 19 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Section 178 of the Companies Act, 2013.

Name	Position	Category of Director
Vaibhav Pankajbhai Kakkad	Chairman	Independent Director
Vinodkumar Mishra	Member	Independent Director
Nirali Prabhatbhai Karetha	Member	Non -Executive Director

The Board has in accordance with the provisions of sub-section (3) of Section 178 of the Companies Act, 2013, formulated the policy setting out the criteria for determining qualifications, positive attributes, independence of a Director and policy relating to remuneration for Directors, Key Managerial Personnel and other employees.

The broad terms of reference of the Nomination and Remuneration Committee are as under:

- a. Formulation of the criteria for determining the qualifications, positive attributes and independence of Director;
- b. Devising a policy on Board diversity;
- c. Formulation of Remuneration policy;
- d. Review the structure, size and composition of the Board;
- e. Identifying and selection of candidates for appointment as Directors;
- f. Identifying potential individuals for appointment as Key Managerial Personnel and Senior Management;
- g. Formulation of criteria for evaluation of Independent Directors and the Board.

## 3. Stakeholders Relationship Committee

The Stakeholders' Relationship Committee is constituted in accordance with the provisions of Regulation 20 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Section 178 of the Companies Act, 2013.

Name	Position	Category of Director
Vinodkumar Mishra	Chairman	Independent Director
Vaibhav Pankajbhai Kakkad	Member	Independent Director
Narendra Sharma	Member	Executive Director

## **OUR KEY MANAGERIAL PERSONNEL**

Below are the Details of our other Key Managerial Personnel as on date of filing of this Letter of Offer:

**Mr. Narendra Sharma** aged 40 years, is the Managing Director of our Company. He has done B.Com Graduation from Gujarat University. His having extensive experience in logistics for 25 Years. He has been on the board of our Company as Director w.e.f. September 4, 2023

**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 (06367008) 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. Asha B. Parmar**, Company Secretary and Compliance Officer of our Company. She was appointed as the Company Secretary of our Company on December 05, 2023. Ms. Asha B. Parmar (Meb. No. A72837) is an Associate Member of ICSI and she is also (B.com) graduated by qualification.

### **Service Contracts with Key Managerial Personnel**

Our Key Managerial Personnel, other than our Executive Director, are governed by the terms of their appointment letters and have not executed any service contracts with our Company.

### **Retirement and termination benefit**

Except for applicable statutory benefits, none of our Key Managerial Personnel would receive any benefits on their retirement or on termination of their employment with our Company.

### **Status of employment of our Key Managerial Personnel**

All our Key Managerial Personnel are permanent employees of our Company.

### **Relationship among Key Managerial Personnel**

None of them are related to each other or related with the Key Managerial Personnel.

## OUR PROMOTER AND PROMOTERS GROUP

As of the date of this Letter of Offer, our Company is professionally managed and does not have any identifiable Promoter.

Bhavin Suryakantbhai Parikh HUF, Bhavik Suryakantbhai Parikh HUF, Mrs. Purvi Bhavin Parikh, Mr. Vishal Mukeshkumar Shah, and Mr. Mittal Mukeshkumar Shah were 'Promoters' of the Company at the time of filing the Draft Letter of Offer and held 2,03,000 equity shares, which represent 0.37% of the total shareholding of the Company.

The Promoters requested reclassification from the 'Promoter and Promoter Group Category' to '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 any 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 Bhavin Suryakantbhai Parikh HUF, 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 professionally managed and does not have any identifiable promoter.

## OUR DIVIDEND POLICY

The declaration and payment of dividends will be recommended by the Board of Directors and approved by the Shareholders, at their discretion, subject to the provisions of the Articles of Association and applicable law, including the Companies Act. The dividend, if any, will depend on a number of factors, including but not limited, net operating profit after tax, working capital requirements, capital expenditure requirements, cash flow required to meet contingencies, outstanding borrowings, and applicable taxes payable by our Company. In addition, our ability to pay dividends may be impacted by a number of factors, including loan or financing arrangements. Our Company is currently availing of or may enter into to finance our fund requirements for our business activities.

Board of Directors at its meeting held on April 8, 2024 declared an Interim Dividend @100% i.e. Re. 1 /- each per Equity Share of face value of Re. 1 /- each for the financial year 2023-2024 to such members whose names have appeared in the Register of Members as on April 20, 2024, being the record date for the said purpose.

Further, our Company has not declared any dividends on the Equity Shares for the last 3 Financial Years ending 2023, 2022 and 2021. The amount paid as dividends in the past is not necessarily indicative of our dividend policy or dividend amount, if any, in the future and there is no guarantee that any dividends will be declared or paid or that the amount thereof will not be decreased in future. For details in relation to the risk involved, see '***Risk Factor– Our ability to pay any dividends in the future will depend upon future earnings, financial condition, cash flows, working capital requirements and capital expenditures***' on page 27 of this Letter of Offer.

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**SECTION VII – FINANCIAL INFORMATION**

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**FINANCIAL STATEMENTS**

<b>Particulars</b>	<b>Page</b>
Unaudited Financial Results for the nine months period ended on December 31, 2023	106
Restated Financial Statements for the Financial Years ended March 31, 2023, March 31, 2022 and March 31, 2021	113
Statement of Accounting Ratios	144
Statement of Capitalization	146

CIN: - L45208GJ1983PLC006056

GST NO: -

24AAACG5585F1ZO

**Standalone Unaudited Financial Results for the Quarter and Nine Months Ended 31st December, 2023**

Particulars	(Amount in Rs Lakhs)					
	Quarter Ended			Year Till date		
	31.12.2023	30.09.2023	31.12.2022	31.12.2023	31.12.2022	31.03.2023
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
I Revenue From Operations	5,797.43	15,668.16	70.01	21,575.27	77.26	240.86
II Other Income	0.17	0.00	0.01	0.18	0.01	1.14
<b>III Total Income (I+II)</b>	<b>5,797.60</b>	<b>15,668.17</b>	<b>70.02</b>	<b>21,575.45</b>	<b>77.27</b>	<b>242.00</b>
IV EXPENSES:						
Cost of Materials Consumed	-	-	-	-	-	-
Purchase of Stock-in-Trade	5,220.01	15,273.00	50.03	20,574.61	50.03	220.53
Change in inventory of finished goods, work-in-progress and Stock-in-Trade	-	41.46	(50.03)	(40.13)	(50.03)	(168.65)
Employee Benefits Expenses	12.67	1.84	0.45	14.81	1.60	2.12
Finance costs	-	-	-	-	-	-
Depreciation and amortization expenses	0.26	-	-	0.26	-	-
Other Expenses	32.17	31.49	5.08	69.64	10.11	19.25
<b>Total expenses (IV)</b>	<b>5,265.11</b>	<b>15,347.79</b>	<b>5.53</b>	<b>20,619.18</b>	<b>11.71</b>	<b>73.25</b>
V Profit/(Loss) before exceptional items and tax	532.49	320.38	64.48	956.27	65.56	168.75
VI Exceptional Items	-	-	-	-	-	-
VII Profit before extraordinary items and tax	532.49	320.38	64.48	956.27	65.56	168.75
VIII Extraordinary items	-	-	-	-	-	-
<b>IX Profit/(Loss) before tax</b>	<b>532.49</b>	<b>320.38</b>	<b>64.48</b>	<b>956.27</b>	<b>65.56</b>	<b>168.75</b>
X Tax expense: -						
(1) Current Tax	133.12	80.09	-	239.07	-	30.00
(2) MAT Credit Entitlement	-	-	-	-	-	-
(3) Deferred Tax	-	-	-	-	-	-
XI Profit/(Loss) for the period from continuing operation	<b>399.37</b>	<b>240.28</b>	<b>64.48</b>	<b>717.20</b>	<b>65.56</b>	<b>138.75</b>
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	<b>399.37</b>	<b>240.28</b>	<b>64.48</b>	<b>717.20</b>	<b>65.56</b>	<b>138.75</b>
XVI Earnings per equity share:						
(1) Basic	0.72	0.43	9.27	1.29	9.43	0.25
(2) Diluted	0.72	0.43	9.27	1.29	9.43	0.25

For, Gujarat Toolroom Limited

NARENDRA SHARMA  
A SHARMA

Narendra Sharma  
Managing Director  
DIN:10295571

Place: Rajkot  
Date : 14.02.2024

CIN: - L45208GJ1983PLC006056

GST NO: -

24AAACG5585F1Z0

Consolidated unaudited Financial Results for the Quarter and Nine Months Ended 31st December, 2023

Particulars	(Amount in Rs Lakhs)					
	Quarter Ended			Year Till date		Year Ended
	31.12.2023	30.09.2023	31.12.2022	31.12.2023	31.12.2022	31.03.2023
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
<b>I</b> Revenue From Operations	13,106.06	15,668.16	70.01	28,883.90	77.26	240.86
<b>II</b> Other Income	1.50	0.00	0.01	1.51	0.01	1.14
<b>III</b> <b>Total Income (I+II)</b>	<b>13,107.56</b>	<b>15,668.17</b>	<b>70.02</b>	<b>28,885.41</b>	<b>77.27</b>	<b>242.00</b>
<b>IV</b> EXPENSES:						
Cost of Materials Consumed	6,238.46	-	-	6,238.46	-	-
Purchase of Stock-in-Trade	5,220.01	15,273.00	50.03	20,574.61	50.03	220.53
Change in inventory of finished goods, work-in-progress and Stock-in-Trade	-	41.46	(50.03)	(40.13)	(50.03)	(168.65)
Employee Benefits Expenses	12.67	1.84	0.45	14.81	1.60	2.12
Finance costs	-	-	-	-	-	-
Depreciation and amortization expenses	0.26	-	-	0.26	-	-
Other Expenses	69.71	31.49	5.08	107.18	10.11	19.25
<b>Total expenses (IV)</b>	<b>11,541.10</b>	<b>15,347.79</b>	<b>5.53</b>	<b>26,895.17</b>	<b>11.71</b>	<b>73.25</b>
<b>V</b> Profit/(Loss) before exceptional items and tax	1,566.46	320.38	64.48	1,990.23	65.56	168.75
<b>VI</b> Exceptional Items	-	-	-	-	-	-
<b>VII</b> Profit before extraordinary items and tax	1,566.46	320.38	64.48	1,990.23	65.56	168.75
<b>VIII</b> Extraordinary items	-	-	-	-	-	-
<b>IX</b> Profit/(Loss) before tax	<b>1,566.46</b>	<b>320.38</b>	<b>64.48</b>	<b>1,990.23</b>	<b>65.56</b>	<b>168.75</b>
<b>X</b> Tax expense: -						
(1) Current Tax	133.12	80.09	-	239.07	-	30.00
(2) MAT Credit Entitlement	-	-	-	-	-	-
(3) Deferred Tax	-	-	-	-	-	-
<b>XI</b> Profit/(Loss) for the period from continuing operation	<b>1,433.34</b>	<b>240.28</b>	<b>64.48</b>	<b>1,751.17</b>	<b>65.56</b>	<b>138.75</b>
<b>XII</b> Profit/(Loss) for discontinued operation	-	-	-	-	-	-
<b>XIII</b> Tax expenses of discontinued operations	-	-	-	-	-	-
<b>XIV</b> Profit/(Loss) form Discontinued operation (after tax)	-	-	-	-	-	-
<b>XV</b> Profit/(Loss) for the period	<b>1,433.34</b>	<b>240.28</b>	<b>64.48</b>	<b>1,751.17</b>	<b>65.56</b>	<b>138.75</b>
<b>XVI</b> Earnings per equity share:						
(1) Basic	2.58	0.43	9.27	3.15	9.43	0.25
(2) Diluted	2.58	0.43	9.27	3.15	9.43	0.25

Place: Rajkot  
Date : 14.02.2024

For, Gujarat Toolroom Limited

NARENDR  
A SHARMA  
Narendra Sharna  
Managing Director  
DIN:10295571

Digitaly signed by NARENDRA SHARMA  
DIN:10295571  
Date: 2024.02.14 15:05:51 +0530'

**Independent Auditor's Limited Review Report on Unaudited Quarterly 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 **December 2023** 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 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

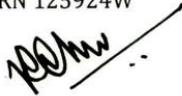


primarily to inquiries of Company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

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 M. Chauhan**  
Partner  
Membership No. 118326



**Date :** 14/02/2024  
**Place :** Rajkot  
**UDIN :** 24118326BKHJTV2476

**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 December 31, 2023 and for the period from April 01, 2023 to December 31, 2023 ("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 and the corresponding period from April 01, 2023 to December 31, 2023, 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.



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)
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.



6. We would like to bring to your attention that although the company being reviewed has invested to acquire 100% shares of a subsidiary company, payment for the same has not been made as of the result date, which is 31.12.2024. Additionally, as of the date of this report, which is 14.02.2024, payment has not been made either.

Our conclusion is not modified in respect of this matter.

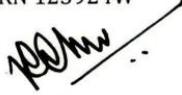
7. The consolidated unaudited financial results include the interim financial statements of one subsidiary which have not been reviewed/audited by their auditors, whose interim financial statements reflect total assets of Rs. 9,976.74 Lacks as at December 31, 2023 and total revenue of Rs. 7,309.96 Lacks and Rs. 7,309.96 Lacks, total net profit after tax of Rs. 1033.97 Lacks and Rs. 1033.97 Lacks and total comprehensive income of Rs. 13,107.56 Lacks and Rs. 28,885.41 Lacks for the quarter ended December 31, 2023 and for the period from April 01, 2023 to, December 31, 2023 respectively, and cash flows (net) of Rs. 217.11 Lacks for the period from April 01, 2023 to, December 31, 2023, 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 ACCOUNTANTS

FRN 125924W



**Kishorsinh M. Chauhan**

Partner

Membership No. 118326

Date : 14/02/2024

Place : Rajkot

UDIN : 24118326BKHJTW4125



**FINANCIAL INFORMATION RESTATED FINANCIAL STATEMENTS**

**INDEPENDENT AUDITOR'S REPORT ON RESTATED FINANCIALS STATEMENTS**

To,  
The Board of Directors, Gujarat  
Toolroom Limited

Dear Sir,

1. We have examined the attached Restated Financial Information of **Gujarat Toolroom Limited** (the "Company" or the "Issuer"), comprising the Restated Statement of Assets and Liabilities as at March 31, 2023, March 31, 2022 and March 31, 2021, the Restated Statements of Profit and Loss, the Restated Cash Flow Statement for the period and year ended on that date, the Restated Statement of Significant Accounting Policies, the Notes and Annexures as forming part of these Restated Financial Statements (collectively, the "Restated Financial Information"), as approved by the Board of Directors of the Company at their meeting held on November 25<sup>th</sup>, 2023 for the purpose of inclusion in the Red Herring Prospectus ("RHP") prepared by the Company in connection with its proposed Rights Issue of equity shares ("the issue") prepared in terms of the requirements of:
    - a) Section 26 of Part I of Chapter III of the Companies Act, 2013 (the "Act") read with Companies (Prospectus and Allotment of Securities) Rules 2014;
    - b) the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("ICDR Regulations");
    - c) The Guidance Note on Reports in Company Prospectus (Revised 2019) issued by the Institute of Chartered Accountants of India ("ICAI"), as amended from time to time (the "Guidance Note").
  2. The Company's Board of Directors is responsible for the preparation of the Restated Financial Information for the purpose of inclusion in the Offer Documents to be filed with, Securities and Exchange Board of India, relevant stock exchange and Registrar of Companies, Ahmedabad in connection with the proposed issue. The Restated Financial Information has been prepared by the management of the Company on the basis of preparation stated in Note 1 (i) under Annexure D "Basis of Preparation to the Restated Financial Information". The Board of Directors of the Company are responsible for designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Financial Information. The Board of Directors is also responsible for identifying and ensuring that the Company complies with the Companies Act, (ICDR) Regulations and the Guidance Note.
  3. We have examined such Restated Financial Information taking into consideration:
    - a) The terms of reference and terms of our engagement agreed upon with you in accordance with our engagement letter dated 01<sup>st</sup> November, 2023 in connection with the proposed issue of the Company;
    - b) The Guidance Note on Reports in Company Prospectus (Revised 2019) issued by the ICAI. The Guidance Note also requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI;
    - c) Concepts of test checks and materiality to obtain reasonable assurance based on verification of evidence supporting the Restated Financial Statements; and
    - d) The requirements of Section 26 of the Act and the ICDR Regulations.
- Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act, the ICDR Regulations and the Guidance Note in connection with the IPO.

1



Rajkot : 204-Krishna Con-Arch, Near Post Office, University Road, Rajkot - 360 005.

BRANCHES : AHMEDABAD | MORBI | JAMNAGAR | BHAVNAGAR

4. These Restated Financial Statements have been compiled by the management from the Audited Financial Statements of the Company for the period/year ended on March 31, 2023, March 31, 2022 and March 31, 2021, prepared in accordance with the Indian Accounting Standards (referred to as "IND AS") as prescribed under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting standards) rules as amended from time to time and other accounting principles generally accepted in India which has been approved by the Board which has been approved by the Board of Directors at their meeting held on 30<sup>th</sup> June, 2021, 18<sup>th</sup> May, 2022, 08<sup>th</sup> May, 2023.

5. For the purpose of our examination, we have relied on reports issued by us dates 30<sup>th</sup> June, 2021, 18<sup>th</sup> May, 2022, 08<sup>th</sup> May, 2023 on the financial statements of the Issuer as at end for the years ended March 31, 2023, 2022, and 2021, respectively as referred in Paragraph 4 above. These reports were containing unmodified opinion for each of the years and included the following emphasis of matter paragraphs and the following reporting under Paragraph 3(xxi) and 4 of the Companies (Auditor's Report), Order, 2020:

a) For the year Ended March 31, 2022:

Attention was drawn 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.

b) For the year Ended March 31, 2021:

Attention was drawn 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.

6. We, M/s. K M Chauhan & Associates. Chartered Accountants have been subjected to the peer review process of the Institute of Chartered Accountants of India ("ICAI") and hold the peer review certificate No. 015245 having effective date from 24<sup>th</sup> April, 2023 to 30<sup>th</sup> April 2026,

7. For the purpose of our examination, we have relied on:

a) Financial Information as per Audited Financial Statements and their Auditors' reports issued by previous auditors for the financial year ended on March 31, 2023, March 31, 2022 and March 31, 2021. The financial report included for these years is based solely on the report submitted by them.

8. Consequently, the Restated financial information has been prepared after making such regroupings and adjustments as were, in our opinion, considered appropriate to comply with the same. As result of these regroupings and adjustments, the amount reported in the financial information may not necessarily be same as those appearing in the respective audited financial statements for the relevant years.

9. The Restated Financial Statement do not reflect the effects of events that occurred subsequent to the respective dates of the reports on the audited financial statements mentioned in paragraph 4 above.
10. This report should not in any way be construed as a reissuance or re-dating of any of the previous audit reports issued by us, nor should this report be construed as a new opinion on any of the financial statements referred to herein.
11. We have no responsibility to update our report for events and circumstances occurring after the date of the report.
12. Our report is intended solely for use of the Board of Directors for inclusion in the Draft Letter of Offer/ Letter of Offer / Prospectus to be filed with Securities and Exchange Board of India, relevant stock exchange and Registrar of Companies, Ahmedabad in connection with the proposed issue. Our report should not be used, referred to, or distributed for any other purpose except with our prior consent in writing. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

Place: Rajkot  
Dated: November 25, 2023

For **K M Chauhan & Associates.**  
Chartered Accountants Firm  
Regn. No. 125924W



*[Signature]*  
Kishorsinh M. Chauhan  
Partner  
Mem. No. 118326  
UDIN:23118326BGSRJN4411

## Gujarat Toolroom Limited

CIN: L45208GJ1983PLC006056

### Annexure 1: Statements Of Assets And Liabilities As Restated

( Amount in Lakhs )

Particular	Note	As at March, 2023	As at March, 2022	As at March, 2021
<b>I ASSETS</b>				
<b>1 Non-current assets</b>				
a) Property, Plant and Equipment and Intangible Assets	1	-	-	-
b) Non Current Investments	2	-	-	-
c) Deferred Tax Assets (net)	3	-	-	-
d) Other Non Current Assets	4	-	-	-
<b>2 Current assets</b>				
a) Inventories	5	168.65	-	-
b) Trade Receivables	6	226.30	-	-
c) Cash and Cash Equivalents	7	6.80	7.94	5.03
d) Short Term Loans And Advances	8	359.53	37.40	37.40
e) Other Current Assets	9	0.27	-	-
<b>Total</b>		<b>761.55</b>	<b>45.34</b>	<b>42.43</b>
<b>II EQUITY AND LIABILITIES</b>				
<b>1 Shareholder's Fund</b>				
a) Share Capital	10	555.54	69.54	69.54
b) Reserve and Surplus	11	79.78	-58.96	-42.91
<b>2 Non-current liabilities</b>				
a) Long Term Borrowings	12	-	-	-
b) Other Long Term Liabilities	13	-	-	-
c) Long Term Provision	14	-	-	-
<b>3 Current liabilities</b>				
a) Short Term Borrowings	15	94.49	33.47	13.91
b) Trade Payable	16	-	1.29	1.59
c) Other Current Liabilities	17	-	-	0.30
d) Short Term Provision	18	31.74	-	0.00
<b>Total</b>		<b>761.55</b>	<b>45.34</b>	<b>42.43</b>

As per our report of even date attached.

For and On Behalf of  
K M Chauhan & Associates  
Chartered Accountants

CA Kishorsinh M. Chauhan  
Partner  
M.NO.: 118326 FRN: 125924w  
UDIN : 23118326BGSJRM3988

Place: Rajkot  
Date: 25/11/2023

For and on behalf of the Board of Directors of  
Gujarat Toolroom Limited

Narendra Sharma    Sunil Pachlangia  
Director                Director  
DIN: 10295571        DIN: 07850377

Place: Ahmedabad  
Date: 25/11/2023



## Gujarat Toolroom Limited

CIN: L45208GJ1983PLC006056

Annexure 1: Statement Showing Property, Plant and Equipment and Intangible Assets As Restated

( Amount in Lakhs )

1.1 Statement showing details of property, Plant and Equipment and Intangible Assets:						
Particular	Furniture	Computer	Office Equipment	Sub Total	Building (Asset Held For Sale)	Total
<b>Gross Carrying Value:</b>						
<b>As at March 31, 2020</b>	-	-	-	-	-	-
Addition during the year	-	-	-	-	-	-
Deduction during the year	-	-	-	-	-	-
Asset Held For Sale	-	-	-	-	-	-
<b>As at March 31, 2021</b>	-	-	-	-	-	-
Addition during the year	-	-	-	-	-	-
Deduction during the year	-	-	-	-	-	-
<b>As at March 31, 2022</b>	-	-	-	-	-	-
Addition during the year	-	-	-	-	-	-
Deduction during the year	-	-	-	-	-	-
<b>As at March 31, 2023</b>	-	-	-	-	-	-
<b>Accumulated Depreciation:</b>						
<b>As at March 31, 2020</b>	-	-	-	-	-	-
Addition during the year	-	-	-	-	-	-
Deduction during the year	-	-	-	-	-	-
<b>As at March 31, 2021</b>	-	-	-	-	-	-
Addition during the year	-	-	-	-	-	-
Deduction during the year	-	-	-	-	-	-
<b>As at March 31, 2022</b>	-	-	-	-	-	-
Addition during the year	-	-	-	-	-	-
Deduction during the year	-	-	-	-	-	-
<b>As at March 31, 2023</b>	-	-	-	-	-	-
<b>Net Carrying Value:</b>						
<b>As at March 31, 2020</b>	-	-	-	-	-	-
<b>As at March 31, 2021</b>	-	-	-	-	-	-
<b>As at March 31, 2022</b>	-	-	-	-	-	-
<b>As at March 31, 2023</b>	-	-	-	-	-	-



Gujarat Toolroom Limited			
CIN: L45208GJ1983PLC006056			
Annexure 2: Statement Showing Non Current Investments As Restated			
( Amount in Lakhs )			
2.1 Statement showing details of Non Current Investments:			
Particular	As at March, 2023	As at March, 2022	As at March, 2021
<b>I Invesetment In Shares</b>			
-	-	-	-
Total	-	-	-



Gujarat Toolroom Limited			
CIN: L45208GJ1983PLC006056			
Annexure 3: Statement Showing Deferred Tax Assets (net) As Restated			
( Amount in Lakhs )			
3.1 Statement showing bifurcation of computation of Deferred tax asset:			
Particular	As at March, 2023	As at March, 2022	As at March, 2021
<b>I Tax On Temporary Timing Difference</b>			
Depreciation Difference	-	-	-
Gratuity Expenses	-	-	-
Other	-	-	-
Total	-	-	-



<b>Gujarat Toolroom Limited</b>			
CIN: L45208GJ1983PLC006056			
Annexure 4: Statement Showing Other Non Current Assets As Restated			
( Amount in Lakhs )			
4.1 Statement showing details of other non current assets:			
Particular	As at March, 2023	As at March, 2022	As at March, 2021
I Trade Receivables	-	-	-
II Fixed Deposits With Bank	-	-	-
III Deposits With Other	-	-	-
<b>Total</b>	-	-	-



<b>Gujarat Toolroom Limited</b>			
CIN: L45208GJ1983PLC006056			
Annexure 5: Statement Showing Inventories As Restated			
( Amount in Lakhs )			
5.1 Statement showing details of Inventories:			
Particular	As at March, 2023	As at March, 2022	As at March, 2021
I Inventories (Valued at Cost or NRV whichever is lower)	168.65	-	-
<b>Total</b>	168.65	-	-



# Gujarat Toolroom Limited

CIN: L45208GJ1983PLC006056

## Annexure 6: Statement Showing Trade Receivables As Restated

( Amount in Lakhs )

### 6.1 Statement showing details of Trade Receivables:

Particular	As at March, 2023	As at March, 2022	As at March, 2021
I Trade Receivables	226.30	-	-
<b>Total</b>	<b>226.30</b>	<b>-</b>	<b>-</b>

### 6.3 Statement showing Ageing of Trade Receivable for the Year 2022-2023:

Sr No	Particulars	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	
i	Undisputed Trade receivables						
	Considered Good	226.30	-	-	-	-	226.30
	Considered Doubtful	-	-	-	-	-	-
ii	Disputed Trade receivables						
	Considered Good	-	-	-	-	-	-
	Considered Doubtful	-	-	-	-	-	-
	<b>Total</b>	<b>226.30</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>226.30</b>



Gujarat Toolroom Limited							
CIN: L45208GJ1983PLC006056							
Annexure 6: Statement Showing Trade Receivables As Restated							
( Amount in Lakhs )							
6.4 Statement showing Ageing of Trade Receivable for the Year 2021-2022:							
Sr No	Particulars	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	
i	Undisputed Trade receivables						
	Considered Good	-	-	-	-	-	-
	Considered Doubtful	-	-	-	-	-	-
ii	Disputed Trade receivables						
	Considered Good	-	-	-	-	-	-
	Considered Doubtful	-	-	-	-	-	-
	<b>Total</b>	-	-	-	-	-	-
6.5 Statement showing Ageing of Trade Receivable for the Year 2020-2021:							
Sr No	Particulars	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	
i	Undisputed Trade receivables						
	Considered Good	-	-	-	-	-	-
	Considered Doubtful	-	-	-	-	-	-
ii	Disputed Trade receivables						
	Con: Considered Good	-	-	-	-	-	-
	Considered Doubtful	-	-	-	-	-	-
	<b>Total</b>	-	-	-	-	-	-



Gujarat Toolroom Limited			
CIN: L45208GJ1983PLC006056			
Annexure 7: Statement Showing Cash and Cash Equivalents As Restated			
( Amount in Lakhs )			
7.1 Statement showing details of Cash and cash equivalent:			
Particular	As at March, 2023	As at March, 2022	As at March, 2021
I Cash In Hand	5.21	7.59	4.85
II Balances with Bank			
In Deposits Account	-	-	-
Less: Transferred to Other Non Current Asset	-	-	-
In Current Account	1.59	0.35	0.18
<b>Total</b>	<b>6.80</b>	<b>7.94</b>	<b>5.03</b>



<b>Gujarat Toolroom Limited</b>			
CIN: L45208GJ1983PLC006056			
Annexure 8: Statement Showing Short Term Loans And Advances As Restated			
( Amount in Lakhs )			
8.1 Statement showing details of short term loans and advances:			
Particular	As at March, 2023	As at March, 2022	As at March, 2021
I To Related Party	-	-	-
II To Others	359.53	37.40	37.40
<b>Total</b>	<b>359.53</b>	<b>37.40</b>	<b>37.40</b>



<b>Gujarat Toolroom Limited</b>			
CIN: L45208GJ1983PLC006056			
Annexure 9: Statement Showing Other Current Assets As Restated			
( Amount in Lakhs )			
9.1 Statement showing details of Current Asset:			
Particular	As at March, 2023	As at March, 2022	As at March, 2021
I Advances Given to Vendors	-	-	-
II Advances Given for capital Assets	-	-	-
III Balance With Revenue Authority	0.27	-	-
IV Prepaid Expenses	-	-	-
V Expenses for IPO	-	-	-
<b>Total</b>	<b>0.27</b>	<b>-</b>	<b>-</b>



## Gujarat Toolroom Limited

CIN: L45208GJ1983PLC006056

### Annexure 10: Statement Showing Share Capital As Restated

( Amount in Lakhs )

10.1 Statement showing details of authorised and paid up capital:			
Particular	As at March, 2023	As at March, 2022	As at March, 2021
<b>Authorised Share Capital</b>			
6,00,00,000 Equity shares of Rs.1 each	555.54	69.54	69.54
<b>Issued, Subscribed and Paid up Share Capital</b>			
Equity Shares of Rs. 1 each fully paid up (Previous Years : 6,95,360 Equity shares of Rs.10 each)	555.54	69.54	69.54
<b>Total</b>	<b>555.54</b>	<b>69.54</b>	<b>69.54</b>
10.2 The reconciliation of the number of shares outstanding at each year end:			
Particular	As at March, 2023	As at March, 2022	As at March, 2021
Number of shares at the beginning of the year	69.54	69.54	69.54
Add: Share issued during the year	486.00	-	-
Add: Bonus share issued during the year	-	-	-
Number of shares at the end of the year	555.54	69.54	69.54
10.3 Details of Shareholding more than 5% of the aggregate shares in the company:			
Particular	As at March, 2023	As at March, 2022	As at March, 2021
<b>Name of promoter and shareholder</b>			
<b>Kapadia Finwealth Llp</b>			
Number of Shares	3,000,000	-	-
% of Holding	5.40%	-	-
<b>Nishil Financial Advisors Llp</b>			
Number of Shares	3,000,000	-	-
% of Holding	5.40%	-	-
<b>Noble Polymers Limited</b>			
Number of Shares	4,600,000	-	-
% of Holding	8.28%	-	-



<b>Gujarat Toolroom Limited</b>			
CIN: L45208GJ1983PLC006056			
Annexure 10: Statement Showing Share Capital As Restated			
( Amount in Lakhs )			
10.4 Details of Promoter's Shareholding:			
Particular	No. of shares held	% of total shares	% change during the year
<b>Aggregate number of equity shares held by promoters at the year end:</b>			
<b>As at March 31, 2023</b>			
Bhavin Suryakant Parikh HUF	50,000	0.09%	-
Purvi Bhavin Parikh	3,000	0.01%	-
Vishal MukeshKumar Shah	260,000	0.47%	-24.02%
Mittal MukeshKumar Shah	324,000	0.58%	-5.98%
Bhavik Suryakant Parikh HUF	50,000	0.09%	-
<b>As at March 31, 2022</b>			
Bhavin Suryakant Parikh HUF	50,000	0.72%	-
Purvi Bhavin Parikh	3,000	0.04%	-
Vishal MukeshKumar Shah	342,200	4.92%	-
Mittal MukeshKumar Shah	344,600	4.96%	-
Bhavik Suryakant Parikh HUF	50,000	0.72%	-
<b>As at March 31, 2021</b>			
Bhavin Suryakant Parikh HUF	50,000	0.72%	-
Purvi Bhavin Parikh	30,000	0.04%	-
Vishal MukeshKumar Shah	342,200	4.92%	-
Mittal MukeshKumar Shah	344,600	4.96%	-
Bhavik Suryakant Parikh HUF	50,000	0.72%	-
<b>10.5 Other Notes:</b>			
I Terms/rights attached to equity shares:			
<ul style="list-style-type: none"> <li>&gt; The company has only one class of shares referred to as equity shares having a par value of Rs.1/-. Each holder of equity shares is entitled to one vote per share.</li> </ul>			
<ul style="list-style-type: none"> <li>In the event of liquidation of the Company, the holders of equity shares shall be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. The amount distributed will be in proportion to the number of equity shares held by the shareholders.</li> </ul>			
II The figures disclosed above are based on the restated summary statement of assets and liabilities of			



<b>Gujarat Toolroom Limited</b>			
CIN: L45208GJ1983PLC006056			
Annexure 11: Statement Showing Reserve and Surplus As Restated			
( Amount in Lakhs )			
11.1 Statement showing details of reserves and surplus:			
Particular	As at March, 2023	As at March, 2022	As at March, 2021
<b>Reserve and Surplus Account</b>			
<b>i Retained Earnings</b>			
General Reserve	0.47	0.47	0.47
Balances at the beginning of the year	-59.43	-43.38	-38.89
Adjustment during the year	138.74	-16.05	-4.49
Balances at the end of the year	79.31	-59.43	-43.38
<b>Total</b>	<b>79.78</b>	<b>-58.96</b>	<b>-42.91</b>



<b>Gujarat Toolroom Limited</b>			
CIN: L45208GJ1983PLC006056			
Annexure 12: Statement Showing Long Term Borrowings As Restated			
( Amount in Lakhs )			
12.1 Statement showing details of different borrowing for long term purposes:			
Particular	As at March, 2023	As at March, 2022	As at March, 2021
<b>I Secured Loan</b>			
<b>II Unsecured Loan</b>			
<b>Total</b>	-	-	-
12.2 Statement showing terms and conditions of long term borrowing:			
Type Of Loan	Monthly Rapayment Schedule	Int Rate	Sanction Amount
<b>A. Secured Loan</b>			
<b>B. Unsecured Loan</b>			



<b>Gujarat Toolroom Limited</b>			
CIN: L45208GJ1983PLC006056			
Annexure 13: Statement Showing Other Long Term Liabilities As Restated			
( Amount in Lakhs )			
13.1 Statement showing details of other long term liabilities:			
Particular	As at March, 2023	As at March, 2022	As at March, 2021
<b>I Sundry Creditors for more than 12 month</b>			
<b>Total</b>	-	-	-



<b>Gujarat Toolroom Limited</b>			
CIN:			
Annexure 14: Statement Showing Long Term Provision As Restated			
( Amount in Lakhs )			
14.1 Statement showing details of long term provision:			
Particular	As at March, 2023	As at March, 2022	As at March, 2021
<b>I Long Term Provision</b>	-	-	-
<b>Total</b>	-	-	-



<b>Gujarat Toolroom Limited</b>			
CIN: L45208GJ1983PLC006056			
Annexure 15: Statement Showing Short Term Borrowings As Restated			
( Amount in Lakhs )			
15.1 Statement showing details of different borrowing for short term purposes:			
Particular	As at March, 2023	As at March, 2022	As at March, 2021
<b>I Secured Loan</b>	-	-	-
<b>II Unsecured Loan</b>			
From Others	94.49	33.47	13.91
<b>Total</b>	<b>94.49</b>	<b>33.47</b>	<b>13.91</b>



## Gujarat Toolroom Limited

CIN: L45208GJ1983PLC006056

### Annexure 16: Statement Showing Trade Payable As Restated

( Amount in Lakhs )

16.1 Statement showing bifurcation of trade payable:						
Particular		As at March, 2023	As at March, 2022	As at March, 2021		
<b>I Trade Payables</b>						
Micro Small and Medium Enterprises	-	-	-		0.84	
Others	-	-	1.29		0.75	
<b>Total</b>	<b>-</b>	<b>-</b>	<b>1.29</b>		<b>1.59</b>	
16.2 Statement showing Ageing of Trade Payable For the period April 2023 to June 2023:						
Sr No	Particulars	Outstanding for following periods from due date of payment				
		Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
i	MSME	-	-	-	-	-
ii	Others	-	-	-	-	-
iii	Disputed Dues- MSME	-	-	-	-	-
iv	Undisputed Dues - Others	-	-	-	-	-
	<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
16.3 Statement showing Ageing of Trade Payable For The Year 2022-2023:						
Sr No	Particulars	Outstanding for following periods from due date of payment				
		Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
i	MSME	-	-	-	-	-
ii	Others	-	-	-	-	-
iii	Disputed Dues- MSME	-	-	-	-	-
iv	Undisputed Dues - Others	-	-	-	-	-
	<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
16.4 Statement showing Ageing of Trade Payable For The Year 2021-2022:						
Sr No	Particulars	Outstanding for following periods from due date of payment				
		Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
i	MSME	-	-	-	-	-
ii	Others	1.29	-	-	-	1.29
iii	Disputed Dues- MSME	-	-	-	-	-
iv	Undisputed Dues - Others	-	-	-	-	-
	<b>Total</b>	<b>1.29</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1.29</b>



Gujarat Toolroom Limited						
CIN: L45208GJ1983PLC006056						
Annexure 16: Statement Showing Trade Payable As Restated						
( Amount in Lakhs )						
16.5 Statement showing Ageing of Trade Payable For The Year 2020-2021:						
Sr No	Particulars	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
i	MSME	0.84	-	-	-	0.84
ii	Others	0.75	-	-	-	0.75
iii	Disputed Dues- MSME	-	-	-	-	-
iv	Undisputed Dues - Others	-	-	-	-	-
	<b>Total</b>	<b>1.59</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1.59</b>



Gujarat Toolroom Limited			
CIN: L45208GJ1983PLC006056			
Annexure 17: Statement Showing Other Current Liabilities As Restated			
( Amount in Lakhs )			
17.1 Statement showing bifurcation of other current liabilities:			
Particular	As at March, 2023	As at March, 2022	As at March, 2021
I Advances Received From Customer	-	-	-
II Creditors For Expenses	-	-	-
III Salary Payables	-	-	-
IV Statutory Payables	-	-	0.30
<b>Total</b>	<b>-</b>	<b>-</b>	<b>0.30</b>



Gujarat Toolroom Limited			
CIN: L45208GJ1983PLC006056			
Annexure 18: Statement Showing Short Term Provision As Restated			
( Amount in Lakhs )			
18.1 Statement showing bifurcation of Short Term Provision:			
Particular	As at March, 2023	As at March, 2022	As at March, 2021
I Provision for Income Tax	30.00	-	0.00
II Provision For Expense	1.74	-	-
<b>Total</b>	<b>31.74</b>	<b>-</b>	<b>0.00</b>



## Gujarat Toolroom Limited

CIN: L45208GJ1983PLC006056

### Annexure 30: Statement Showing Details Of Deferred Tax Asset

( Amount in Lakhs )

#### 30.1 Statement showing bifurcation of computation of Deferred tax asset:

Particular	As at March, 2023	As at March, 2022	As at March, 2021
<b>I Depreciation Difference</b>			
As per Income Tax Act, 1961	-	-	-
As per Companies Act, 2013	-	-	-
Total Temporary Timing Difference	-	-	-
Tax Rate	25.167%	25.167%	25.167%
Tax Amount	-	-	-
<b>II Gratuity Provision Impact</b>			
As per Income Tax Act, 1961	-	-	-
As per Companies Act, 2013	-	-	-
Total Temporary Timing Difference	-	-	-
Tax Rate	25.167%	25.167%	25.167%
Tax Amount	-	-	-
<b>III Tax, Rates and Taxes</b>			
As per Income Tax Act, 1961	-	-	-
As per Companies Act, 2013	-	-	-
Total Temporary Timing Difference	-	-	-
Tax Rate	25.167%	25.167%	25.167%
Tax Amount	-	-	-
<b>Total</b>	-	-	-



## Gujarat Toolroom Limited

CIN: L45208GJ1983PLC006056

### Annexure 2: Statements Of Profit and Loss As Restated

( Amount in Lakhs )

Particular	Note	2022-23	2021-22	2020-21
I Revenue From Operations	10	240.86	-	-
II Other Income	11	1.14	0.84	-
III Total Revenue (I + II)		242.00	0.84	-
IV Expenses				
Cost of Goods Traded	12	51.88	-	-
Employee Benefits Expenses	13	2.12	0.91	-
Finance Costs	14	-	0.12	0.01
Depreciation and Amortization Expense	1	-	-	-
Other Expenses	15	19.26	15.86	4.48
Total Expenses		73.26	16.89	4.49
V Profit before tax (III- IV)		168.74	-16.05	-4.49
VI Prior Period Item		-	-	-
VII Extraordinary Items		-	-	-
VIII Profit before tax (V+VI)		168.74	-16.05	-4.49
IX Tax Expense				
a) Current Tax		(30.00)	-	-
b) Deferred Tax		-	-	-
c) Short/Excess Provision Of Last Year		-	-	-
X Profit (Loss) for the period (XI + XIV)		138.74	-16.05	-4.49
Earnings per equity share - Basic and Diluted	36	0.62	-0.23	-0.06

As per our report of even date attached.

For and On Behalf of  
K M Chauhan & Associates  
Chartered Accountants

CA Kishorsinh M. Chauhan  
Partner  
M.NO.: 118326 FRN: 125924w  
UDIN : 23118326BGSRJM3988

Place: Rajkot  
Date: 25/11/2023

For and on behalf of the Board of Directors of  
Gujarat Toolroom Limited

Narendra Sharma      Sunil Pachlangia  
Director                      Director  
DIN: 10295571              DIN: 07850377

Place: Ahmedabad  
Date: 25/11/2023



Gujarat Toolroom Limited			
CIN: L45208GJ1983PLC006056			
Annexure 10: Statement Showing Revenue From Operations As Restated			
( Amount in Lakhs )			
10.1 Statement showing details of revenue from operations:			
Particular	2022-23	2021-22	2020-21
I Revenue from operations	240.86	-	-
<b>Total</b>	<b>240.86</b>	-	-

Note:



Gujarat Toolroom Limited			
CIN: L45208GJ1983PLC006056			
Annexure 11: Statement Showing Other Income As Restated			
( Amount in Lakhs )			
11.1 Statement showing details of other income:			
Particular	2022-23	2021-22	2020-21
Fixed Deposit Interest	-	-	-
I Interest Income	1.14	0.84	-
Interest on IT refund	1.14	-	-
Other Income	-	0.84	-
II Rent Income	-	-	-
<b>Total</b>	<b>1.14</b>	<b>0.84</b>	-



Gujarat Toolroom Limited			
CIN: L45208GJ1983PLC006056			
Annexure 12: Statement Showing Cost of Goods Traded As Restated			
( Amount in Lakhs )			
12.1 Statement showing bifurcation of Cost of Goods Traded:			
Particular	2022-23	2021-22	2020-21
I Opening Stock	-	-	-
II Purchases	220.53	-	-
III Closing Stock	168.65	-	-
<b>Total</b>	<b>51.88</b>	-	-



## Gujarat Toolroom Limited

CIN: L45208GJ1983PLC006056

### Annexure 13: Statement Showing Employee Benefits Expenses As Restated

( Amount in Lakhs )

#### 13.1 Statement showing details of employee benefit expenses:

Particular	2022-23	2021-22	2020-21
I Salaries, Wages and Bonus	2.12	0.91	-
II Director's Remuneration	-	-	-
III Staff Welfare	-	-	-
IV Contribution to Employee Welfare Fund	-	-	-
<b>Total</b>	<b>2.12</b>	<b>0.91</b>	<b>-</b>



## Gujarat Toolroom Limited

CIN: L45208GJ1983PLC006056

### Annexure 14: Statement Showing Finance Costs As Restated

( Amount in Lakhs )

#### 14.1 Statement showing details of finance cost:

Particular	2022-23	2021-22	2020-21
Bank Charges	-	0.12	0.01
I Bank Charges	-	0.12	0.01
Bank Guarantee Charges	-	-	-
II Interest Expenses	-	-	-
<b>Total</b>	<b>-</b>	<b>0.12</b>	<b>0.01</b>



## Gujarat Toolroom Limited

CIN: L45208GJ1983PLC006056

### Annexure 15: Statement Showing Other Expenses As Restated

( Amount in Lakhs )

#### 15.1 Statement showing details of other expenses:

Particular	2022-23	2021-22	2020-21
<b>Direct Expenses</b>			
I Freight and Transportation Charges	-	-	-
II Labour Charges	-	-	-
III Power Charges	0.07	-	-
IV Site Expenses	-	-	-
	<b>0.07</b>	-	-
<b>Administrative Expenses</b>			
I Advertising Expenses	0.23	0.19	0.24
II Audit Fees	0.70	0.35	0.30
III Commission & Brokerage	-	-	-
IV Communication Expenses	-	-	-
V Insurance Charges	-	-	-
VI Legal, Professional & Consultancy Charges	13.96	2.34	3.87
VII Loss on Sale of Assets	-	-	-
VIII Office and General Expenses	0.58	0.08	0.08
IX Printing And Stationery	-	0.01	-
X Rent, Rates & Taxes	3.27	12.89	-
XI Repairs & Maintenance	0.45	-	-
XII Travelling And Conveyance Expense	-	-	-
	<b>19.19</b>	<b>15.86</b>	<b>4.48</b>
<b>Total</b>	<b>19.26</b>	<b>15.86</b>	<b>4.48</b>

#### 15.2 Statement showing details of Payment to Auditor:

Particular	2022-23	2021-22	2020-21
I Statutory Audit	0.70	0.35	0.30
II Tax Audit	-	-	-
III Certification and Other Matters	13.96	2.34	3.87
<b>Total</b>	<b>14.66</b>	<b>2.69</b>	<b>4.16</b>



## Gujarat Toolroom Limited

CIN: L45208GJ1983PLC006056

Annexure 36: Statement Showing Earnings per equity share As Restated

( Amount in Lakhs )

### 36.1 Statement showing details of earning per share:

Particular	2022-23	2021-22	2020-21
Number of shares at the beginning of the year	69.54	69.54	69.54
Number of shares at the end of the year	555.54	69.54	69.54
Weighted average number of shares	225.33	69.54	69.54
Profit After Tax	138.74	-16.05	-4.49
Earning Per Share (Rs.)	0.62	-0.23	-0.06



## Gujarat Toolroom Limited

CIN: L45208GJ1983PLC006056

Annexure 3: Statements Of Cash flow As Restated

( Amount in Lakhs )

Particular	Note	As at March, 2023	As at March, 2022	As at March, 2021
<b>I Cash flow from Operating Activities:</b>				
Net Profit Before tax as per Statement of Profit & Loss		168.74	(16.05)	(4.49)
Adjustments for:				
Depreciation & Amortisation Exp.	1	-	-	-
Finance Cost	14	-	0.12	0.01
Loss on Sale of Assets				
<b>Operating Profit before working capital changes</b>		<b>168.74</b>	<b>(15.93)</b>	<b>(4.48)</b>
<b>Changes in operating assets and liabilities:</b>				
Other Long Term Liabilities	13	-	-	-
Long Term Provisions	14	-	-	-
Trade Payable	16	(1.29)	(0.30)	(6.24)
Other Current Liabilities	17	-	(0.30)	0.30
Short Term Provisions	18	1.74	-	-
Inventories	5	(168.65)	-	-
Trade Receivables	6	(226.30)	-	-
Other Current Assets	9	(0.27)	-	-
<b>Income Tax Adjustment</b>		-	(0.00)	0.00
<b>Net Cash Flow from Operating Activities (A)</b>		<b>(226.03)</b>	<b>(16.53)</b>	<b>(10.42)</b>
<b>II Cash flow from investing Activities</b>				
Purchase/Sale of Fixed Assets (Net)	1	-	-	-
Movement in Investment				
Long Term	2	-	-	-
<b>Net Cash Flow from Investing Activities (B)</b>		<b>-</b>	<b>-</b>	<b>-</b>
<b>III Cash Flow From Financing Activities</b>				
Changes in Equity	10	486.00	0.00	(0.00)
Changes in Borrowing				
Long term borrowings	12	-	-	-
Short term borrowings	15	61.02	19.56	10.20
Movement in Loan & Advances and Other Assets				
Long Term	4	-	-	-
Short Term	8	(322.13)	-	5.00
Finance Cost		-	(0.12)	(0.01)
<b>Net Cash Flow from Financing Activities (C)</b>		<b>224.89</b>	<b>19.44</b>	<b>15.19</b>



## Gujarat Toolroom Limited

CIN: L45208GJ1983PLC006056

### Annexure 3: Statements Of Cash flow As Restated

( Amount in Lakhs )

Particular	Note	As at March, 2023	As at March, 2022	As at March, 2021
<b>IV</b> Net (Decrease)/ Increase in Cash & Cash Equivalents (A+B+C)		(1.14)	2.91	4.77
Opening Balance		7.94	5.03	0.27
Closing Balance		6.80	7.95	5.03
Cash And Cash Equivalents Comprise :				
Cash		5.21	7.59	4.85
Bank Balance				
Current Account		1.59	0.35	0.18
Deposits Account		-	-	-
Total Cash Balance		6.80	7.94	5.03
As per our report of even date attached.				
For and On Behalf of K M Chauhan & Associates Chartered Accountants		For and on behalf of the Board of Directors of Gujarat Toolroom Limited		
CA Kishorsinh M. Chauhan Partner M.NO.: 118326 FRN: 125924w UDIN : 23118326BGSJRM3988		Narendra Sharma Director DIN: 10295571	Sunil Pachlangia Director DIN: 07850377	
Place: Rajkot		Place: Ahmedabad		
Date: 25/11/2023		Date: 25/11/2023		



Gujarat Toolroom Limited				
CIN: L45208GJ1983PLC006056				
Financial key Performance Indicators				
( Amount in Lakhs )				
Particular	Note	As at March, 2023	As at March, 2022	As at March, 2021
I Revenue From Operations		240.86	-	-
II Total Income		242.00	0.84	-
III EBITDA	1	168.74	-15.93	-4.48
IV EBITDA Margin (In %)	2	69.73%	-	-
V PAT		138.74	-16.05	-4.49
VI PAT Margin		57.60%	-	-
VII Net Debt	3	87.69	25.53	8.88
VIII Total Equity/ Net Worth		87.44%	657.01%	261.12%
IX ROE	4	24.97%	-23.08%	-6.46%
X ROCE	5	19.01%	-36.43%	-11.07%
XI EPS		0.62	-0.23	-0.06

- 1 EBITDA = Profit Before Tax + Depreciation and Amortisation Expenses + Finance Cost
- 2 EBITDA/ Total Income
- 3 Net Debt = Non Current Borrowing + Current Borrowing - Cash and Cash Equivalent
- 4 ROE = Net Profit / Total Equity
- 5 ROCE = Profit After Tax/ Capital Employed
- 5.1 Capital Employed = Total Equity + Reserve and Surplus+ Non Current Borrowing + Current Borrowing



Gujarat Toolroom Limited			
CIN: L45208GJ1983PLC006056			
Summary of Financial Statement			
( Amount in Lakhs )			
Particular	As at March, 2023	As at March, 2022	As at March, 2021
I Share Capital	555.54	69.54	69.54
II Net Worth	635.32	10.58	26.63
III Revenue	240.86	-	-
IV Profit After Tax	138.74	-16.05	-4.49
V Basic Diluted Equity Per Share	0.62	-0.23	-0.06
VI Net Asset Value/ Books Value Per Equity Share	63.53	1.06	2.66
VII Total Borrowing	94.49	33.47	13.91



Gujarat Toolroom Limited				
CIN: L45208GJ1983PLC006056				
Annexure 29: Statement Showing Details of Contingent Liabilities				
( Amount in Lakhs )				
29.1 Statement showing details of contingent liabilities				
Particular	As at June, 2023	As at March, 2023	As at March, 2022	As at March, 2021
I -				



Gujarat Toolroom Limited			
CIN: L45208GJ1983PLC006056			
Annexure 31: Statement Showing Reconciliation of Restated Profit			
( Amount in Lakhs )			
31.1 Reconciliation of Profits			
Particular	As at March, 2023	As at March, 2022	As at March, 2021
<b>I Profit As Per Signed Balance Sheet</b>	<b>138.74</b>	<b>-16.05</b>	<b>-4.49</b>
Restatement of Provision For Income Tax	-	-	-
Restatement of Deferred Tax Asset	-	-	-
Restatement of Earlier Year Tax	-	-	-
Restated Adjustment	-	-	-
Gratuity Expenses	-	-	-
Finance Cost	-	-	-
Other Expenses	-	-	-
Prior Period Items as per Signed Financials	-	-	-
<b>Profit As Per Restated Financials</b>	<b>138.74</b>	<b>-16.05</b>	<b>-4.49</b>



## Gujarat Toolroom Limited

CIN: L45208GJ1983PLC006056

Annexure 32: Statement Showing Related Party Transaction As Restated  
( Amount in Lakhs )

### 32.1 Statement showing details of related party and their relation with the company:

No	Name Of Person	Relation With The Company
1	Narendra Sharma Managing Director	Key Managerial Personnel or Promoter
2	Sunil Pachlangia Executive Director	
3	Ritu Nayak Company Secretary	
4	Vishal Mukeshkumar Shah (Director till 03rd October, 2022)	
5	Shitalnath Buildcon Private Limited*	Enterprise In Which Key Managerial Personnel Have Significance Influence

\*Related Party till 03rd October, 2022

### 32.2 Statement showing details of related party transaction:

No	Particular	Nature Of Transaction	2022-23	2021-22	2020-21
1	Vishal Mukeshkumar Shah	Loan	(3.90)	-	0.19
			-	-	-
2	Shitalnath Buildcon Private Limited	Loan			(5.00)

### 32.3 Statement showing details of related party outstanding balances:

No	Particular	Nature Of Transaction	As at March, 2023	As at March, 2022	As at March, 2021
1	Vishal Mukeshkumar Shah	Loan	-	-3.90	-3.90
2	Shitalnath Buildcon Private Limited	Loan	37.40	37.40	37.40



## Notes forming part of the Restatement Financial Information

### 1 Corporate Information

Gujarat Toolroom Limited (GTL or 'the company'), for the year ended was engaged in the business of trading of equity shares for the year ended March 31, 2023. However, in the preceding two fiscal years ending on March 31, 2022, and 2021, the company did not undertake any operational activities.

- 2 The company is having its registered office at 404, Silicon Tower, Nr. Samarsheshwar mandir, Law Garden, Ahmedabad-380006, Gujarat, India. The Company's shares are presently listed at BSE Limited.

### 3 Significant Accounting Policies

#### 1) Basis of Preparation

##### a) Statement of Compliance

The financial statements of the Company have been prepared in accordance 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.

##### 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:

##### 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) Impairment of Non Financial Asset:

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.

##### iv) 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.

##### v) 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.

##### vi) 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.



## Notes forming part of the Restatement Financial Information

### 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) Property, Plant and Equipment

##### Recognition and Measurement

Property, Plant and Equipments, including Capital Work in Progress, are stated at cost of acquisition or construction less accumulated depreciation and impairment losses, if any. Cost comprises the purchase price (net of tax credits, wherever applicable), import duty and other non-refundable taxes or levies and any directly attributable cost of bringing the asset to its working condition for its intended use. In case of selfconstructed assets, cost includes the costs of all materials used in construction, direct labour and allocation of overheads. Borrowing cost relating to acquisition / construction of Property, Plant and Equipment which takes substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use. The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met. If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

##### Subsequent Measurement

Subsequent expenditure related to an item of Property, Plant and Equipment are included in its carrying amount or recognised as a separate asset, as appropriate, only when it is probable that the future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. Subsequent costs are depreciated over the residual life of the respective assets. All other expenses on existing Property, Plant and Equipments, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the Statement of Profit and Loss for the period during which such expenses are incurred.

##### Depreciation

Depreciation is provided using straight-line method as specified in Schedule II to the Companies Act, 2013 or based on technical estimates. Depreciation on assets acquired / disposed off during the year is provided on pro-rata basis with reference to the date of addition / disposal.

##### Derecognition

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from continued use of the asset. Any gain or loss arising on the disposal or retirement of property, plant and equipment is determined as the difference between the sale proceeds and the carrying amount of the assets and is recognised in Statement of Profit and Loss.

#### d) Capital Work in Progress

Expenditure related to and incurred during implementation of capital projects to get the assets ready for intended use is included under "Capital Work in Progress". The same is allocated to the respective items of property plant and equipment on completion of construction/ erection of the capital project/ property plant and equipment. The cost of asset not ready for its intended use before the year end & capital inventory are disclosed under capital work in progress.

#### e) 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.



## Notes forming part of the Restatement Financial Information

### f) Financial Instruments

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

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:



## Notes forming part of the Restatement Financial Information

### 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.

### g) 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.

### h) 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.

### i) Taxes on Income

Tax expense comprises of current income tax and deferred tax.

#### I) Current Taxation

In the absence of any taxable income, provision for taxation has not been made in accordance with the income tax laws prevailing for the relevant assessment year.

#### 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 credit. The Company reviews such tax credit asset at each reporting date to assess its recoverability.

### j) 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.

## 4 Recent Pronouncements

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



**Notes forming part of the Restatement Financial Information**

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As per our report of even date  
For K M Chauhan and Associates  
Chartered Accountants  
Firm Registration Number : 125924W

For and on behalf of the board of directors of  
**GUJARAT TOOLROOM LIMITED**

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

Place : Rajkot  
Date : 25-11-2023



**Narendra Sharma**  
Director  
DIN: 10295571

Place :  
Date :

**Sunil Pachlangia**  
Director  
DIN : 07850377

Place :  
Date :

## ACCOUNTING RATIOS

The following tables set forth our Company's certain accounting and other ratios as derived from our Limited Reviewed Unaudited Financial Results for the period ended on December 31, 2023 and Restated Financial Information for the Financial Year ended on March 31, 2023, March 31, 2022 and March 31, 2021. For further details please refer to the section titled '*Financial Information*' beginning on page 105.

*(Amount in lakhs, except mentioned otherwise)*

Particulars	as at / for the period/financial year ended			
	December 31, 2023 <sup>^</sup>	March 31, 2023	March 31, 2022	March 31, 2021
Net Profit/ (loss) after tax	1,751.17	138.74	-16.05	-4.49
Income tax expenses	239.07	30.00	-	-
Finance Cost	-	-	0.12	0.01
Depreciation and Amortization expense	0.26	-	-	-
<b>Earnings Before Interest, Tax, Depreciation and Amortisation (A)</b>	<b>1,990.49</b>	<b>168.74</b>	<b>-15.93</b>	<b>-4.48</b>
Equity Share capital	555.54	555.54	69.54	69.54
Reserves and Surplus	1,831.75	79.78	-58.96	-42.91
<b>Net Worth (B)</b>	<b>2,387.29</b>	<b>635.32</b>	<b>10.58</b>	<b>26.63</b>
Profit for the Year as per Statement of Profit and Loss attributable to Equity Shareholders (C)	1,751.17	138.74	-16.05	-4.49
Number of issued, subscribed and fully paid-up Equity Shares outstanding as at the year ended (Numbers) (D)	5,55,53,600	5,55,53,600	6,95,360	6,95,360
<b>Return on Net Worth (%) (C/B)</b>	<b>73.35%</b>	<b>21.84%</b>	<b>-151.70%</b>	<b>-16.86%</b>
<b>Net Asset Value per Equity Share (₹) (B/D)</b>	<b>4.30</b>	<b>1.14</b>	<b>1.52</b>	<b>3.86</b>
<b>Basic and Diluted Earnings per Equity Share (₹)</b>	<b>3.15</b>	<b>0.62</b>	<b>-0.23</b>	<b>-0.06</b>

<sup>^</sup>*Not Annualised*

Where,

**Basic Earnings per Equity Share (₹) =**

$$\frac{\text{Net Profit after Tax as per Statement of Profit and Loss attributable to Equity Shareholders after exceptional item, as applicable}}{\text{Weighted Average number of Equity Shares}}$$

**Diluted Earnings per Equity Share (₹) =**

$$\frac{\text{Net Profit after Tax as per Statement of Profit and Loss attributable to Equity Shareholders after exceptional item, as applicable}}{\text{Weighted Average number of Equity Shares (including convertible securities)}}$$

$$\text{Return on Net Worth (\%)} = \frac{\text{Profit for the Year as per Statement of Profit and Loss attributable to Equity Shareholders (prior to other comprehensive income)}}{\text{Weighted Average number of Equity Shares (including convertible securities)}}$$

$$\text{Net Asset Value per Equity Share (\text{₹})} = \frac{\text{Net Worth}}{\text{Number of Equity Shares outstanding for the year}}$$

## STATEMENT OF CAPITALIZATION

The following table sets forth our Company's capitalization for the nine month period ended on December 31, 2023, on the basis of amounts derived from our Limited Reviewed Unaudited Financial Results and as adjusted for the Offer and on the basis of Certificate dated May 23, 2024 issued by our Statutory Auditor M/s M/s. K M Chauhan & Associates, Chartered Accountants. This table should be read in conjunction with the sections titled '*Risk Factors*', '*Financial Information*' and '*Management's Discussion and Analysis of Financial Condition and Results of Operations*' on pages 27, 105 and 149 respectively.

Particulars	(Amount in ₹ lakhs)	
	Pre-Issue as at December 31, 2023	As adjusted for the issue (Post-Issue)*^
<b>Total Borrowings</b>		
Current borrowings*	19.83	19.83
Non-current Borrowings (including current maturity)*	-	-
<b>Total (A)</b>	<b>19.83</b>	<b>19.83</b>
<b>Total Equity</b>		
Equity share capital*	555.54	1,166.63
Other equity*	1,831.75	6,109.38
<b>Total (B)</b>	<b>2,387.29</b>	<b>7,276.01</b>
Non-current Borrowings (including current maturities of borrowings) (A)/Total Equity (B)	-	-
Total Borrowings (Non-current borrowings/ Total Equity)	0.0083	0.0028

\*These terms shall carry the meaning as per Schedule III of the Companies Act, 2013 (as amended).

^These amounts (as adjusted for issue) are not determinable at this stage pending the completion of the issue and hence the same have not been provided in the above statement.

**Note:** The figures disclosed above are based on the Limited Reviewed Unaudited Financial Results for the nine month period ended on December 31, 2023.

## STOCK MARKET DATA FOR EQUITY SHARES OF OUR COMPANY

Our Company's Equity Shares are listed on BSE and the Rights Equity Shares issued pursuant to this Issue will be listed on BSE. For further details, please refer to the section titled '*Terms of the Issue*' beginning on page 172.

Our Company shall receive an in-principle approval for listing of the Rights Equity Shares on the Stock Exchange to be issued pursuant to this Issue from Rights Equity Shares pursuant to letter bearing dated February 19, 2024. Our Company shall also make applications to stock exchange to obtain trading approval for the Rights Entitlements as required under the SEBI Rights Issue Circulars.

For the purpose of this section, unless otherwise specified:

1. Year means a Financial Year;
2. Average price is the average of the daily closing prices of the Equity Shares for the year, or the month, as the case may be;
3. High price is the maximum of the daily high prices and low price is the minimum of the daily low prices of the Equity Shares, as the case may be, for the year, or the month, as the case may be; and
4. In case of two days with the same high/low/closing price, the date with higher volume has been considered.
5. All the data entered in the tables has been obtained from [www.bseindia.com](http://www.bseindia.com).

### STOCK MARKET DATA OF THE EQUITY SHARES

The Equity Shares of our Company are listed on the BSE. Stock market data for our Equity Shares has been given on BSE.

The high, low and average prices recorded on BSE, during the preceding 3 (Three) Financial Years and the number of the Equity Shares traded on the days of the high and low prices were recorded are as stated below:

Financial Year	Date of High	High	Volume (No. of Equity Shares)	Date of Low	Low	Volume (No. of Equity Shares)	Average Price for the FY
2024-2023	11-03-24	62.97	531039	06-04-23	8.92	281025	33.01
2023-2022	28-12-22	183.10	5,245	21-03-23	9.05	3,23,134	72.16
2022-2021	21-03-22	16.30	10	22-04-21	4.52	500	9.01

### Stock data for the last six months

The high, low, and average prices recorded on the BSE Limited, during the last 6 (Six) months and the number of the Equity Shares traded on the days of the high and low prices were recorded are as stated below:

Month	Date of High	High	Volume (No. of Equity Shares)	Date of Low	Low	Volume (No. of Equity Shares)	Weighted Average Price
Apr-24	04-04-24	49.21	1925239	30-04-24	25.4	1844515	39.12
Mar-24	11-03-24	62.97	531039	28-03-24	40.5	179360	51.73
Feb-24	21-02-24	62.21	398760	02-02-24	42.45	153113	43.27
Jan-24	09-01-24	62.28	613825	31-01-24	44.15	83660	48.41
Dec-23	14-12-23	60.32	28058	29-12-24	48.36	2909	54.12
Nov-23	30-11-23	50.5	2,118	01-11-23	34.06	21,752	39.55

The Board has approved the Issue at their meeting held on August 14, 2023. The high and low prices of Equity Shares as quoted on the BSE Limited on August 16, 2023, the day on which the trading in the Equity Shares happened immediately following the date of the Board meeting are as follows:

<b>Date</b>	<b>High</b>	<b>Low</b>	<b>Volume (No. of Equity Shares)</b>	<b>Weighted Average Price</b>
16-08-23	14	14	5,370	14

The Issue Price of ₹ 8 (Rupee Eight Only) per Equity Share has been arrived at by our Company.

## MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

*The following discussion of our financial condition and results of operations should be read in conjunction with the section titled 'Financial Information' beginning on page 105 of this Letter of Offer.*

*Some of the information contained in the following discussion, including information with respect to our plans and strategies, contain forward-looking statements that involve risks and uncertainties. You should also read the section titled 'Forward Looking Statements' and 'Risk Factors' and beginning on pages 21 and 27, respectively of this Letter of Offer, which discuss a number of factors and contingencies that could affect our financial condition and results of operations.*

*You should read the following discussion and analysis of our financial condition and results of operations together with the Financial Statements, including the significant accounting policies, notes thereto and reports thereon, which have been prepared in accordance with Companies Act and SEBI ICDR Regulations.*

*The following discussion of our financial condition should be read in conjunction with our Limited Reviewed Unaudited Financial Results for the period ended on December 31, 2023 and Restated Audited Financial Statements for the years ended on March 31, 2023, March 31, 2022 and March 31, 2021 including the schedules and notes thereto and the reports thereto, which appear in the section titled 'Financial Information' beginning on page 105 of this Letter of Offer. The financial statements presented and discussed herein have been prepared to comply in all material respects with the notified accounting standards (Ind AS) by Companies (Indian Accounting Standards) Rules, 2015, as amended, the relevant provisions of the Companies Act and SEBI (Issue of Capital and Disclosure Requirements) Regulations 2018. Our financial year ends on March 31 of each year. Accordingly, all references to a particular fiscal year/financial year are to the twelve-month period ended on March 31 of that year.*

*Note: Statement in the Management Discussion and Analysis Report describing our objectives, outlook, estimates, expectations or prediction may be 'Forward Looking Statements' within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors could make a difference to our operations include, among others, economic conditions affecting demand/supply and price conditions in domestic and overseas market in which we operate, changes in Government Regulations, Tax Laws and other Statutes and incidental factors.*

### BUSINESS OVERVIEW

Our Company is engaged in the business of trading of Silver Conductive Ink. Our business is purely depends on the demand and supply of Silver Ink in the markets. We import silver ink from Hong Kong. Presently, we are dealing with single supplier of this Silver Ink. We generally do not require to maintain stock of our Silver Conductive Ink and hence presently we are not having our own warehouse facility. We procure our inks from suppliers based in the international market. Our 100% sales is in domestic market and in order to compete in the Conductive Ink market, we are in process of creating and maintaining independent sales and distribution network for our products within the domestic market. We also have two Wholly Owned Subsidiary (WoS) Companies, one in Dubai namely GTL GEMS DMCC and that Wholly Owned Subsidiary is engaged in the trading of diamonds. Another being in Zambia namely GUJARAT TOOLROOM ZAMBIA LIMITED and that Wholly Owned Subsidiary aspires to become a leading export-focused company in gold exploration, mining, extraction and jewellery processing, adhering to responsible and environmentally friendly practices. Our Wholly Owned Subsidiaries companies deals with suppliers and customers on mutually agreed terms.

For further details, please refer to the section titled '**Business Overview**' beginning on page 86.

## FINANCIAL PERFORMANCE

The financial performance of our Company for the year ended on March 31, 2023, March 31, 2022 and March 31, 2021 is as follows:

(₹ in Lakhs)

Particulars	for the financial year ended		
	March 31, 2023	March 31, 2022	March 31, 2021
Total Revenue	242.00	0.84	-
EBITDA	168.74	-15.93	-4.48
Net Profit/ (loss) after tax	138.74	-16.05	-4.49

## FACTORS AFFECTING OUR RESULTS OF OPERATIONS

Our business is subject to various risks and uncertainties, including those discussed in the section titled '*Risk Factors*' beginning on page 27 of this Letter of Offer.

Our Company's future results of operations could be affected potentially by the following factors:

- Company's ability to successfully implement our strategy, our growth and expansion;
- Failure to comply with regulations prescribed by authorities of the jurisdictions in which we operate;
- Inability to successfully obtain registrations in a timely manner or at all;
- General economic and business conditions in the markets in which we operate and in the local, regional and national economies;
- Our ability to effectively manage a variety of business, legal, regulatory, economic, social and political risks associated with our operations;
- Changes in laws and regulations relating to the industries in which we operate;
- Intensified competition in industries/sector in which we operate;
- Our ability to attract, retain and manage qualified personnel;
- 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 ability to expand our geographical area of operation.
- Our ability to purchase the material and the availability of the same at reasonable prices;
- Changes in the SEBI and RBI regulations, interest rates and tax laws in India.
- Cordial relationship with our customers, Experience of our Promoters, Quality of our products, Customer Satisfaction.

## SIGNIFICANT ACCOUNTING POLICIES

The accounting policies have been applied consistently to the periods presented in Financial Statements. For details of our significant accounting policies, please refer chapter titled '*Financial Information*' beginning on page 105 of this Letter of Offer.

## CHANGES IN ACCOUNTING POLICIES

Except as mentioned in section titled '*Financial Information*' beginning on page 105 of this Letter of Offer, there has been no change in accounting policies in last 3 years.

## RESERVATIONS, QUALIFICATIONS, MATTER OF EMPHASIS, ADVERSE REMARKS / OTHER OBSERVATIONS IN CARO

Except as mentioned below and in the section titled '*Financial Information*' beginning on page 105 of this Letter of Offer, there are no reservations, qualifications, matter of emphasis, adverse remarks or other observations in CARO.

### ***FY 2021-22***

#### ***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.*

### ***FY 2020-21***

#### ***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.*

## RESULT OF OUR OPERATION

The following discussion on results of operations should be read in conjunction with the Unaudited financial Results for the nine months period ended on December 31, 2023 and Restated Financial Statements of the Company for the financial year ended on March 31, 2023, March 31, 2022 and March 31, 2021

(₹ in Lakhs)

Particulars	Dec 31, 2023		March 31, 2023		March 31, 2022		March 31, 2021	
	Amount	% of Total Income	Amount	% of Total Income	Amount	% of Total Income	Amount	% of Total Income
Revenue From Operations	28,883.90	99.99%	240.86	99.53%	-	0.00%	-	0.00%
Other Income	1.51	0.01%	1.14	0.47%	0.84	100.00%	-	0.00%
<b>Total Income</b>	<b>28,885.41</b>	<b>100.00%</b>	<b>242.00</b>	<b>100.00%</b>	<b>0.84</b>	<b>100.00%</b>	<b>-</b>	<b>0.00%</b>
Cost of Goods traded	26,772.93	92.69%	51.88	21.44%	-	0.00%	-	0.00%
Employee Benefits Expense	14.81	0.05%	2.12	0.88%	0.91	108.33%	-	0.00%
Finance Cost	-	0.00%	-	0.00%	0.12	14.29%	0.01	0.00%
Depreciation And Amortization Expense	0.26	0.00%	-	0.00%	-	0.00%	-	0.00%
Other Expenses	107.18	0.37%	19.26	7.96%	15.86	1888.10%	4.48	0.00%

Particulars	Dec 31, 2023		March 31, 2023		March 31, 2022		March 31, 2021	
	Amount	% of Total Income	Amount	% of Total Income	Amount	% of Total Income	Amount	% of Total Income
<b>Total Expenses</b>	<b>26,895.17</b>	<b>93.11%</b>	<b>73.26</b>	<b>30.27%</b>	<b>16.89</b>	<b>2010.71%</b>	<b>4.49</b>	<b>0.00%</b>
<b>Profit / (Loss) before tax</b>	<b>1,990.24</b>	<b>6.89%</b>	<b>168.74</b>	<b>69.73%</b>	<b>-16.05</b>	<b>-1910.71%</b>	<b>-4.49</b>	<b>0.00%</b>
<b>Tax Expense</b>								
- Current Tax	239.07	0.83%	30.00	12.40%	-	0.00%	-	0.00%
- Deferred Tax	-	0.00%	-	0.00%	-	0.00%	-	0.00%
<b>Profit/(Loss) After Tax</b>	<b>1,751.17</b>	<b>6.06%</b>	<b>138.74</b>	<b>57.33%</b>	<b>-16.05</b>	<b>-1910.71%</b>	<b>-4.49</b>	<b>0.00%</b>

### Financial Year 2023 compared to Financial Year 2022

#### A) 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 28,809.52 %. Total revenue comprises of:

##### i) 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.

##### ii) 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 135.74 %.

#### B) Expenses:

Our total expenditure for the Fiscal 2023 was ₹ 73.26 Lakhs as compared to ₹ 16.89 Lakhs for the Fiscal 2022, representing an increase of 433.75 %. Total expenditure comprises of:

##### i) 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.

##### ii) 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.

##### iii) 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.

##### iv) 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.

##### v) Other expenses

Other expenses for the Fiscal 2023 were ₹ 19.26 Lakhs as compared to ₹ 15.86 Lakhs for the Fiscal 2022, representing a increase of 121.44 %. The increase was mainly due increase in Rent, Rates & Taxes

and legal, professional and consultancy charges.

**C) Profit/(loss) before tax:**

Profit/ (loss) before Tax for Fiscal 2023 was ₹ 168.74 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.

**D) Tax expenses:**

Total tax expense for the Fiscal 2023 was ₹ 30.00 Lakhs as compared to ₹ nil for Fiscal 2022.

**E) Profit/(loss) after tax:**

For the reasons discussed above, the profit / (loss) after tax for the Fiscal 2023 was ₹ 138.74 Lakhs as compared to ₹ (16.05) Lakhs for the Fiscal 2022.

## **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 Letter of Offer, 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**

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 page 27 and 149, respectively, of this Letter of Offer, to our knowledge there are no known trends or uncertainties that have or are expected to have a material adverse impact on our 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 27 and 149 respectively, and elsewhere in this Letter of Offer, 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.

Except as disclosed in this Letter of Offer, we have not announced and do not expect to announce in the near future any new products/ services or business segment.

## **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*' & '*Business Overview*' beginning on pages 27 and 86 of this Letter of Offer.

## **Significant dependence on a Single or Few Suppliers or Customers:**

Other than as described in this Letter of Offer, particularly in section titled '*Risk Factors*' beginning on page 27, to our knowledge, there is no significant dependence on a single or few customers or suppliers.

## **Seasonality of Business**

Our business is not subject to seasonal variations; however, our business activities are dependent on the rapidly changing geo-political situations.

## **Related Party Transactions**

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)

Sr. No.	Particulars	Nature of Transaction	for the financial year ended		
			March 31, 2023	March 31, 2022	March 31, 2021
1.	Vishal Mukeshkumar Shah	Loan	-	3.90	3.90
2.	Shitalnath Buildcon Private Limited	Loan	37.40	37.40	37.40

## Material Developments subsequent to March 31, 2023

Except as stated in this Letter of Offer and as disclosed below, to our knowledge, no circumstances have arisen after the date of last Balance Sheet i.e. March 31, 2023, which materially affect or are likely to affect our operations, performance, prospects or profitability, or the value of our assets or our ability to pay material liabilities:

### 1. Changes in Board of Directors and KMP

Action	Name of the Director	DIN	Designation	With effect from
Resignation	Mr. Kunjan Vora	03612667	Director	June 28, 2023
Appointment	Mr. Ishan Pyarelal Jayswal	08069054	Additional Director	August 17, 2023
Appointment	Mr. Avchal Chaudhary	10049028	Additional Director	August 17, 2023
Appointment	Mr. Sunil Pachlangia	07850377	Additional Director	August 22, 2023
Resignation	Mr. Kalpesh Malvi	06880789	Managing Director and Chief Financial Officer	November 13, 2023
Appointment	Mr. Narendra Sharma	10295571	Managing Director	November 13, 2023
Appointment	Mr. Vinodkumar Mishra	07552109	Additional Director under the category Non-Executive Independent Director	November 13, 2023
Resignation	Mr. Manish Nirmal	09852472	Director	November 13, 2023
Resignation	Mr. Rakesh Dutta	06367008	Director	November 13, 2023
Resignation	Ms. Ritu Nayak	NA	Company Secretary	December 05, 2023
Appointment	Ms Asha Parmar	NA	Company Secretary	December 05, 2023
Appointment	Mr. Rakesh Dutta	NA	Chief Financial Officer	December 05, 2023

2. Resignation of M/s. Abhishek Kumar & Associates, Chartered Accountant as a Statutory Auditor w.e.f. August 31, 2023
3. The Company has increased its authorised capital of the Company of 6,00,00,000 (Rupees Six Crores Only) divided into 6,00,00,000 (Six Crores) Equity Shares of Face Value of Re. 1/- (Rupee One Only) each to Rs. 56,00,00,000/- (Rupees Fifty-Six Crores Only) divided into 56,00,00,000 (Fifty-Six Crores) Equity shares of Face Value of Rs. 1/- (Rupee One Only) each vide the shareholder's resolutions passed on September 30, 2023.
4. The Company has altered its main object clause by adding new sub-clause (9) in the Main Object clause of Memorandum of Association (MOA) vide the shareholder's resolutions passed on September 30, 2023.
5. The Company has adopted new set of Memorandum of Association as per Companies Act, 2013 vide the shareholder's resolutions passed on September 30, 2023.
6. The Company has adopted new set of Article of Association as per Companies Act, 2013 vide the shareholder's resolutions passed on September 30, 2023.
7. Appointment of M/s. K M CHAUHAN AND ASSOCIATES, Chartered Accountants, Ahmedabad as Statutory Auditors of the Company.

8. The Company has been incorporated a wholly owned subsidiary i.e. GTL GEMS DMCC (Registration number: DMCC198188) on October 19, 2023, with making 100% investment is to carry out activities related to trading of Pearls & Precious Stones, Non-Manufactured Precious Metal and Jewellery.
9. The Company has incorporated, a Subsidiary Company in the Republic of Zambia in the name and style of 'GUJARAT TOOLROOM ZAMBIA LIMITED' (bearing LCO no.:120230058886) being a Private Company Limited by shares vide Certificate of Incorporation dated October 31, 2023 from the 'Patents & Companies Registration Agency' as per the Companies Act, 2017. 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.
10. The Company has successfully concluded the acquisition of 6 hectares of mines in Zambia, marking a significant stride in pursuit of sustainable growth.
11. Appointment of Mr. Himanshu Togadiya, Practicing Company Secretary as a Secretarial Auditor for Secretarial Audit of the Company.
12. The Company has received request on November 11, 2023 for reclassification from Promoter Group category to Public category of Gujarat Toolroom Limited. The Board of Directors of our Company has, at its meeting held on November 13, 2023 decided to file an application with Stock Exchange for reclassification of the following persons of 'Promoter' category to 'Public' category shareholders of the Company in accordance with Regulation 31A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:

<b>Name of Promoters</b>	<b>No. of Shares held</b>	<b>No. of Shares</b>	<b>% shareholding</b>
Bhavik Suryakantbhai Parikh HUF	Promoter	50,000	0.09%
Bhavik Suryakantbhai Parikh HUF	Promoter	50,000	0.09%
Purvi Bhavin Parikh	Promoter	3,000	0.01%
Vishal Mukeshkumar Shah	Promoter	1,00,000	0.18%
Mittal Mukeshkumar Shah	Promoter	Nil	0.00%
<b>Total</b>		<b>2,03,000</b>	<b>0.37%</b>

The Company had submitted application for reclassification of Promoters on November 27, 2023 via BSE Listing Center vide Case Number 189268, seeking approval for reclassification from 'Promoter and Promoter Group Category' to 'Public Category' under Regulation 31A of the SEBI Listing Regulations.

The Company received Approval Letter dated January 12, 2024 from BSE Limited for reclassification of Bhavin Suryakantbhai Parikh HUF, 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' and hence now the Company is professionally managed Company and does not have any identifiable promoter.

13. Board of Directors at its meeting held on April 8, 2024 declared an Interim Dividend @100% i.e. Rs. 1/- each per Equity Share of face value of Rs 1/- each for the financial year 2023-2024 to such members whose names have appeared in the Register of Members as on April 20, 2024, being the record date for the said purpose.
14. The Company executes Rs. 650 Million Order with Reliance Industries Limited.

**OUTSTANDING LITIGATIONS, DEFAULTS AND MATERIAL DEVELOPMENTS**

*Our Company is subject to various legal proceedings from time to time, primarily arising in the ordinary course of business. There are no outstanding litigations involving our Company and/or our Subsidiaries/associates whose financial statements are included in the letter of offer either separately or in a Consolidated form including, suits, criminal or civil proceedings and taxation related proceedings that would have a material adverse effect on our operations, financial position or future revenues.*

*Further, Neither our Company nor Subsidiaries and Directors have been declared as wilful defaulters or fraudulent borrowers by the RBI 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.*

*Further, apart from those as stated below, 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.*

*Since our Company is a Professionally Managed Company and does not have any Identifiable Promoter this is not applicable to the extent of promoter.*

- *For the purpose of determining materiality, the threshold shall be determined by the issuer as per regulations provided under SEBI (LODR) Regulations;*
  - a. *All criminal proceedings, statutory or regulatory actions and taxation matters, involving our Company, Promoters, Directors, or Subsidiary Companies, as the case may be, shall be deemed to be material;*
  - b. *All other pending litigation involving our Company, Directors, or Group Companies as the case may be, other than criminal proceedings, statutory or regulatory actions and taxation matters, would be considered 'material' if (1) two percent of turnover, as per the last audited financial statements of the listed entity; (2) two percent of net worth, as per the last audited financial statements of the listed entity, except in case the arithmetic value of the net worth is negative;(3) five 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 of the date of this Letter of Offer.*

**I. LITIGATION INVOLVING OUR COMPANY**

**1) Litigations Against Our Company**

Nature of Cases	Details
<b>Civil</b>	Nil
<b>Criminal</b>	1
<b>Indirect Tax (Litigation – Orders / Appeals)</b>	Nil
<b>Direct Tax (Litigation – Orders / Appeals)</b>	Details in Annexure A

**ANNEXURE-A**

Particulars of the Case	Provision of the Statute	Amount Involved (in ₹)	Category – Civil / Criminal
Notice bearing No. ITBA/AST/F/142(1)/2017-18/1007660427	Section 142(1) of Income Tax Act, 1961	-	-

(1), dated November 15, 2017.				
Notice bearing no.	ITBA/PNL/S/271(1)(c)/2017-18/1007917085(1)	Section 274 r/w Section 271(1)(c) of Income Tax Act, 1961	-	-
Order dated June 26, 2018, Order No: ITBA/PNL/F/271(1)(c)/2018-19/1010284448(1), passed by ITO, WARD 2(1)(1), Ahmedabad.				
<b>GST</b>				
NO LITIGATION				
<b>Others</b>				

**List of Notices on Company:**

Particulars of the Demand Notice	Provision(s) of the Statute	Amount Involved (in ₹)	Category – Civil / Criminal
200920065104267525F Dated – March 31, 2007	Section 115WF of Income Tax Act, 1961	9,950/-	-
2009200651042463535C Dated – March 31, 2007	Section 271(1)(c) of Income Tax Act, 1961	1,28,988/-	-
200920085104246530F Dated – March 31, 2009	Section 115WF of Income Tax Act, 1961	11, 212/-	-
2015201437002170553C Dated – April 21, 2015	Section 143(1)(a) of Income Tax Act, 1961	7, 500/-	-
2018201540400468854C Dated – June 26, 2018	Section 271(1)(c) of Income Tax Act, 1961	4,30,890/-	-
2019201837048213375C	Section 154 of Income Tax Act, 1961	1,000/-	-
<b>GST</b>			
NO LITIGATION			
<b>Others</b>			
Criminal Case – 141062 of 2023	Section 454(8)	1,00,000/-	Criminal (Remainder notices in the show-cause notice are erstwhile representatives of the company)

**Replies filed by Company against Notices issued:**

Nature of Cases	Details
Indirect Tax (Litigation – Orders / Appeals)	Nil
Direct Tax (Litigation – Orders / Appeals)	Nil
Others	Nil

## 2) Litigations By Our Company

Nature of Cases	Details
Civil	Nil
Criminal	Nil
Indirect Tax (Litigation – Orders / Appeals)	Nil
Direct Tax (Litigation – Orders / Appeals)	Details in Annexure B

### Annexure – B

Particulars of Appeal to the joint Commissioner or Commissioner of Income-Tax.	Case Number / Ref. No. / Section No.	Amount Involved	Category – Civil / Criminal
<b>Income Tax</b>			
219542280160524 Dated – April 23, 2024	Section 147 r.w.s 144	60,00,000/-	-
<b>GST</b>			
NO LITIGATION			
<b>Others</b>			
NO LITIGATION			

## II. LITIGATION INVOLVING OUR DIRECTORS / KMPs

Since our Company is a Professionally Managed Company and does not have any Identifiable Promoter, information required under Litigation is not applicable to the extent of promoter.

### 1) Litigations Against The Directors / KMPs

Nature of Cases	Details
Civil	Nil
Criminal	Nil
Indirect Tax (Litigation – Orders / Appeals)	Nil
Direct Tax (Litigation – Orders / Appeals)	Nil
Others	Nil

#### List of Notices on Directors / KMPs:

Nature of Cases	Details
Indirect Tax (Litigation – Orders / Appeals)	Nil
Direct Tax (Litigation – Orders / Appeals)	Nil
Others	Nil

### 2) Litigation By Directors / KMPs

Nature of Cases	Details
Civil	Nil
Criminal	Nil
Indirect Tax (Litigation – Orders / Appeals)	Nil
Direct Tax (Litigation – Orders / Appeals)	Nil
Others	Nil

### **III. Proceedings involving issues of moral turpitude or criminal liability on the part of our Company**

As on date of this Letter of Offer, there are no issues of moral turpitude or criminal liability on the part of our Company.

### **IV. Proceedings involving Material Violations of Statutory Regulations by our Company**

As on date of this Letter of Offer, there are no matters involving Material Violations of Statutory Regulations by our Company.

### **V. Matters involving economic offences where proceedings have been initiated against our Company**

As on date of this Letter of Offer, there are no matters involving economic offences where proceedings have been initiated against our Company.

### **VI. Other proceedings involving our Company which involve an amount exceeding the Materiality Threshold or are otherwise material in terms of the Materiality Policy, and other pending matters which, if they result in an adverse outcome would materially and adversely affect the operations or the financial position of our Company**

As on date of this Letter of Offer, there are no proceedings involving our Company which involve an amount exceeding the Materiality Threshold or are otherwise material in terms of the Materiality Policy and other pending matters which, if they result in an adverse outcome would materially and adversely affect the operations or the financial position of our Company.

### **VII. Litigation Involving Our Group Companies**

As on date of this Letter of Offer, there are no group companies.

### **VIII. Disclosures Pertaining to Fraudulent Borrowers**

Neither our Company, nor any of our Directors, are or have been categorized as a fraudulent borrower by any bank or financial institution or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the RBI.

As on the Letter of Offer, our Company is a Professionally Managed Company and does not have any Identifiable Promoter.

### **IX. DISCLOSURES PERTAINING TO WILFUL DEFAULTERS**

Neither our Company, nor any of our Directors are or have been categorized as a wilful defaulter by any bank or financial institution or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the RBI.

As on the Letter of Offer, our Company is a Professionally Managed Company and does not have any Identifiable Promoter.

## **X. MATERIAL DEVELOPMENT**

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 27 and 149 respectively, there have been no significant developments after the last Balance Sheet date i.e. March 31, 2023 that may affect our future results of operations.

## GOVERNMENT AND OTHER APPROVALS

Our Company has received the necessary consents, licenses, permissions and approvals from the Central and State Governments and other government agencies/regulatory authorities/certification bodies required to undertake the Issue or continue our business activities.

In view of the approvals listed below, we can undertake this Issue and our current business activities and no further major approvals from any governmental/regulatory authority or any other entity are required to be undertaken, in respect of the Issue or to continue our business activities. It must, however, be distinctly understood that in granting the above approvals, the Government of India and other authorities do not take any responsibility for the financial soundness of our Company or for the correctness of any of the statements or any commitments made or opinions expressed in this behalf. Unless otherwise stated, these approvals are all valid as of the date of this Letter of offer.

The main objects clause of the Memorandum of Association of our Company and the objects incidental, enable our Company to carry out its activities.

### APPROVALS FOR THE ISSUE

The following approvals have been obtained or will be obtained in connection with the Issue:

#### 1) Approvals in Relation to the Issue

- i. The Board of Directors in pursuance of Section 62(1)(a) of the Companies Act, 2013, by a resolution passed at its meeting held on August 14, 2023 have authorized the issue.
- ii. The Board of Directors vide Board resolution dated December 22, 2023, approved Draft Letter of Offer;
- iii. In-principle approval from the Stock Exchange bearing reference number 'LOD/RIGHT/AB/FIP/1257/2023-24' dated February 19, 2024 to use the name of BSE for listing of the Equity Shares issued by our Company pursuant to the Issue;
- iv. The Board of Directors/Rights Issue Committee vide resolution dated May 23, 2024 approved the Rights Issue Price, Record Date, and other terms and conditions for the purpose of this Rights Issue;
- v. The Board of Directors/Rights Issue Committee vide Board resolution dated May 23, 2024, approved Letter of Offer;
- vi. The ISIN of the Company is INE145J01032;
- vii. The ISIN for the Rights Entitlement is INE145J20016.

#### 2) Corporate / General Authorizations

### APPROVALS PERTAINING TO INCORPORATION OF OUR COMPANY

Description	Registrar / Issuing Authority	Registration No. / Reference No. / License No.	Date of Creation	Date of Expiry
Certificate of Incorporation in the name of 'Gujarat Toolroom Limited'	Registrar of Companies, Ahmedabad, Gujarat	of L45208GJ1983PL C006056	25/03/1983	Valid until cancelled

## **TAX RELATED APPROVALS**

<b>Description</b>	<b>Registrar/Issuing Authority</b>	<b>Registration No. / Reference No. / License No.</b>	<b>Date of Expiry</b>
Permanent Account Number (PAN)	Income Tax Department, Government of India under Income Tax Act, 1961	AAACG5585F	Valid until cancelled
Tax Deduction and Collection Account Number (TAN)	Income Tax Department, Government of India under Income Tax Act, 1961	AHMG00018E	Valid until cancelled
Goods and Service Tax (GST)	Government of India	24AAACG5585 F1ZO	Valid until cancelled

### **3) Material approvals in relation to our business operations - Nil**

### **4) Material Licenses and Approvals for which applications have been filed by our Company**

As on date this Letter of Offer there is no material approvals and licenses for which our Company has made an application for renewal.

### **5) Material Licenses and Approvals for which applications are yet to be filed by our Company**

As on date this Letter of Offer there is no material approvals and licenses for which our Company has required to make an application.

## OTHER REGULATORY AND STATUTORY DISCLOSURES

### AUTHORITY FOR THE ISSUE

The Issue has been authorized by a resolution of the Board passed at its meeting held on August 14, 2023 pursuant to Section 62(1)(a) of the Companies Act, 2013.

Board of Directors/ Rights Issue Committee of our Company in their meeting conducted on May 23, 2024 approved this Issue inter-alia on the following terms.

<b>Issue Size</b>	Upto ₹ 4,888.72 Lakhs;
<b>Issue Price</b>	₹ 8/- (Rupees Eight Only) per Rights Equity Share including a premium of ₹ 7/- (Rupees Seven Only) per Rights Equity Share);
<b>Issue Entitlement Ratio</b>	11 (Eleven) Rights Equity Shares for every 10 (Ten) Equity Share held by Eligible Shareholders of our Company as on Record Date;
<b>Record Date</b>	Wednesday, June 05, 2024

This Letter of Offer has been approved by our Board of Directors pursuant to their resolutions dated May 23, 2024.

Our Company has received in-principle approval from Stock Exchange in accordance with Regulation 28 (1) of SEBI Listing Regulations for listing of the Rights Equity Shares proposed to be allotted pursuant Issue vide a letter bearing reference 'LOD/RIGHT/AB/FIP/1257/2023-24' dated February 19, 2024. Our Company will also make application to Stock Exchange to obtain their trading approvals for the Rights Entitlements as required under the SEBI Rights Issue Circulars;

Our Company has been allotted the ISIN INE145J20016 for the Rights Entitlements to be credited to the respective demat accounts of the Eligible Shareholders of our Company. Our Company has been allotted the ISIN INE145J20016 both from NSDL and CDSL for the Rights Equity Shares issued pursuant to this Issue. For details, see section titled '*Terms of the Issue*' beginning on page 172 of this Letter of Offer.

### PROHIBITION BY SEBI OR RBI OR OTHER GOVERNMENTAL AUTHORITIES

Our Company, our Directors, the members of our Promoter Group, persons in control of our Company have not been debarred from accessing or operating in the capital markets or restrained from buying, selling or dealing in securities under any order or direction passed by SEBI or any securities market regulator in any other jurisdiction or any other authority/ court as on the date of this Letter of Offer.

The companies with which our directors or the persons in control of our Company are or were associated as directors or persons in control have not been debarred from accessing the capital market under any order or direction passed by SEBI or any other regulatory or governmental authority.

None of our Directors, have been declared a Wilful Defaulter or Fraudulent Borrower or Fugitive Economic Offender as defined under SEBI (ICDR) Regulations.

There are no proceedings initiated by SEBI, Stock Exchange, or ROC, etc., against our Company, and Directors.

As on the date of Letter of Offer, our Company is a Professionally Managed Company and does not have any Identifiable Promoter.

None of our Directors currently holds nor have held directorship(s) in the last five (5) years in a listed Company whose shares have been or were suspended from trading on any stock exchange or in a listed Company which has been / was delisted from any stock exchange.

None of our Directors hold or have held directorships in the last ten (10) years in a listed company whose shares have been delisted from any recognised stock exchange in India during the term of their directorship in such company.

#### **PROHIBITION BY RBI:**

Neither our Company nor any of our Directors of have been categorized or identified or declared as a Wilful Defaulter or Fraudulent Borrower. Since our Company is a Professionally Managed Company and does not have any Identifiable Promoter this clause is not applicable to the extent of promoter.

#### **DIRECTORS ASSOCIATED WITH THE SECURITIES MARKET:**

None of our Directors are associated with the securities market in any manner.

#### **COMPLIANCE WITH COMPANIES (SIGNIFICANT BENEFICIAL OWNERSHIP) RULES, 2018:**

Our Company are in compliance with the Companies (Significant Beneficial Ownership) Rules, 2018, to the extent it may be applicable to them as on date of this Letter of Offer.

#### **ELIGIBILITY FOR THE ISSUE**

Our Company is a listed company, incorporated under Companies Act, 1956. The Equity Shares of our Company are presently listed on BSE. Our Company is eligible to offer Equity Shares pursuant to the Issue in terms of Chapter III and other applicable provisions of the SEBI ICDR Regulations.

Further, pursuant to Clause (2) of Part B of Schedule VI to the SEBI ICDR Regulations, our Company is undertaking the Issue in compliance with Part B-1 of Schedule VI to the SEBI ICDR Regulations.

#### **COMPLIANCE WITH REGULATIONS 61 AND 62 OF THE SEBI (ICDR) REGULATIONS**

The present Issue being of less than ₹ 5,000 Lakhs, our Company is in compliance with first proviso to Regulation 3 of the SEBI (ICDR) Regulations and our Company shall file the copy of the Letter of Offer prepared in accordance with the SEBI (ICDR) Regulations with SEBI for information and dissemination on the website of SEBI, i.e. [www.sebi.gov.in](http://www.sebi.gov.in);

Our Company is in compliance with requirements of Regulation 61 and Regulation 62 of the SEBI (ICDR) Regulations, to the extent applicable. Further, in relation to compliance with Regulation 62(1)(a) of the SEBI (ICDR) Regulations, our Company undertakes to make an application to Stock Exchange for listing of the Rights Equity Shares to be issued pursuant to this Issue. BSE is the Designated Stock Exchange for this Issue.

#### **DISCLAIMER CLAUSE OF SEBI**

The Letter of Offer has not been filed with SEBI in terms of SEBI (ICDR) Regulations as the size of issue is up to ₹ 4888.72 Lakhs. The present Issue being of less than Rs. 5000.00 Lakhs, the Issuer shall prepare the Letter of Offer in accordance with requirement as specified in the regulation and file the same with the SEBI for information and dissemination on the SEBI's website.

## **DISCLAIMER CLAUSES FROM OUR COMPANY**

Our Company accepts no responsibility for statements made other than in this Letter of Offer or in any advertisement or other material issued by our Company or by any other persons at the instance of our Company and anyone placing reliance on any other source of information would be doing so at their own risk.

Investors who invest in this Issue will be deemed to have represented by our Company and their respective directors, officers, agents, affiliates and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our Company, and are relying on independent advice / evaluation as to their ability and quantum of investment in this Issue. Our Company accepts no responsibility or liability for advising any Applicant on whether such Applicant is eligible to acquire any Rights Equity Shares.

## **CAUTION**

Our Company shall make all the relevant information available to the Eligible Shareholders in accordance with the SEBI (ICDR) Regulations and no selective or additional information would be available for a section of the Eligible Shareholders in any manner whatsoever, including at presentations, in research or sales reports, etc., after filing this Letter of Offer.

No dealer, salesperson or other person is authorized to give any information or to represent anything not contained in this Letter of Offer. You must not rely on any unauthorized information or representations. This Letter of Offer is an offer to sell only the Rights Equity Shares and the Rights Entitlement, but only under circumstances and in the applicable jurisdictions. Unless otherwise specified, the information contained in this Letter of Offer is current only as at its date.

## **DISCLAIMER WITH RESPECT TO JURISDICTION**

This Letter of Offer has been prepared under the provisions of Indian laws and the applicable rules and regulations thereunder. Any disputes arising out of this Issue will be subject to the jurisdiction of the appropriate court(s) in Mumbai, Maharashtra, India only.

**NO OFFER OR INVITATION TO PURCHASE RIGHTS ENTITLEMENTS OR RIGHTS EQUITY SHARES IS BEING MADE IN ANY JURISDICTION OUTSIDE OF INDIA, INCLUDING, BUT NOT LIMITED TO AUSTRALIA, BAHRAIN, CANADA, THE EUROPEAN ECONOMIC AREA, GHANA, HONG KONG, INDONESIA, JAPAN, KENYA, KUWAIT, MALAYSIA, NEW ZEALAND, SULTANATE OF OMAN, PEOPLE'S REPUBLIC OF CHINA, QATAR, SINGAPORE, SOUTH AFRICA, SWITZERLAND, THAILAND, THE UNITED ARAB EMIRATES, THE UNITED KINGDOM AND THE UNITED STATES. THE OFFERING TO WHICH THE LETTER OF OFFER RELATES IS NOT, AND UNDER NO CIRCUMSTANCES IS TO BE CONSTRUED AS, AN OFFERING OF ANY RIGHTS EQUITY SHARES OR RIGHTS ENTITLEMENT FOR SALE IN ANY JURISDICTION OUTSIDE INDIA OR AS A SOLICITATION THEREIN OF AN OFFER TO BUY ANY OF THE SAID SECURITIES. ACCORDINGLY, THE LETTER OF OFFER SHOULD NOT BE FORWARDED TO OR TRANSMITTED IN OR INTO ANY OTHER JURISDICTION AT ANY TIME.**

## **DESIGNATED STOCK EXCHANGE**

The Designated Stock Exchange for the purpose of this Issue is BSE.

## **DISCLAIMER CLAUSE OF BSE**

As required, a copy of this Letter of Offer has been submitted to the BSE. The Disclaimer Clause as intimated by BSE to us, post scrutiny of the Letter of Offer is set out below:

BSE Limited (*the “Exchange”*) has given, vide its letter reference No. LOD/RIGHT/AB/FIP/1257/2023-24 dated February 19, 2024, permission to this Company to use the Exchange’s name in this Letter of Offer as the stock exchange on which this Company’s securities are proposed to be listed. The Exchange has scrutinized this letter of offer for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Company. The Exchange does not in any manner:

- Warrant, certify or endorse the correctness or completeness of any of the contents of this letter of Offer;
- Warrant that this Company’s securities will be listed or will continue to be listed on the Exchange; or
- Take any responsibility for the financial or other soundness of our Company, its management or any scheme or project of our Company;

and it should not for any reason be deemed or construed that this Letter of Offer has been cleared or approved by the Exchange. Every Investor who desires to apply for or otherwise acquires any Equity Shares of our Company may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against 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.

## **SELLING RESTRICTIONS**

The distribution of the Letter of Offer, Abridged Letter of Offer, Entitlement Letter, Application Form (*collectively, “Issue Materials”*) and the issue of Rights Equity Shares, to persons in certain jurisdictions outside India is restricted by legal requirements prevailing in those jurisdictions. Persons into whose possession the Issue Materials may come are required to inform themselves about and observe such restrictions.

We are making this Issue of Equity Shares on a rights basis to the Eligible Shareholders and will send/ dispatch the Letter of Offer, Abridged Letter of Offer, Entitlement Letter, and Application Form only to email addresses of such Eligible Shareholders who have provided an Indian address to our Company and who are located in jurisdictions where the issue and sale of the Rights Entitlements and the Rights Equity Shares are permitted under laws of such jurisdiction and does not result in and may not be construed as, a public offering in such jurisdictions. Those overseas shareholders who do not update our records with their Indian address or the address of their duly authorized representative in India, prior to the date on which we propose to e-mail the Letter of Offer, Abridged Letter of Offer, Entitlement Letter, and Application Form, shall not be sent the Letter of Offer, Abridged Letter of Offer, Entitlement Letter, and Application Form. Further, the Letter of Offer will be provided, primarily through e-mail, by the Registrar on behalf of our Company to the Eligible Shareholders who have provided their Indian addresses to our Company and who make a request in this regard. Investors can also access the Letter of Offer, the Abridged Letter of Offer and the Application Form from the websites of the Registrar, our Company, and the BSE. Accordingly, our Company and the Registrar will not be liable for non-dispatch of physical copies of Issue materials, including the Letter of Offer, the Abridged Letter of Offer, the Entitlement Letter, and the Application Form.

Further, the Letter of Offer will be provided to those who have provided their Indian addresses to our Company and who makes a request in this regard. Investors can also access the Letter of Offer, the Abridged Letter of Offer and the Application Form from the websites of the Registrar, our Company and the Stock Exchange.

No action has been or will be taken to permit this Issue in any jurisdiction or the possession, circulation, or distribution of this Letter of Offer, the Letter of Offer, Abridged Letter of Offer, and Application Form or any

other material relating to our Company, the Equity Shares or Rights Entitlement in any jurisdiction where action would be required for that purpose.

Our Company shall also endeavour to dispatch physical copies of the Issue Materials to Eligible Equity Shareholders who have provided an Indian address to our Company. Our Company and the Registrar will not be liable for non-dispatch of physical copies of Issue Materials.

No action has been or will be taken to permit this Issue in any jurisdiction where action would be required for that purpose. Accordingly, the Rights Entitlements or Rights Equity Shares may not be offered or sold, directly or indirectly, and the Issue Materials may not be distributed in any jurisdiction, except in accordance with legal requirements applicable in such jurisdiction. Receipt of the Issue Materials will not constitute an offer in those jurisdictions in which it would be illegal to make such an offer and, under those circumstances, the Issue Materials must be treated as sent for information only and should not be copied, redistributed or acted upon for subscription to Rights Equity Shares or the purchase of Rights Entitlements. Accordingly, persons receiving a copy of the Issue Materials should not, in connection with the issue of the Rights Entitlements or Rights Equity Shares, distribute or send such document in, into the United States or any other jurisdiction where to do so would, or might contravene local securities laws or regulations or would subject the Company or respective affiliates to any filing or registration requirement (other than in India). If Issue Materials is received by any person in any such jurisdiction, or by their agent or nominee, they must not seek to subscribe to the Rights Entitlement or Rights Equity Shares referred to in Issue Materials. Envelopes containing an Application Form should not be dispatched from any jurisdiction where it would be illegal to make an offer, and all persons subscribing for the Rights Equity Shares in this Issue must provide an Indian address.

Any person who makes an application to acquire Rights Entitlement and the Right Shares offered in this Issue will be deemed to have declared, represented, warranted and agreed that such person is authorized to acquire the Rights Entitlement and the Right Shares in compliance with all applicable laws and regulations prevailing in his jurisdiction, without requirement for our Company or their respective affiliates to make any filing or registration (other than in India).

Neither the delivery of the Issue Materials nor any sale or offer hereunder, shall under any circumstances create any implication that there has been no change in our Company's affairs from the date hereof or that the information contained herein is correct as at any time subsequent to the date of this Letter of Offer or date of such information.

**THE CONTENTS OF THIS LETTER OF OFFER, THE LETTER OF OFFER AND ABRIDGED LETTER OF OFFER SHOULD NOT BE CONSTRUED AS LEGAL, TAX OR INVESTMENT ADVICE. PROSPECTIVE INVESTORS MAY BE SUBJECT TO ADVERSE FOREIGN, STATE OR LOCAL TAX OR LEGAL CONSEQUENCES AS A RESULT OF BUYING OR SELLING OF RIGHT SHARES OR RIGHTS ENTITLEMENTS. AS A RESULT, EACH INVESTOR SHOULD CONSULT ITS OWN COUNSEL, BUSINESS ADVISOR, AND TAX ADVISOR AS TO THE LEGAL, BUSINESS, TAX, AND RELATED MATTERS CONCERNING THE OFFER OF RIGHT SHARES OR RIGHTS ENTITLEMENTS. IN ADDITION, OUR COMPANY IS NOT MAKING ANY REPRESENTATION TO ANY OFFEREE OR PURCHASER OF THE RIGHTS ENTITLEMENT OR THE RIGHTS SHARES REGARDING THE LEGALITY OF AN INVESTMENT IN THE RIGHTS ENTITLEMENT OR THE RIGHTS SHARES BY SUCH OFFEREE OR PURCHASER UNDER ANY APPLICABLE LAWS OR REGULATIONS.**

#### **NO OFFER IN THE UNITED STATES**

The rights entitlements and the Rights Equity Shares have not been and will not be registered under the United States securities act, 1933, as amended ("*Securities Act*"), or any U.S. State securities laws and may not be offered, sold, resold or otherwise transferred within the United States of America or the territories or

possessions thereof (“United States” or “U.S.”) or to, or for the account or benefit of “U.S. Persons” as defined in Regulation S (“Regulation S”) under the securities act, except in a transaction exempt from the registration requirements of the securities act. The rights entitlements and Rights Equity Shares referred to in this letter of offer are being offered in India and in jurisdictions where such offer and sale of the Rights Equity Shares and/ or rights entitlements are permitted under laws of such jurisdictions, but not in the United States. The offering to which the letter of offer and abridged letter of offer relates is not, and under no circumstances is to be construed as, an offering of any securities or rights for sale in the United States or as a solicitation therein of an offer to buy any of the said securities or rights.

Accordingly, the letter of offer, the abridged letter of offer, entitlement letter, and application form should not be forwarded to or transmitted in or into the United States at any time.

Neither our Company nor any person acting on behalf of our Company will accept subscriptions or renunciation from any person, or the agent of any person, who appears to be, or who our Company or any person acting on behalf of our Company has reason to believe, is in the United States when the buy order is made. No payments for subscribing for the Rights Equity Shares shall be made from US bank accounts and all persons subscribing for the Rights Equity Shares and wishing to hold such Rights Equity Shares in registered form must provide an address for registration of the Rights Equity Shares in India.

**We, the Registrar or any other person acting on behalf of us, reserve the right to treat as invalid any Application Form which:**

- a. Does not include the certification set out in the Application Form to the effect that the subscriber does not have a registered address (and is not otherwise located) in the United States and is authorized to acquire the Rights Entitlements and the Rights Equity Shares in compliance with all applicable laws and regulations;**
- b. Appears to us or its agents to have been executed in, electronically transmitted from or dispatched from the United States;**
- c. Where a registered Indian address is not provided;**
- d. Where we believe that Application Form is incomplete or acceptance of such Application Form may infringe applicable legal or regulatory requirements;**

And we shall not be bound to allot or issue any Rights Equity Shares in respect of any such Application Form. The Rights Entitlements may not be transferred or sold to any person in the United States.

## **FILING**

SEBI vide the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) (Fourth Amendment) Regulations, 2020 has amended Regulation 3(b) of the SEBI ICDR Regulations as per which the threshold of filing of Letter of Offer with SEBI for rights issues has been increased. The threshold of the rights issue size under Regulation 3 (b) of the SEBI ICDR Regulations has been increased from Rupees ten crores to Rupees fifty crores. Since the size of this Issue falls below this threshold, the Letter of Offer was filed with the Stock Exchange and not with SEBI. However, the Letter of Offer will be submitted with SEBI for information and dissemination and will be filed with the Stock Exchange.

The Letter of Offer has not been filed with the SEBI for its observations as the size of the issue is up to ₹ 4,888.72 Lakhs which does not require Issuer to file Letter of Offer with SEBI. The Company has filed Letter of Offer with the BSE for obtaining in-principle approval.

## **LISTING**

Our Company will apply to BSE for final approval for the listing and trading of the Rights Equity Shares subsequent to their Allotment. No assurance can be given regarding the active or sustained trading in the Rights Equity Shares or the price at which the Rights Equity Shares offered under the Issue will trade after the listing thereof.

## **CONSENTS**

Consents in writing of Directors, Company Secretary, Chief Financial Officer, Statutory Auditor, Banker to the Company, Bankers to the Issue, Legal Counsels and the Registrar to the Issue to act in their respective capacities, have been obtained and such consents have not been withdrawn up to the date of this Letter of Offer.

## **EXPERT OPINION**

Except for the reports in the section titled '*Financial Information*' and '*Statement of Tax Benefits*' beginning on pages 105 and 70 respectively from the Statutory Auditors, our Company has not obtained any expert opinions.

## **PERFORMANCE VIS-À-VIS OBJECTS – PUBLIC/RIGHTS ISSUE OF OUR COMPANY**

Our Company has not made any rights issues or public issues during the five years immediately preceding the date of this Letter of Offer. There have been no instances in the past, wherein our Company has failed to achieve the objects in its previous issues.

## **STOCK MARKET DATA OF THE EQUITY SHARES**

Our Equity Shares are listed and traded on BSE. For details in connection with the stock market data of the Stock Exchanges, please refer to the chapter titled '*Stock Market Data for Equity Shares*' on page 147 of Letter of Offer.

## **INVESTOR GRIEVANCES AND REDRESSAL SYSTEM**

### **1. Mechanism for Redressal of Investor Grievances**

Our Company has made adequate arrangements for redressal of investor complaints in compliance with the corporate governance requirements under the SEBI (LODR) Regulations as well as a well-arranged correspondence system developed for letters of routine nature. We have been registered with the SEBI Complaints Redress System (SCORES) as required by the SEBI Circular bearing reference number '*CIR/OIAE/2/2011 dated June 3, 2011*'. Consequently, investor grievances are also tracked online by our Company through the SCORES mechanism.

Our Company has a Stakeholders Relationship Committee, which meets at least once a year and as and when required. Its terms of reference include considering and resolving grievances of shareholders in relation to transfer of shares and effective exercise of voting rights. All investor grievances received by us have been handled by the Registrar and Share Transfer Agent in consultation with the Company Secretary and Compliance Officer.

The Investor complaints received by our Company are generally disposed of within 15 (Fifteen) days from the date of receipt of the complaint.

The average time taken by the Registrar to the Issue, Cameo Corporate Services Limited, for attending to routine grievances will be within 30 (Thirty) days from the date of receipt. In case of non-routine grievances where verification at other agencies is involved, it would be the endeavor of the Registrar to the Issue to attend to them as expeditiously as possible. We undertake to resolve the investor grievances in a time bound manner.

## 2. Investor Grievances arising out of this Issue

Any investor grievances arising out of the Issue will be handled by Registrar to the Issue. The agreement between the Company and the Registrar to the Issue provides for a period for which records shall be retained by the Registrar to the Issue in order to enable the Registrar to the Issue to redress grievances of Investors.

All grievances relating to this Issue may be addressed to the Registrar to the Issue giving full details such as folio no., name and address, contact details, Email-ID of the first applicant, number and type of Equity Shares applied for, Application Form serial number, amount paid on application and the name of the bank and the branch where the application was deposited, along with a photocopy of the acknowledgement slip. In case of renunciation, the same details of the Renouncee should be furnished.

Investors may contact the Registrar to the Issue or the Company Secretary and Compliance Officer for any pre-Issue or post-Issue related matter. All grievances relating to the ASBA process may be addressed to the Registrar to the Issue, with a copy to the SCSBs (in case of ASBA process), giving full details such as name, address of the Applicant, contact number(s), e mail address of the sole/ first holder, folio number or demat account number, number of Rights Equity Shares applied for, amount blocked, ASBA Account number and the Designated Branch of the SCSBs where the Application Form or the plain paper application, as the case may be, was submitted by the Investors along with a photocopy of the acknowledgement slip (in case of ASBA process). For details on the ASBA process, please refer to the section titled '*Terms of the Issue*' beginning on page 172.

The contact details of the Registrar to the Issue and the Company Secretary and Compliance Officer of our Company are as follows:

COMPANY SECRETARY AND COMPLIANCE OFFICER	REGISTRAR TO THE ISSUE
<p><b>Ms. Asha Parmar</b>  <b>Registered Office:</b> 404 - 4th floor, Samarth Co.                      Op. H. Soc., Nr. Silicon Tower, Nr. Law Garden,                      Ellisbridge, Ahmedabad 380006  <b>Contact No:</b> +91-7227013356  <b>Email-ID:</b> <a href="mailto:cs@gujarattoolroom.com">cs@gujarattoolroom.com</a>  <b>Website:</b> <a href="http://www.gujarattoolroom.com">www.gujarattoolroom.com</a></p>	<p><b>CAMEO CORPORATE SERVICES LIMITED</b>  <b>Address:</b> Subramanian Building, No.1, Club House                      Road, Chennai 600002  <b>Contact Person:</b> Ms. K. Sreepriya  <b>Tel No.:</b> 91 – 44 – 4002 0700  <b>Email:</b> <a href="mailto:rights@cameoindia.com">rights@cameoindia.com</a>  <b>Investor grievance e-mail:</b>  <a href="mailto:investor@cameoindia.com">investor@cameoindia.com</a>  <b>Website:</b> <a href="http://www.cameoindia.com">www.cameoindia.com</a>  <b>SEBI Registration No:</b> INR000001385</p>

In accordance with SEBI Rights Issue Circulars, frequently asked questions and online/ electronic dedicated investor helpdesk for guidance on the Application process and resolution of difficulties faced by the Investors will be available on the website of the Registrar at [www.cameoindia.com](http://www.cameoindia.com). Further, helpline numbers provided by the Registrar for guidance on the Application process and resolution of difficulties are ([rights@cameoindia.com](mailto:rights@cameoindia.com) or 044 – 4002 0700)

## TERMS OF THE ISSUE

*This section is for the information of the Investors proposing to apply in this Issue. Investors should carefully read the provisions contained in this the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter, and the Application Form, before submitting the Application Form. Our Company is not liable for any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of this Letter of Offer. Investors are advised to make their independent investigation and ensure that the Application Form is correctly filled up. Unless otherwise permitted under the SEBI (ICDR) Regulations read with SEBI Rights Issue Circulars, Investors proposing to apply in this Issue can apply only through ASBA or by mechanism as disclosed in this Letter of Offer.*

*Further, SEBI has pursuant to the SEBI Rights Issue Circular stated that in the event there are physical shareholders who have not been able to open a demat account pursuant to the SEBI circular bearing reference number SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020 or are unable to communicate their demat account details to our Company or the Registrar for credit of Rights Entitlements, such physical shareholders may be allowed to submit their application. For more details, please see the section titled ‘Application by Eligible Shareholders holding Equity Shares in physical form’ beginning on page 197 of this Letter of Offer.*

*Investors are requested to note that application in this Issue can only be made through ASBA facility. For guidance on the application process through ASBA and resolution of difficulties faced by investors, you are advised to read the frequently asked question (FAQ) on the website of the Registrar at [www.cameoindia.com](http://www.cameoindia.com).*

## OVERVIEW

This Issue is proposed to be issued on a rights basis and is subject to the terms and conditions contained in the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter, the Application Form, and the Memorandum of Association and the Articles of Association of our Company, the provisions of the Companies Act, 2013, FEMA, FEMA Rules, the SEBI (ICDR) Regulations, the SEBI (LODR) Regulations, and the guidelines, notifications and regulations issued by SEBI, the Government of India and other statutory and regulatory authorities from time to time, approvals, if any, from the RBI or other regulatory authorities, the terms of the Listing Agreements entered into by our Company with the Stock Exchanges and the terms and conditions as stipulated in the Allotment advice.

## IMPORTANT

### 1. Dispatch and Availability of Issue Materials

In accordance with the SEBI (ICDR) Regulations, SEBI Rights Issue Circulars, our Company will send/dispatch at least three days before the Issue Opening Date, the Abridged Letter of Offer, the Entitlement Letter, Application Form and other issue material (“Issue Materials”) only to the Eligible Equity Shareholders who have provided an Indian address to our Company and who are located in jurisdictions where the offer and sale of the Rights Entitlement or Rights Equity Shares is permitted under laws of such jurisdictions and does not result in and may not be construed as, a public offering in such jurisdictions. In case the Eligible Equity Shareholders have provided their valid e-mail address, the Issue Materials will be sent only to their valid e-mail address and in case the Eligible Equity Shareholders have not provided their e-mail address, then the Issue Materials will be dispatched, on a reasonable effort basis, to the India addresses provided by them.

Further, the Letter of Offer will be sent/dispatched, to the Eligible Equity Shareholders who have provided their Indian addresses and have made a request in this regard. In case such Eligible Equity Shareholders have provided their valid e-mail address, the Letter of Offer will be sent only to their valid e-mail address and in case such Eligible Equity Shareholders have not provided their e-mail address, then the Letter of Offer will be dispatched, on a reasonable effort basis, to the Indian addresses provided by them or who are located in jurisdictions where the offer and sale of the Rights Equity Shares is permitted under laws of such jurisdictions and in each case who make a request in this regard.

Investors can access the Draft Letter of Offer, Letter of Offer, the Abridged Letter of Offer, and the Application Form (provided that the Eligible Equity Shareholder is eligible to subscribe for the Rights Equity Shares under applicable securities laws) on the websites of:

- Our Company's website at [www.gujarattoolroom.com](http://www.gujarattoolroom.com);
- Registrar to the Issue's website at [www.cameoindia.com](http://www.cameoindia.com) / <https://rights.cameoindia.com/gtl>;
- BSE's website at [www.bseindia.com](http://www.bseindia.com);

Resident Eligible Shareholders, who are holding Equity Shares in physical form as on the Record Date or Eligible Equity Shareholders who have not received the Application Form may apply, along with the requisite Application Money, by using the Application Form available on the websites above, or on plain paper, with the same details as mentioned in the Application Form available online.

Eligible Equity Shareholders can obtain the details of their respective Rights Entitlements from the website of the Registrar to the Issue's website at [www.cameoindia.com](http://www.cameoindia.com) by entering their DP-ID and Client-ID or Folio Number (in case of Eligible Equity Shareholders holding Equity Shares in physical form), and PAN. The link for the same shall also be available on the website of our Company at [www.gujarattoolroom.com](http://www.gujarattoolroom.com).

Further, our Company will undertake all adequate steps to reach out the Eligible Equity Shareholders who have provided their Indian address through other means, as may be feasible.

**PLEASE NOTE THAT, OUR COMPANY AND THE REGISTRAR TO THE ISSUE WILL NOT BE LIABLE FOR NON-DISPATCH OF PHYSICAL COPIES OF ISSUE MATERIALS, INCLUDING THE LETTER OF OFFER, THE ABRIDGED LETTER OF OFFER, THE RIGHTS ENTITLEMENT LETTER AND THE APPLICATION FORM ATTRIBUTABLE TO THE NON-AVAILABILITY OF THE E-MAIL ADDRESSES OF ELIGIBLE EQUITY SHAREHOLDERS OR ELECTRONIC TRANSMISSION DELAYS OR FAILURES, OR IF THE APPLICATION FORMS OR THE RIGHTS ENTITLEMENT LETTERS ARE DELAYED OR MISPLACED IN TRANSIT.**

The distribution of the Letter of Offer, Abridged Letter of Offer, the Rights Entitlement Letter and the issue of Equity Shares on a rights basis to persons in certain jurisdictions outside India is restricted by legal requirements prevailing in those jurisdictions. No action has been, or will be, taken to permit this Issue in any jurisdiction where action would be required for that purpose, except this Letter of Offer is being filed with the Stock Exchange. Accordingly, the Rights Entitlements and Equity Shares may not be offered or sold, directly or indirectly and Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter, the Application Form or any Issue related materials or advertisements in connection with this Issue may not be distributed, in any jurisdiction, except in accordance with and as permitted under the legal requirements applicable in such jurisdiction. Receipt of the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form (including by way of electronic means) will not constitute an offer, invitation to or solicitation by anyone in any jurisdiction or in any circumstances in which such an offer, invitation or solicitation is unlawful or not authorised or to any person to whom it is unlawful to make such an offer, invitation or solicitation. In those circumstances, the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form must be treated as sent for information only and should not be acted upon for making an Application and should not be copied or re-distributed.

Accordingly, persons receiving a copy of the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Common Application Form should not, in connection with the issue of the Equity Shares or the Rights Entitlements, distribute or send the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Common Application Form in or into any jurisdiction where to do so, would, or might, contravene local securities laws or regulations or would subject our Company or its affiliates or their respective affiliates to any filing or registration requirement (other than in India). If the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Common Application Form is received by any person in any such jurisdiction, or by their agent or nominee, they must not seek to make an application or acquire the Rights Entitlements referred to in the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Common Application Form. Any person who makes an application to acquire Rights Entitlements and the Equity Shares offered in the Issue will be deemed to have declared, represented and warranted that such person is authorized to acquire the Rights Entitlements and the Equity Shares in compliance with all applicable laws and regulations prevailing in such person's jurisdiction and India, without requirement for our Company or our affiliates or their respective affiliates to make any filing or registration (other than in India).

## **2. Facilities for Application in this Issue**

**In accordance with Regulation 76 of the SEBI (ICDR) Regulations, SEBI ICDR Master Circular, SEBI Rights Issue Circulars and ASBA Circulars, all Investors desiring to make an Application in this Issue are mandatorily required to use ASBA process. Investors should carefully read the provisions applicable to such Applications before making their Application through ASBA. For details, please refer to the Paragraph titled '*Procedure for application through ASBA Process*' on page 190 of this Letter of Offer.**

The Application Form can be used by the Eligible Equity Shareholders as well as the Renounees, to make Applications in this Issue basis the Rights Entitlement credited in their respective demat accounts or demat suspense escrow account, as applicable. For further details on the Rights Entitlements and demat suspense escrow account, see '*Credit of Rights Entitlements in demat accounts of Eligible Shareholders*' on page 175 of this Letter of Offer.

Please note that one single Application Form shall be used by Investors to make Applications for all Rights Entitlements available in a particular demat account or entire respective portion of the Rights Entitlements in the demat suspense escrow account in case of resident Eligible Equity Shareholders holding shares in physical form, as applicable, as on Record Date and applying in this Issue, as applicable. In case of Investors who have provided details of demat account in accordance with the SEBI ICDR Regulations, such Investors will have to apply for the Rights Equity Shares from the same demat account in which they are holding the Rights Entitlements and in case of multiple demat accounts, the Investors are required to submit a separate Application Form for each demat account.

### **a. Procedure for application through ASBA Facility**

Investors can submit either the Application Form in physical mode to the Designated Branches of the SCSBs or online/electronic Application through the website of the SCSBs (if made available by such SCSB) authorizing the SCSB to block the Application Money in an ASBA Account maintained with the SCSB. Application through ASBA facility in electronic mode will only be available with such SCSBs who provide such facility.

Investors applying through the ASBA facility should carefully read the provisions applicable to such Applications before making their Application through the ASBA process. For details, Paragraph titled '*Procedure for application through ASBA Process*' on page 190 of this Letter of Offer.

Please note that subject to SCSBs complying with the requirements of SEBI circular bearing reference number CIR/CFD/DIL/13/2012 dated September 25, 2012, within the periods stipulated therein, Applications may be submitted at the Designated Branches of the SCSBs.

Further, in terms of the SEBI circular bearing reference number CIR/CFD/DIL/1/2013 dated January 02, 2013, it is clarified that for making Applications by SCSBs on their own account using ASBA facility, each such SCSB should have a separate account in its own name with any other SEBI registered SCSB(s). Such account shall be used solely for the purpose of making an Application in this Issue and clear demarcated funds should be available in such account for such an Application.

**Applicants should note that they should very carefully fill-in their depository account details and PAN in the Application Form or while submitting application through online/electronic Application through the website of the SCSBs (if made available by such SCSB). Please note that incorrect depository account details or PAN or Application Forms without depository account details shall be treated as incomplete and shall be rejected. For details see ‘Grounds for Technical Rejection’ beginning on page 201 of this Letter of Offer.**

**Our Company, the Registrar and the SCSBs shall not be liable for any incomplete or incorrect demat details provided by the Applicants.**

Additionally, in terms of Regulation 78 of the SEBI ICDR Regulations, Investors may choose to accept the offer to participate in this Issue by making plain paper Applications. Please note that Eligible Equity Shareholders making an application in this Issue by way of plain paper applications shall not be permitted to renounce any portion of their Rights Entitlements. For details, see *‘Application on Plain Paper under ASBA process’* on page 193 of this Letter of Offer.

#### **b. Credit of Rights Entitlements in demat accounts of Eligible Shareholders**

In accordance with Regulation 77A of the SEBI (ICDR) Regulations read with the SEBI - Rights Issue Circular, the credit of Rights Entitlements and Allotment of Rights Equity Shares shall be made in dematerialized form only.

Prior to the Issue Opening Date, our Company shall credit the Rights Entitlements to:

1. The demat accounts of the Eligible Equity Shareholders holding the Equity Shares in dematerialised form; and
2. A demat suspense escrow account (namely, *“Unclaimed Securities-Suspense Escrow Account”*) opened by our Company, for the Eligible Shareholders which would comprise Rights Entitlements relating to:
  - i. Equity Shares held in a demat suspense account pursuant to Regulation 39 of the SEBI (LODR) Regulations; or
  - ii. Equity Shares held in the account of IEPF authority; or
  - iii. The demat accounts of the Eligible Equity Shareholder which are frozen or details of which are unavailable with our Company or with the Registrar on the Record Date; or
  - iv. Credit of the Rights Entitlements returned/ reversed / failed; or
  - v. The ownership of the Equity Shares currently under dispute, including any court proceedings, as applicable; or
  - vi. Equity Shares held by Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date where details of demat accounts are not provided by Eligible Equity Shareholders to our Company;

Eligible Shareholders whose Rights Entitlements are credited in demat suspense escrow account opened by our Company as on Record Date are requested to provide relevant details (such as copies of self-attested PAN and client master sheet of demat account etc., details/ records confirming the legal and beneficial ownership of their respective Equity Shares) to the Company or the Registrar to the Issue not later than 2 (Two) Working Days prior to the Issue Closing Date, i.e., by July 12, 2024, to enable the credit of their Rights Entitlements by way of transfer from the demat suspense escrow account to their demat account at least 1 (One) day before the Issue Closing Date, to enable such Eligible Equity Shareholders to make an application in this Issue, and this communication shall serve as an intimation to such Eligible Shareholders in this regard. Such Eligible Shareholders are also requested to ensure that their demat account is active, details of which have been provided to the Company or the Registrar to the Issue, to facilitate the aforementioned transfer. Eligible Equity Shareholders holding Equity Shares in physical form can update the details of their demat accounts on the website of the Registrar (i.e. [www.cameoindia.com](http://www.cameoindia.com)). Such Eligible Equity Shareholders can make an application only after the Rights Entitlements is credited to their respective demat accounts.

In accordance with the SEBI Rights Issue Circulars, the Resident Eligible Equity Shareholders, who hold Equity Shares in physical form as on Record Date and who have not furnished the details of their demat account to the Registrar or our Company at least two Working Days prior to the Issue Closing Date i.e. July 12, 2024 shall not be eligible to make an Application for Rights Equity Shares against their Rights Entitlements with respect to the equity shares held in physical form.

Eligible Equity Shareholders can obtain the details of their Rights Entitlements from the website of the Registrar (i.e. [www.cameoindia.com](http://www.cameoindia.com)) by entering their DP ID and Client ID or Folio Number (in case of Eligible Equity Shareholders holding Equity Shares in physical form) and PAN. The link for the same shall also be available on the website of our Company (i.e. [www.gujarattoolroom.com](http://www.gujarattoolroom.com))

### **c. Procedure for Application by Eligible Shareholders holding Equity Shares in physical form**

Please note that in accordance with Regulation 77A of the SEBI (ICDR) Regulations read with the SEBI ICDR Master Circular, SEBI Rights Issue Circulars, the credit of Rights Entitlements and Allotment of Equity Shares shall be made in dematerialised form only. Accordingly, Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date and desirous of subscribing to Equity Shares in this Issue are advised to furnish the details of their demat account to our Company or Registrar at least two Working Days prior to the Issue Closing Date, to enable the credit of their Rights Entitlements in their respective demat accounts at least one day before the Issue Closing Date.

Prior to the Issue Opening Date, the Rights Entitlements of those Eligible Equity Shareholders, among others, who hold Equity Shares in physical form, and whose demat account details are not available with our Company or the Registrar, shall be credited in a demat suspense escrow account opened by our Company.

Application by such Eligible Equity Shareholders is subject to following conditions:

- The Eligible Equity Shareholders are residents;
- The Eligible Equity Shareholders are not making payment from non-resident account;
- The Eligible Equity Shareholders shall not be able to renounce their Rights Entitlements; and
- The Eligible Equity Shareholders shall receive Rights Equity Shares, in respect of their Application, only in demat mode.

*Resident Eligible Equity Shareholders, who hold Equity Shares in physical form as on Record Date and who have opened their demat accounts after the Record Date, shall adhere to following procedure for participating in this Issue:*

- (a) The Eligible Equity Shareholders shall send a letter to the Registrar containing the name(s), address, e-mail address, contact details and the details of their demat account along with copy of self-attested PAN and self-attested client master sheet of their demat account either by e-mail, post, speed post, courier, or hand delivery so as to reach to the Registrar no later than two Working Days prior to the Issue Closing Date;
- (b) The Registrar shall, after verifying the details of such demat account, transfer the Rights Entitlements of such Eligible Equity Shareholders to their demat accounts at least one day before the Issue Closing Date;
- (c) The remaining procedure for Application shall be same as set out in '*Application on Plain Paper under ASBA process*' on page 193 of this Letter of Offer.

In accordance with the SEBI ICDR Master Circular, SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020, the resident Eligible Equity Shareholders, who hold Equity Shares in physical form as on Record Date shall be required to provide their demat account details to our Company or the Registrar to the Issue for credit of Res not later than two working days prior to issue closing date, such that credit of REs in their demat account takes place at least one day before issue closing date, thereby enabling them to renounce their Rights Entitlements through Off-Market Renunciation.

Resident Eligible Equity Shareholders who hold Equity Shares in physical form as on the Record Date will not be allowed renounce their Rights Entitlements in the Issue. However, such Eligible Equity Shareholders, where the dematerialized Rights Entitlements are transferred from the suspense escrow demat account to the respective demat accounts within prescribed timelines, can apply for additional Equity Shares while submitting the Application through ASBA process.

PLEASE NOTE THAT THE ELIGIBLE EQUITY SHAREHOLDERS, WHO HOLD EQUITY SHARES IN PHYSICAL FORM AS ON RECORD DATE AND WHO HAVE NOT FURNISHED THE DETAILS OF THEIR RESPECTIVE DEMAT ACCOUNTS TO THE REGISTRAR OR OUR COMPANY AT LEAST TWO WORKING DAYS PRIOR TO THE ISSUE CLOSING DATE, SHALL NOT BE ELIGIBLE TO MAKE AN APPLICATION FOR RIGHTS EQUITY SHARES AGAINST THEIR RIGHTS ENTITLEMENTS WITH RESPECT TO THE EQUITY SHARES HELD IN PHYSICAL FORM.

#### **d. Application for Additional Equity Shares**

Investors are eligible to apply for Additional Rights Equity Shares over and above their Rights Entitlements, provided that they are eligible to apply for Equity Shares under applicable law and they have applied for all the Equity Shares forming part of their Rights Entitlements without renouncing them in whole or in part. Where the number of additional Equity Shares applied for exceeds the number available for Allotment, the Allotment would be made as per the Basis of Allotment finalised in consultation with the Designated Stock Exchange. Applications for Additional Equity Shares shall be considered and Allotment shall be made in accordance with the SEBI ICDR Regulations and in the manner as set out in '*Basis of Allotment*' beginning on page 205 of this Letter of Offer.

Eligible Equity Shareholders who renounce their Rights Entitlements cannot apply for Additional Equity Shares. Non-resident Renouncees who are not Eligible Equity Shareholders cannot apply for additional Equity Shares.

Investors to kindly note that after purchasing the Rights Entitlements through On-Market Renunciation / Off-Market Renunciation, an application has to be made for subscribing to the Rights Equity Shares. If no such Application is made by the renouncee on or before Issue Closing Date, then such Rights Entitlements will get lapsed and shall be extinguished after the Issue Closing Date and no Rights Equity

Shares for such lapsed Rights Entitlements will be credited. For procedure of Application by shareholders who have purchased the Rights Entitlement through On-Market Renunciation / Off-Market Renunciation, please refer to the heading titled '*Procedure for application through ASBA Process*' on page 190 of this Letter of Offer.

## **OTHER IMPORTANT LINKS AND HELPLINE**

The Investors can visit following links for the below-mentioned purposes:

1. Frequently asked questions and online/ electronic dedicated investor helpdesk for guidance on the Application process and resolution of difficulties faced by the Investors: [www.cameoindia.com](http://www.cameoindia.com);
2. Updation of Indian address/ e-mail address/ mobile number in the records maintained by the Registrar to the Issue or our Company [www.cameoindia.com](http://www.cameoindia.com);
3. Updation of demat account details by Eligible Equity Shareholders holding shares in physical form: [rights@cameoindia.com](mailto:rights@cameoindia.com);
4. Submission of self-attested PAN, client master sheet and demat account details by non-resident Eligible Shareholders [www.cameoindia.com](http://www.cameoindia.com);

## **RENOUNCEES**

All rights and obligations of the Eligible Shareholders in relation to Applications and refunds pertaining to this Issue shall apply to the Renouncee(s) as well.

## **AUTHORITY FOR THE ISSUE**

The Issue has been authorized by a resolution of Board of Directors of our Company passed at their meeting held on August 14, 2023, in accordance with the provisions of Section 62(1)(a) of the Companies Act, 2013.

The Board of Directors/Rights Issue Committee in their meeting held on May 23, 2024, have determined the Issue Price at ₹ 8 per Equity Share and the Rights Entitlement as 11 (Eleven) Rights Equity Share(s) for every 10 (Ten) Equity Shares held on the Record Date.

## **BASIS FOR THIS ISSUE**

The Rights Equity Shares are being offered for subscription for cash to the Eligible Equity Shareholders whose names appear as beneficial owners as per the list to be furnished by the Depositories in respect of our Equity Shares held in dematerialised form and on the register of members at the close of business hours on the Record Date.

## **RIGHTS ENTITLEMENTS**

Eligible Shareholders whose names appear as a beneficial owner in respect of the issued and paid-up Equity Shares held in dematerialised form or appears in the register of members of our Company as an Eligible Equity Shareholder in respect of our Equity Shares held in physical form, as on the Record Date, you may be entitled to subscribe to the number of Rights Equity Shares as set out in the Rights Entitlement Letter.

The Registrar will send/dispatch a Rights Entitlement Letter along with the Abridged Letter of Offer and the Application Form to all Eligible Equity Shareholders who have provided an Indian address to our Company and who are located in jurisdictions where the offer and sale of the Rights Entitlements or Rights Equity Shares is permitted under laws of such jurisdiction and does not result in and may not be construed as, a public offering in such jurisdictions, which will contain details of their Rights Entitlements based on their shareholding as on the Record Date.

Eligible Equity Shareholders can also obtain the details of their respective Rights Entitlements from the Registrar to the Issue's website at [www.cameoindia.com](http://www.cameoindia.com) by entering their DP-ID and Client-ID and PAN or Folio Number (in case of Eligible Equity Shareholders holding Equity Shares in physical form). The link for the same shall also be available on our Company's website at [www.gujarattoolroom.com](http://www.gujarattoolroom.com).

Rights Entitlements shall be credited to the respective demat accounts of Eligible Shareholders before the Issue Opening Date only in dematerialised form. If Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date, have not provided the details of their demat accounts to our Company or to the Registrar, they are required to provide their demat account details to our Company or the Registrar not later than two Working Days prior to the Issue Closing Date, to enable the credit of the Rights Entitlements by way of transfer from the demat suspense escrow account to their respective demat accounts, at least one day before the Issue Closing Date. Such Eligible Equity Shareholders holding shares in physical form can update the details of their respective demat accounts on the website of the Registrar (i.e. [www.cameoindia.com](http://www.cameoindia.com)). Such Eligible Equity Shareholders can make an application only after the Rights Entitlements is credited to their respective demat accounts, except in case of resident Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date.

Our Company is undertaking this Issue on a rights basis to the Eligible Equity Shareholders and will send/dispatched the Issue Materials only to Eligible Equity Shareholders who have provided their Indian address to our Company or who are located in jurisdictions where this Issue and sale of the Rights Entitlements or Right Shares is permitted under laws of such jurisdiction and does not result in and may not be construed as, a public offering in such jurisdictions. In case such Eligible Equity Shareholders have provided their valid e-mail address, the Issue Materials will be sent only to their valid email address and in case such Eligible Equity Shareholders have not provided their e-mail address, then the Issue Materials will be dispatched, on a reasonable effort basis, to the Indian addresses provided by them.

The Letter of Offer will also be provided to any existing Shareholder who makes a request in this regard.

The Issue Materials may also be accessed on the websites of the Registrar and our Company through a link contained in the aforementioned e-mail sent to email addresses of Eligible Equity Shareholders (provided that the Eligible Equity Shareholder is eligible to subscribe for the Rights Equity Shares under applicable securities laws) and on the Stock Exchange website. The distribution of the Issue Materials and the issue of Right Shares on a rights basis to persons in certain jurisdictions outside India is restricted by legal requirements prevailing in those jurisdictions. No action has been, or will be, taken to permit this Issue in any jurisdiction where action would be required for that purpose, except that the Letter of Offer filed with SEBI and Stock Exchange. Accordingly, the Rights Entitlements and Rights Equity Shares may not be offered or sold, directly or indirectly, and the Issue materials or advertisements in connection with this Issue may not be distributed, in any jurisdiction, except in accordance with legal requirements applicable in such jurisdiction. Receipt of the Issue Materials (including by way of electronic means) will not constitute an offer in those jurisdictions in which it would be illegal to make such an offer and, in those circumstances, the Issue Materials must be treated as sent for information only and should not be acted upon for making an Application and should not be copied or re-distributed. Accordingly, persons receiving a copy of the Issue Materials should not, in connection with the issue of the Rights Equity Shares or the Rights Entitlements, distribute or send the Issue Materials in or into any jurisdiction where to do so, would, or might, contravene local securities laws or regulations. If the Issue Materials received by any person in any such jurisdiction, or by their agent or nominee, they must not seek to make an Application or acquire the Rights Entitlements referred to in the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form. Any person who acquires Rights Entitlements or makes and Application will be deemed to have declared, warranted and agreed, by accepting the delivery of the Issue Materials that it is entitled to subscribe for the Rights Equity Shares under the laws of any jurisdiction which apply to such person.

## PRINCIPAL TERMS OF THIS ISSUE

### Face Value

Each Rights Equity Shares will be having face value of ₹ 1/- (Rupee One Only).

### Issue Price

Each Rights Equity Share is being offered at a price of ₹ 8 (Rupees Eight only) per Rights Equity Share (including a premium of ₹ 7 per Rights Equity Share) in this Issue.

The Issue Price for Rights Equity Shares has been arrived at by our Company and has been decided prior to the determination of the Record Date i.e. June 05, 2024.

### Rights Entitlements Ratio

The Rights Equity Shares are being offered on a rights basis to the Eligible Equity Shareholders in the ratio of 11 (Eleven) Rights Equity Share(s) for every 10 (Ten) Equity Share(s) held by the Eligible Shareholders as on the Record Date i.e. June 05, 2024, which will be credited in the demat account of the Applicant after the Allotment.

### Mode of Payment of Dividend

In the event of declaration of dividend, our Company shall pay dividend to the shareholders of our Company as per the provisions of the Companies Act and the provisions of the Articles of Association.

### Terms of Payment

Amount Payable Per Rights Equity Share	Face Value (₹)	Premium (₹)	Amount (₹)
On Application	1.00	7.00	8.00

Each Rights Equity Share is being offered at a price of ₹ 8/- per Rights Equity Share (including a premium of ₹ 7 per Rights Equity Share), for every 11 Rights Equity Share allotted in this Issue.

Where an Applicant has applied for additional Rights Equity Shares and is allotted a lesser number of Rights Equity Shares than applied for, the excess Application Money paid/blocked shall be refunded/unblocked. The un-blocking of ASBA funds / refund of monies shall be completed be within such period as prescribed under the SEBI (ICDR) Regulations. In the event that there is a delay in making refunds beyond such period as prescribed under applicable law, our Company shall pay the requisite interest at such rate as prescribed under applicable law.

### Renunciation of Rights Entitlements

This Issue includes a right exercisable by Eligible Shareholders to renounce the Rights Entitlements credited to their respective demat account either in full or in part.

The renunciation from non-resident Eligible Equity Shareholder(s) to resident Indian(s) and vice versa shall be subject to provisions of FEMA Rules and other circular, directions, or guidelines issued by RBI or the Ministry of Finance from time to time. However, the facility of renunciation shall not be available to or operate in favour of an Eligible Shareholders being an erstwhile OCB unless the same is in compliance with the FEMA Rules and other circular, directions, or guidelines issued by RBI or the Ministry of Finance from time to time.

The renunciation of Rights Entitlements credited in your demat account can be made either by sale of such Rights Entitlements, using the secondary market platform of the Stock Exchange or through an off-market transfer. For details, see '*Procedure for Renunciation of Rights Entitlements*' on page 191 of this Letter of Offer.

In accordance with SEBI Rights Issue circulars the Eligible Shareholders, who hold Equity Shares in physical form as on Record Date and who have not furnished the details of their demat account to the Registrar or our Company at least 2 (Two) Working Days prior to the Issue Closing Date, will not be able to renounce their Rights Entitlements.

### **Process of Credit of Rights Entitlements in dematerialized account**

In accordance with Regulation 77A of the SEBI (ICDR) Regulations read with the SEBI Issue Circulars, the credit of Rights Entitlements and Allotment of Rights Equity Shares shall be made in dematerialized form only. Prior to the Issue Opening Date, our Company shall credit the Rights Entitlements to:

- a. The demat accounts of the Eligible Shareholders holding the Equity Shares in dematerialized form; and
- b. A demat suspense escrow account (namely, "*Gujarat Toolroom Ltd Unclaimed Securities-Suspense Escrow Account*") opened by our Company, for the Eligible Shareholders which would comprise Rights Entitlements relating to:
  - i. Equity Shares held in a demat suspense account pursuant to Regulation 39 of the SEBI (LODR) Regulations; or
  - ii. Equity Shares held in the account of IEPF authority; or
  - iii. The demat accounts of the Eligible Equity Shareholder which are frozen or details of which are unavailable with our Company or with the Registrar on the Record Date; or
  - iv. Equity Shares held by Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date where details of demat accounts are not provided by Eligible Equity Shareholders to our Company or Registrar;
  - v. Credit of the Rights Entitlements returned/ reversed / failed; or
  - vi. The ownership of the Equity Shares currently under dispute, including any court proceedings, as applicable.

In this regard, our Company has made necessary arrangements with NSDL and CDSL for the crediting of the Rights Entitlements to the demat accounts of the Eligible Equity Shareholders in a dematerialized form. A Separate ISIN for the Rights Entitlements has also been generated which is INE145J20016. The said ISIN shall remain frozen (for debit) till the Issue Opening Date and shall become active on the Issue Opening Date and remain active for renunciation or transfer during the Renunciation Period. It is clarified that the Rights Entitlements shall not be available for transfer or trading post the Renunciation Period. The said ISIN shall be suspended for transfer by the Depositories post the Issue Closing Date.

Eligible Equity Shareholders whose Rights Entitlement are credited in demat suspense account, are requested to provide relevant details (such as copies of self-attested PAN and client master sheet of demat account etc., details/ records confirming the legal and beneficial ownership of their respective Equity Shares) to the Company or the Registrar not later than 2 (Two) Working Days prior to the Issue Closing Date, i.e., by July 12, 2024, to enable the credit of their Rights Entitlements by way of transfer from the demat suspense escrow account to their demat account at least 1 (One) day before the Issue Closing Date, to enable such Eligible Equity Shareholders to make an application in this Issue, and this communication shall serve as an intimation to such Eligible Shareholders in this regard. Such Eligible Shareholders are also requested to ensure that their demat account, details of which have been provided to the Company or the Registrar account is active to facilitate the aforementioned transfer.

Additionally, our Company will submit the details of the total Rights Entitlements credited to the demat accounts of the Eligible Equity Shareholders and the demat suspense escrow account to the Stock Exchange after completing the corporate action. The details of the Rights Entitlements with respect to each Eligible Shareholders can be accessed by such respective Eligible Equity Shareholders on the website of the Registrar after keying in their respective details along with other security control measures implemented thereat. Eligible Equity Shareholders holding Equity Shares in physical form can update the details of their demat accounts on the website of the Registrar (i.e. [www.cameoindia.com](http://www.cameoindia.com)). Such Eligible Equity Shareholders can make an application only after the Rights Entitlements is credited to their respective demat accounts.

**PLEASE NOTE THAT CREDIT OF THE RIGHTS ENTITLEMENTS IN THE DEMAT ACCOUNT DOES NOT, PER SE, ENTITLE THE INVESTORS TO THE RIGHTS EQUITY SHARES AND THE INVESTORS HAVE TO SUBMIT APPLICATION FOR THE RIGHTS EQUITY SHARES ON OR BEFORE THE ISSUE CLOSING DATE AND MAKE PAYMENT OF THE APPLICATION MONEY. FOR DETAILS, PLEASE REFER TO THE PARAGRAPH TITLED ‘PROCEDURE FOR APPLICATION THROUGH ASBA PROCESS’ ON PAGE 190 OF THIS LETTER OF OFFER.**

### **Fractional Entitlements**

The Rights Equity Shares are being offered on a rights basis to existing Eligible Equity Shareholders in the ratio of 11 (Eleven) Rights Equity Shares for every 10 (Ten) Equity Shares held as on the Record Date. As per SEBI Rights Issue Circulars, the fractional entitlements are to be ignored. Accordingly, if the shareholding of any of the Eligible Equity Shareholders is less than 10 (Ten) Equity Shares or is not in the multiple of 10 (Ten) Equity Shares, the fractional entitlements of such Eligible Shareholders shall be ignored by rounding down of their Rights Entitlements. However, the Eligible Equity Shareholders whose fractional entitlements are being ignored, will be given preferential consideration for the Allotment of one additional Rights Equity Share if they apply for additional Rights Equity Shares over and above their Rights Entitlements, if any, subject to availability of Rights Equity Shares in this Issue post allocation towards Rights Entitlements applied for.

For example, if an Eligible Equity Shareholder holds 15 (Fifteen) Equity Shares, such Equity Shareholder will be entitled to 16 (Sixteen) Rights Equity Share(s) and will also be given a preferential consideration for the Allotment of one additional Rights Equity Share if such Eligible Equity Shareholder has applied for additional Rights Equity Shares, over and above his/ her Rights Entitlements, subject to availability of Rights Equity Shares in this Issue post allocation towards Rights Entitlements applied for.

Further, the right entitlement is in the ratio of 11 (Eleven) Right Equity Shares for every 10 (Ten) Equity Shares held hence there is no case of ‘zero’ entitlement in this Rights issue. Even the eligible shareholder holding 1 equity share is entitled to a minimum of 1 equity share.

### **Ranking of Equity Shares**

The Rights Equity Shares to be issued and Allotted pursuant to this Issue shall be subject to the provisions of the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter, the Application Form, and the Memorandum of Association and the Articles of Association, the provisions of the Companies Act, 2013, FEMA, the SEBI (ICDR) Regulations, the SEBI (LODR) Regulations, and the guidelines, notifications and regulations issued by SEBI, the Government of India and other statutory and regulatory authorities from time to time, the terms of the Listing Agreements entered into by our Company with the Stock Exchange and the terms and conditions as stipulated in the Allotment advice.

The Rights Equity Shares being issued and allotted shall be subject to the provisions of the Memorandum of Association and Articles of Association. The Rights Equity Shares shall rank pari-passu, in all respects including dividend, with our existing Equity Shares.

The voting rights in a poll, whether present in person or by representative or by proxy shall be in proportion to the paid-up value of the Shares held, and no voting rights shall be exercisable in respect of moneys paid in advance, if any.

### **Trading of the Rights Entitlements**

In accordance with the ASBA Circulars and SEBI Rights Issue Circulars, the Rights Entitlements credited shall be admitted for trading on the BSE under ISIN INE145J20016. Prior to the Issue Opening Date, our Company will obtain the approval from the BSE for trading of Rights Entitlements. Investors shall be able to trade their Rights Entitlements either through On-Market Renunciation or through Off-Market Renunciation. The trades through On-Market Renunciation and Off-Market Renunciation will be settled by transferring the Rights Entitlements through the depository mechanism.

The On-Market Renunciation shall take place electronically on the secondary market platform of the Stock Exchange on T+2 rolling settlement basis, where T refers to the date of trading. The transactions will be settled on trade-for-trade basis. The Rights Entitlements shall be tradable in dematerialized form only. The market lot for trading of Rights Entitlements is 1 (One) Rights Entitlement.

The On-Market Renunciation shall take place only during the Renunciation Period for On-Market Renunciation, i.e., from June 14, 2024 to July 08, 2024 (both days inclusive). No assurance can be given regarding the active or sustained On-Market Renunciation or the price at which the Rights Entitlements will trade. Eligible Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renouncees on or prior to the Issue Closing Date. For details, see '*Procedure for Renunciation of Rights Entitlements – On-Market Renunciation*' and '*Procedure for Renunciation of Rights Entitlements – Off-Market Renunciation*' on page 192 and 193 respectively of this Letter of Offer.

Please note that the Rights Entitlements which are neither renounced nor subscribed by the Investors on or before the Issue Closing Date shall lapse and shall be extinguished after the Issue Closing Date.

### **Listing and trading of the Rights Equity Shares to be issued pursuant to this Issue**

Subject to receipt of the listing and trading approvals, the Rights Equity Shares proposed to be issued on a rights basis shall be listed and admitted for trading on the Stock Exchange. Unless otherwise permitted by the SEBI (ICDR) Regulations, the Rights Equity Shares Allotted pursuant to this Issue will be listed as soon as practicable and all steps for completion of necessary procedures for listing and commencement of trading in the Rights Equity Shares will be taken within such period prescribed under the SEBI (ICDR) Regulations. Our Company has received in-principle approval from the BSE through letter bearing reference number 'LOD/RIGHT/AB/FIP/1257/2023-24' dated February 19, 2024. Our Company will apply to the BSE for final approvals for the listing and trading of the Rights Equity Shares subsequent to their Allotment. No assurance can be given regarding the active or sustained trading in the Rights Equity Shares or the price at which the Rights Equity Shares offered under this Issue will trade after the listing thereof.

The Rights Equity Shares shall be listed and admitted for trading on the BSE under separate ISINs for Rights Equity Shares. The procedures for listing and trading of Rights Equity Shares shall be completed within 7 (Seven) Working Days from the date of finalization of the Basis of Allotment.

The process of corporate action for crediting the fully paid-up Rights Equity Shares to the Investors' demat accounts, may take such time as is customary or as prescribed under applicable law from the last date of payment of the amount.

The existing Equity Shares are listed and traded on BSE bearing Symbol ‘GUJTLRM’ and under ISIN **INE145J01032**. The Rights Equity Shares shall be credited to temporary ISINs which will be frozen until the receipt of the final listing/ trading approvals from the Stock Exchange. Upon receipt of such listing and trading approvals, the Rights Equity Shares shall be debited from such temporary ISINs and credited to the existing ISIN as fully paid-up Equity share of our company.

The listing and trading of the Rights Equity Shares issued pursuant to this Issue shall be based on the current regulatory framework then applicable. Accordingly, any change in the regulatory regime would affect the listing and trading schedule.

In case our Company fails to obtain listing or trading permission from the Stock Exchange, we shall refund through verifiable means/unblock the respective ASBA Accounts, the entire monies received/blocked within 4 (Four) days of receipt of intimation from the Stock Exchange, rejecting the application for listing of the Rights Equity Shares, and if any such money is not refunded/ unblocked within 4 (Four) days after our Company becomes liable to repay it, our Company and every director of our Company who is an officer -in-default shall, on and from the expiry of the eighth day, be jointly and severally liable to repay that money with interest at rates prescribed under applicable law.

### **Subscription to this Issue by our Promoter and our Promoter Group**

As on the date of Letter of Offer, our Company is a Professionally Managed Company and does not have any Identifiable Promoter. For further details, see the paragraph titled ‘*Intention and participation by the Promoter and Promoter Group*’ under the section titled ‘*Capital Structure*’ on page 60 of this Letter of Offer.

### **Rights of holders of Rights Equity Shares of our Company**

Subject to applicable laws, holders of the Rights Equity Shares shall have the following rights:

- a. The Rights Equity Shares shall rank *pari-passu* with the existing Equity Shares in all respects;
- b. The right to receive dividend, if declared;
- c. The right to vote in person, or by proxy, except in case of Rights Equity Shares credited to the demat suspense account for resident Eligible Shareholders;
- d. The right to receive surplus on liquidation;
- e. The right to free transferability of Rights Equity Shares;
- f. The right to attend general meetings of our Company and exercise voting powers in accordance with law; and
- g. Such other rights as may be available to a shareholder of a listed public Company under the Companies Act, 2013, the Memorandum of Association and the Articles of Association.

**Subject to applicable law and Articles of Association, holders of Rights Equity Shares shall be entitled to the above rights in proportion to amount paid-up on such Rights Equity Shares in this Issue.**

## **GENERAL TERMS OF THE ISSUE**

### **Market Lot**

The Rights Equity Shares of our Company shall be tradable only in dematerialized form. The market lot for the Rights Equity Shares in dematerialized mode is 1 (One) Equity Share. Further, the Rights Equity Shares shall be allotted only in dematerialised form.

## **Minimum Subscription**

Our Company is a Professionally Managed Company and does not have any Identifiable Promoter, further, the present Issue is to meet the working capital requirement of the Company and hence Regulation 86 of SEBI (ICDR) Regulations relating to minimum subscription is not applicable to this Issue.

However, in the Draft Letter of Offer dated December 22, 2023, it is confirmed that the requirement of minimum subscription is applicable to the issue, hence we hereby voluntarily opted to comply with the provisions of minimum subscription, accordingly, in terms of Regulation 86(1) of the SEBI ICDR Regulations, the requirement of minimum subscription is applicable to the Issue.

## **Joint Holders**

Where two or more persons are registered as the holders of any Equity Shares, they shall be deemed to hold the same as the joint holders with the benefit of survivorship subject to the provisions contained in our Articles of Association. In case of Equity Shares held by joint holders, the Application submitted in physical mode to the Designated Branch of the SCSBs would be required to be signed by all the joint holders (in the same order as appearing in the records of the Depository) to be considered as valid for allotment of Rights Equity Shares offered in this Issue.

## **Nomination**

Nomination facility is available in respect of the Rights Equity Shares in accordance with the provisions of the Section 72 of the Companies Act, 2013 read with Rule 19 of the Companies (Share Capital and Debenture) Rules, 2014. Since the Allotment is in dematerialized form, there is no need to make a separate nomination for the Rights Equity Shares to be allotted in this Issue. Nominations registered with the respective Depository Participants of the Investors would prevail. Any Investor holding Equity Shares in dematerialized form and desirous of changing the existing nomination is requested to inform its Depository Participant.

## **Arrangements for Disposal of Odd Lots**

The Rights Equity Shares are traded in dematerialized form only and therefore the marketable lot is 1 (One) Equity Share and hence no arrangements for disposal of odd lots are required.

## **Restrictions on transfer and transmission of shares and on their consolidation/splitting**

There are no restrictions on transfer and transmission and on their consolidation/splitting of shares issued pursuant to this Issue. However, the Investors should note that pursuant to provisions of the SEBI (LODR) Regulations, with effect from April 1, 2019, except in case of transmission or transposition of securities, the request for transfer of securities shall not be affected unless the securities are held in the dematerialized form with a depository.

## **Notices**

In accordance with the SEBI (ICDR) Regulations, SEBI Rights Issue Circulars and MCA General Circular No. 21/2020, our Company will send the Abridged Letter of Offer, the Rights Entitlement Letter, Application Form and other issue material only to the Eligible Shareholders who have provided an Indian address to our Company and who are located in jurisdictions where the offer and sale of the Rights Entitlement or Rights Equity Shares is permitted under laws of such jurisdiction and does not result in and may not be construed as, a public offering in such jurisdictions. In case the Eligible Shareholders have provided their valid e-mail address, the Issue Materials will be sent only to their valid e-mail address and in case the Eligible Shareholders

have not provided their e-mail address, then the Issue Materials will be dispatched, on a reasonable effort basis, to the Indian addresses provided by them.

The Letter of Offer will be provided by the Registrar to the Issue on behalf of our Company to the Eligible Shareholders who have provided their Indian addresses to our Company and who make a request in this regard. In case the Eligible Shareholders have provided their valid e-mail address, the Letter of Offer will be sent only to their valid e-mail address and in case the Eligible Shareholders have not provided their email address, then the Letter of Offer will be dispatched, on a reasonable effort basis, to the Indian addresses provided by them.

All notices to the Eligible Shareholders required to be given by our Company shall be published in one English language national daily newspaper with wide circulation, one Hindi language national daily newspaper with wide circulation and one Gujarati language daily newspaper with wide circulation (Gujarati being the regional language of Ahmedabad where our Registered Office is situated).

The Letter of Offer, the Abridged Letter of Offer and the Application Form shall also be submitted with the Stock Exchange for making the same available on their website.

### **OFFER TO NON-RESIDENT ELIGIBLE SHAREHOLDERS/INVESTORS**

As per Rule 7 of the FEMA Rules, the RBI has given general permission to Indian companies to issue Rights Equity Shares to non-resident shareholders including additional Rights Equity Shares. Further, as per the Master Direction on Foreign Investment in India dated January 4, 2018 issued by the RBI, non-residents may, amongst other things:

1. Subscribe for additional Equity Shares over and above their Rights Entitlements;
2. Renounce the Rights Equity Shares offered to them either in full or in part thereof in favour of a person named by them; or
3. Apply for the Equity Shares renounced in their favour.

Applications received from NRIs and non-residents for allotment of Rights Equity Shares shall be, amongst other things, subject to the conditions imposed from time to time by the RBI under FEMA in the matter of Application, refund of Application Money, Allotment of Rights Equity Shares and issue of Rights Entitlements Letters/ letters of Allotment/Allotment advice. If a non-resident or NRI Investor has specific approval from RBI, in connection with his shareholding in our Company, such person should enclose a copy of such approval with the Application details and send it to the Registrar by email on [rights@cameoindia.com](mailto:rights@cameoindia.com) or physically/postal means at the address of the Registrar mentioned on the cover page of this Letter of Offer. It will be the sole responsibility of the investors to ensure that the necessary approval from the RBI or the governmental authority is valid in order to make any investment in the Issue and our Company will not be responsible for any such allotments made by relying on such approvals.

The Abridged Letter of Offer, the Rights Entitlement Letter and Common Application Form shall be sent/dispatched to the e-mail address of non-resident Eligible Shareholders who have provided an Indian address to our Company or who are located in jurisdictions where the offer and sale of the Right Shares is permitted under laws of such jurisdictions. Investors can access the Letter of Offer, the Abridged Letter of Offer and the Application Form (provided that the Eligible Equity Shareholder is eligible to subscribe for the Right Shares under applicable securities laws) from the websites of the Registrar, our Company, the Stock Exchange. The Board of Directors may at its absolute discretion, agree to such terms and conditions as may be stipulated by the RBI while approving the Allotment. The Right Shares purchased by non-residents shall be subject to the same conditions including restrictions in regard to the repatriation as are applicable to the original Equity Shares against which Right Shares are issued on rights basis.

In case of change of status of holders, i.e., from resident to non-resident, a new demat account must be opened. Any Application from a demat account which does not reflect the accurate status of the Applicant is liable to be rejected at the sole discretion of our Company.

Please also note that pursuant to Circular No. 14 dated September 16, 2003, issued by the RBI, Overseas Corporate Bodies (*hereinafter referred to as “OCBs”*) have been derecognized as an eligible class of investors and the RBI has subsequently issued the Foreign Exchange Management (Withdrawal of General Permission to Overseas Corporate Bodies (OCBs)) Regulations, 2003. Any Investor being an OCB is required not to be under the adverse notice of the RBI and to obtain prior approval from RBI for applying in this Issue.

The non-resident Eligible Shareholders can update their Indian address in the records maintained by the Registrar through email at [rights@cameoindia.com](mailto:rights@cameoindia.com) and our Company through email at [www.gujarattoolroom.com](http://www.gujarattoolroom.com) by submitting their respective copies of self-attested proof of address, passport, etc.

## PROCEDURE FOR APPLICATION

### How to Apply

In accordance with Regulation 76 of the SEBI (ICDR) Regulations, SEBI Rights Issue Circulars and ASBA Circulars, all Investors desiring to make an Application in this Issue are mandatorily required to use ASBA process. Investors should carefully read the provisions applicable to such Applications before making their Application through ASBA.

For details of procedure for application by the resident Eligible Equity Shareholders holding Equity Shares in physical form as on the Record Date, i.e. June 05, 2024, see '*Procedure for Application by Eligible Equity Shareholders holding Equity Shares in physical form*' on page 197 of this Letter of Offer.

Our Company, its directors, its employees, affiliates, associates and their respective directors and officers and the Registrar shall not take any responsibility for acts, mistakes, errors, omissions and commissions etc. in relation to Applications accepted by SCSBs, Applications uploaded by SCSBs, Applications accepted but not uploaded by SCSBs or Applications accepted and uploaded without blocking funds in the ASBA Accounts.

### Common Application Form (CAF)/ Application Form

The Application Form for the Rights Equity Shares offered as part of this Issue would be sent to the Eligible Shareholders only to:

- a. E-mail addresses of resident Eligible Shareholders who have provided their e-mail addresses;
- b. Indian addresses of the resident Eligible Shareholders, on a reasonable effort basis, whose e-mail addresses are not available with our Company or the Eligible Shareholders have not provided the valid email address to our Company;
- c. Indian addresses of the non-resident Eligible Shareholders, on a reasonable effort basis, who have provided an Indian address to our Company; and
- d. E-mail addresses of foreign corporate or institutional shareholders.

The Application Form along with the Abridged Letter of Offer and the Rights Entitlement Letter shall be sent through email or physical delivery, as applicable, at least 3 (Three) days before the Issue Opening Date.

In case of non-resident Eligible Shareholders, the Application Form along with the Abridged Letter of Offer and the Rights Entitlement Letter shall be sent through e-mail address if they have provided an Indian address to our Company or who are located in jurisdictions where the offer and sale of the Rights Equity Shares is permitted under laws of such jurisdictions.

**Please note that neither our Company nor the Registrar shall be responsible for delay in the receipt of the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form attributable to non-availability of the e-mail addresses of Eligible Shareholders or electronic transmission delays or failures, or if the Application Forms or the Rights Entitlement Letters are delayed or misplaced in the transit or there is a delay in physical delivery (where applicable).**

To update the respective e-mail addresses/ mobile numbers in the records maintained by the Registrar or our Company, Eligible Shareholders should visit [www.cameoindia.com](http://www.cameoindia.com). Investors can access the Letter of Offer, the Abridged Letter of Offer and the Application Form (provided that the Eligible Equity Shareholder is eligible to subscribe for the Rights Equity Shares under applicable securities laws) from the websites of:

- Our Company's website at [www.gujarattoolroom.com](http://www.gujarattoolroom.com);
- Registrar to the Issue's website at [www.cameoindia.com](http://www.cameoindia.com) / <https://rights.cameoindia.com/gtl>;
- BSE website at [www.bseindia.com](http://www.bseindia.com);

The Eligible Shareholders can obtain the details of their respective Rights Entitlements from the website of the Registrar at [www.cameoindia.com](http://www.cameoindia.com) by entering their DP-ID and Client-ID and PAN.

The Application Form can be used by the Eligible Shareholders as well as the Renounees, to make Applications in this Issue on the basis of the Rights Entitlements credited in their respective demat accounts or demat suspense escrow account, as applicable. Please note that one single Application Form shall be used by the Investors to make Applications for all Rights Entitlements available in a particular demat account or entire respective portion of the Rights Entitlements in the demat suspense escrow account in case of resident Eligible Shareholders applying in this Issue, as applicable.

In case of Investors who have provided details of demat account in accordance with the SEBI (ICDR) Regulations, such Investors will have to apply for the Rights Equity Shares from the same demat account in which they are holding the Rights Entitlements and in case of multiple demat accounts, the Investors are required to submit a separate Application Form for each demat account.

Investors may accept this Issue and apply for the Rights Equity Shares by:

- a. Submitting the Application Form to the Designated Branch of the SCSB or online/electronic Application through the website of the SCSBs (if made available by such SCSB) for authorizing such SCSB to block Application Money payable on the Application in their respective ASBA Accounts, or
- b. Please note that Applications made with payment using third party bank accounts are liable to be rejected.

Investors are also advised to ensure that the Application Form is correctly filled up stating therein the ASBA Account (in case of Application through ASBA process) in which an amount equivalent to the amount payable on Application as stated in the Application Form will be blocked by the SCSB.

**Please note that Applications without depository account details shall be treated as incomplete and shall be rejected.**

**Applicants should note that they should very carefully fill-in their depository account details and PAN number in the Application Form or while submitting application through online/electronic Application through the website of the SCSBs (if made available by such SCSB). Incorrect depository account details or PAN number could lead to rejection of the Application. For details see ‘Grounds for Technical Rejection’ on page 201. Our Company, the Registrar and the SCSB shall not be liable for any incorrect demat details provided by the Applicants.**

Additionally, in terms of Regulation 78 of the SEBI (ICDR) Regulations, Investors may choose to accept the offer to participate in this Issue by making an Application that is available on the website of the Registrar and BSE or on a plain paper with the same details as per the Application Form available online. Please note that Eligible Shareholders making an application in this Issue by way of plain paper applications shall not be permitted to renounce any portion of their Rights Entitlements. For details, see ‘*Application on Plain Paper under ASBA process*’ on page 193 of this Letter of Offer.

## **OPTIONS AVAILABLE TO THE ELIGIBLE SHAREHOLDERS**

The Rights Entitlement Letter will clearly indicate the number of Rights Equity Shares that the Eligible Equity Shareholder is entitled to.

If the Eligible Equity Shareholder applies in this Issue, then such Eligible Equity Shareholder can:

1. Apply for its Rights Equity Shares to the full extent of its Rights Entitlements; or
2. Apply for its Rights Equity Shares to the extent of part of its Rights Entitlements (without renouncing the other part); or

3. Apply for Rights Equity Shares to the extent of part of its Rights Entitlements and renounce the other part of its Rights Entitlements; or
4. Apply for its Rights Equity Shares to the full extent of its Rights Entitlements and apply for additional Rights Equity Shares; or
5. Renounce its Rights Entitlements in full.

In accordance with the SEBI ICDR Master Circular, the resident Eligible Equity Shareholders, who hold Equity Shares in physical form as on Record Date and who have furnished the details of their demat account to the Registrar or our Company at least two Working Days prior to the Issue Closing Date i.e. July 12, 2024, desirous of subscribing to Rights Equity Shares may also apply in this Issue during the Issue Period through ASBA mode. Such resident Eligible Equity Shareholders must check the procedure for Application in ***'Procedure for Application by Eligible Equity Shareholders holding Equity Shares in physical form'*** beginning on page 197 of this Letter of Offer

## **PROCEDURE FOR APPLICATION THROUGH THE ASBA PROCESS**

An investor, wishing to participate in this Issue through the ASBA facility, is required to have an ASBA enabled bank account with an SCSB, prior to making the Application. Investors desiring to make an Application in this Issue through ASBA process, may submit the Application Form to the Designated Branch of the SCSB or online/electronic Application through the website of the SCSBs (if made available by such SCSB) for authorizing such SCSB to block Application Money payable on the Application in their respective ASBA Accounts.

Investors should ensure that they have correctly submitted the Application Form, or have otherwise provided an authorization to the SCSB, via the electronic mode, for blocking funds in the ASBA Account equivalent to the Application Money mentioned in the Application Form, as the case may be, at the time of submission of the Application.

### **Self-Certified Syndicate Banks**

For the list of banks which have been notified by SEBI to act as SCSBs for the ASBA process, please refer to <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34>. For details on Designated Branches of SCSBs collecting the Application Form, please refer the above-mentioned link.

Please note that subject to SCSBs complying with the requirements of SEBI Circular bearing reference number 'CIR/CFD/DIL/13/2012' dated September 25, 2012 within the periods stipulated therein, ASBA Applications may be submitted at the Designated Branches of the SCSBs, in case of Applications made through ASBA facility.

Our Company, its directors, employees, affiliates, associates and their respective directors and officers, and the Registrar shall not take any responsibility for acts, mistakes, errors, omissions, and commissions etc., in relation to Applications accepted by SCSBs, Applications uploaded by SCSBs, Applications accepted but not uploaded by SCSBs or Applications accepted and uploaded without blocking funds in the ASBA Accounts.

Investors applying through the ASBA facility should carefully read the provisions applicable to such Applications before making their Application through the ASBA process.

## **ACCEPTANCE OF THIS ISSUE**

Investors may accept this Issue and apply for the Rights Equity Shares by submitting the Application Form to the Designated Branch of the SCSB or online/electronic Application through the website of the SCSBs (if

made available by such SCSB) for authorizing such SCSB to block Application Money payable on the Application in their respective ASBA Accounts.

Please note that on the Issue Closing Date Applications through ASBA process will be uploaded until 5.00 p.m. (Indian Standard Time) or such extended time as permitted by the Stock Exchange, and

**Applications submitted to anyone other than the Designated Branches of the SCSB are liable to be rejected.**

Investors can also make Application on plain paper under ASBA process mentioning all necessary details as mentioned under the section '*Application on Plain Paper under ASBA processes*' on page 193 of this Letter of Offer.

## **ADDITIONAL RIGHTS EQUITY SHARES**

Investors are eligible to apply for additional Rights Equity Shares over and above their Rights Entitlements, provided that they are eligible to apply for Rights Equity Shares under applicable law and they have applied for all the Rights Equity Shares forming part of their Rights Entitlements without renouncing them in whole or in part. The Rights Entitlements comprise of 1 Rights Equity Share. Where the number of additional Rights Equity Shares applied for exceeds the number available for Allotment, the Allotment would be made as per the Basis of Allotment finalized in consultation with the Designated Stock Exchange. Applications for additional Rights Equity Shares shall be considered and Allotment shall be made in accordance with the SEBI (ICDR) Regulations and in the manner prescribed under the section '*Basis of Allotment*' on page 205 of this Letter of Offer.

**Eligible Shareholders who renounce their Rights Entitlements part or full cannot apply for additional Rights Equity Shares.**

Non-resident Renounees who are not Eligible Equity Shareholders cannot apply for additional Rights Equity Shares.

Investors to kindly note that after purchasing the Rights Entitlements through On Market Renunciation/ Off Market Renunciation, an Application has to be made for subscribing to the Rights Equity Shares. If no such Application is made by the renounee on or before Issue Closing Date, then such Rights Entitlements will get lapsed and shall be extinguished after the Issue Closing Date and no Rights Equity Shares for such lapsed Rights Entitlements will be credited. For procedure of Application by shareholders who have purchased the Right Entitlement through On Market Renunciation/ Off Market Renunciation, please refer to the heading titled "Procedure for Application through the ASBA process" on page 172 of the Letter of Offer.

Resident Eligible Equity Shareholders who hold Equity Shares in physical form as on the Record Date cannot renounce until the details of their demat account are provided to our Company or the Registrar and the dematerialized Rights Entitlements are transferred from suspense escrow demat account to the respective demat accounts of such Eligible Equity Shareholders within prescribed timelines. However, such Eligible Equity Shareholders, where the dematerialized Rights Entitlements are transferred from the suspense escrow demat account to the respective demat accounts within prescribed timelines, can apply for additional Rights Equity Shares while submitting the Application through ASBA process.

## **PROCEDURE FOR RENUNCIATION OF RIGHTS ENTITLEMENTS**

The Eligible Equity Shareholders may renounce the Rights Entitlements, credited to their respective demat accounts, either in full or in part (a) by using the secondary market platform of the Stock Exchange; or (b) through an off -market transfer, during the Renunciation Period. Such renunciation shall result in

renouncement of the Rights Equity Shares. The Investors should have the demat Rights Entitlements credited/lying in his/her own demat account prior to the renunciation. The trades through On-Market Renunciation and Off-Market Renunciation will be settled by transferring the Rights Entitlements through the depository mechanism.

In accordance with the SEBI ICDR Master Circular, the resident Eligible Equity Shareholders, who hold Equity Shares in physical form as on Record Date shall be required to provide their demat account details to our Company or the Registrar to the Issue for credit of REs not later than two working days prior to issue closing date, such that credit of REs in their demat account takes place at least one day before issue closing date, thereby enabling them to renounce their Rights Entitlements through Off-Market Renunciation.

Investors may be subject to adverse foreign, state or local tax or legal consequences as a result of trading in the Rights Entitlements. Investors who intend to trade in the Rights Entitlements should consult their tax advisor or stock broker regarding any cost, applicable taxes, charges and expenses (including brokerage) that may be levied for trading in Rights Entitlements.

**OUR COMPANY ACCEPT NO RESPONSIBILITY TO BEAR OR PAY ANY COST, APPLICABLE TAXES, CHARGES, AND EXPENSES (INCLUDING BROKERAGE), AND SUCH COSTS WILL BE INCURRED SOLELY BY THE INVESTORS.**

**PLEASE NOTE THAT THE RIGHTS ENTITLEMENTS WHICH ARE NEITHER RENOUNCED NOR SUBSCRIBED BY THE INVESTORS ON OR BEFORE THE ISSUE CLOSING DATE SHALL LAPSE AND SHALL BE EXTINGUISHED AFTER THE ISSUE CLOSING DATE.**

#### **On-Market Renunciation**

The Eligible Equity Shareholders may renounce the Rights Entitlements, credited to their respective demat accounts by trading/selling them on the secondary market platform of the BSE through a registered stock broker in the same manner as the existing Equity Shares of our Company.

In this regard, in terms of provisions of the SEBI (ICDR) Regulations, the SEBI ICDR Master Circular and the SEBI Rights Issue Circulars, the Rights Entitlements credited to the respective demat accounts of the Eligible Shareholders shall be admitted for trading on the Stock Exchange under the ISIN subject to requisite approvals. Prior to the Issue Opening Date, our Company will obtain the approval from the Stock Exchanges for trading of Rights Entitlement. No assurance can be given regarding the active or sustained On-Market Renunciation or the price at which the Rights Entitlements will trade. The details for trading in Rights Entitlements will be as specified by the Stock Exchanges from time to time.

The Rights Entitlements are tradable in dematerialized form only. The market lot for trading of Rights Entitlements is one Rights Entitlements.

The On-Market Renunciation shall take place only during the Renunciation Period for On-Market Renunciation, i.e., from June 14, 2024 to July 08, 2024 (both days inclusive).

The Investors holding the Rights Entitlements who desire to sell their Rights Entitlements will have to do so through their registered stock brokers by quoting the ISIN INE145J20016 (for Rights Entitlement) that shall be allotted for the Rights Entitlement and indicating the details of the Rights Entitlements they intend to sell. The Investors can place order for sale of Rights Entitlements only to the extent of Rights Entitlements available in their demat account.

The On-Market Renunciation shall take place electronically on secondary market platform of Stock Exchange under automatic order matching mechanism and on 'T+2 rolling settlement bases, where 'T' refers to the date

of trading. The transactions will be settled on trade-for-trade basis. Upon execution of the order, the stock broker will issue a contract note in accordance with the requirements of the Stock Exchange and the SEBI.

### **Off-Market Renunciation**

The Investors may renounce the Rights Entitlements, credited to their respective demat accounts by way of an off-market transfer through a depository participant. The Rights Entitlements can be transferred in dematerialized form only.

Eligible Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renounees on or prior to the Issue Closing Date.

The Shareholders holding the Rights Entitlements who desire to transfer their Rights Entitlements will have to do so through their depository participant by issuing a delivery instruction slip quoting the ISIN INE145J20016 (for Rights Entitlement) that shall be allotted for the Rights Entitlement, the details of the buyer and the details of the Rights Entitlements they intend to transfer. The buyer of the Rights Entitlements (unless already having given a standing receipt instruction) has to issue a receipt instruction slip to their depository participant. The Investors can transfer Rights Entitlements only to the extent of Rights Entitlements available in their demat account.

The instructions for transfer of Rights Entitlements can be issued during the working hours of the depository participants.

The detailed rules for transfer of Rights Entitlements through off-market transfer shall be as specified by the NSDL and CDSL from time to time.

### **APPLICATION ON PLAIN PAPER UNDER ASBA PROCESS**

An Eligible Equity Shareholder who is eligible to apply under the ASBA process may make an Application to subscribe to this Issue on plain paper, in case of non-receipt of Common Application Form through e-mail or physical delivery (where applicable) and the Eligible Equity Shareholder not being in a position to obtain it from any other source. An Eligible Equity Shareholder shall submit the plain paper Application to the Designated Branch of the SCSB for authorizing such SCSB to block Application Money in the said bank account maintained with the same SCSB.

### **Applications on plain paper will not be accepted from any address outside India**

Applications on plain paper will not be accepted from any address outside India. Please note that the Eligible Shareholders who are making the Application on plain paper shall not be entitled to renounce their Rights Entitlements and should not utilize the Application Form for any purpose including renunciation even if it is received subsequently.

### **APPLICATION ON PLAIN PAPER**

The application on plain paper, duly signed by the Eligible Equity Shareholder including joint holders, in the same order and as per specimen recorded with his bank, must reach the office of the Designated Branch of the SCSB before the Issue Closing Date and should contain the following particulars:

- Name of our Company, being '*Gujarat Toolroom Limited*';
- Name and address of the Eligible Equity Shareholder including joint holders (in the same order and as per specimen recorded with our Company or the Depository);
- Registered Folio No./DP and Client ID No.;

- Number of Equity Shares held as on Record Date;
- Allotment option – only dematerialized form;
- Number of Rights Equity Shares entitled to;
- Total number of Rights Equity Shares applied for;
- Number of additional Rights Equity Shares applied for, if any;
- Total number of Rights Equity Shares applied for;
- Total amount paid at the rate of ₹ 8/- for Rights Equity Shares issued in one Rights Entitlement;
- Details of the ASBA Account such as the account number, name, address and branch of the relevant SCSB;
- In case of non-resident Eligible Shareholders making an application with an Indian address, details of the NRE/FCNR/NRO Account such as the account number, name, address, branch of the SCSB with which the account is maintained and a copy of the RBI approval obtained pursuant to Rule 7 of the FEMA Rules.
- Except for Applications on behalf of the Central or State Government, the residents of Sikkim and the officials appointed by the courts, PAN of the Eligible Equity Shareholder and for each Eligible Equity Shareholder in case of joint names, irrespective of the total value of the Rights Equity Shares applied for pursuant to this Issue;
- Authorization to the Designated Branch of the SCSB to block an amount equivalent to the Application Money in the ASBA Account;
- Signature of the Eligible Equity Shareholder (in case of joint holders, to appear in the same sequence and order as they appear in the records of the SCSB); and
- In addition, all such Eligible Shareholders are deemed to have accepted the following:

*“I/ We understand that neither the Rights Entitlement nor the Equity Shares have been, or will be, registered under the United States Securities Act of 1933, as amended (the “US Securities Act”) or any United States state securities laws, and may not be offered, sold, resold or otherwise transferred within the United States or to the territories or possessions thereof (the “United States”) except in a transaction exempt from, or not subject to, the registration requirements of the US Securities Act. I/ we understand the offering to which this application relates is not, and under no circumstances is to be construed as, an offering of any Equity Shares or Rights Entitlement for sale in the United States, or as a solicitation therein of an offer to buy any of the said Equity Shares or Rights Entitlement in the United States. Accordingly, I/ we understand that this application should not be forwarded to or transmitted in or to the United States at any time. I/ we understand that none of the Company, the Registrar or any other person acting on behalf of the Company will accept subscriptions from any person, or the agent of any person, who appears to be, or who we, the Registrar or any other person acting on behalf of the Company has reason to believe is in the United States, or if such person is outside India and the United States, such person is not a corporate shareholder, or is ineligible to participate in the Issue under the securities laws of their jurisdiction. I/ We will not offer, sell or otherwise transfer any of the Equity Shares which may be acquired by us in any jurisdiction or under any circumstances in which such offer or sale is not authorized or to any person to whom it is unlawful to make such offer, sale or invitation except under circumstances that will result in compliance with any applicable laws or regulations. We satisfy, and each account for which we are acting satisfies, all suitability standards for investors in investments of the type subscribed for herein imposed by the jurisdiction of our residence.*

*I/ We understand and agree that the Rights Entitlement and Equity Shares may not be reoffered, resold, pledged or otherwise transferred except in an offshore transaction in compliance with Regulation S under the US Securities Act (hereinafter referred to as “**Regulation S**”), or otherwise pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act. I/We (i) am/are, and the person, if any, for whose account I/we am/are acquiring such Rights Entitlement, and/or the Equity Shares, is/are outside the United States, and (ii) is/are acquiring the Rights Entitlement and/or the Equity Shares in an offshore transaction meeting the requirements of Regulation S.*

*I/ We acknowledge that the Company, their affiliates and others will rely upon the truth and accuracy of the foregoing representations and agreements.” In cases where multiple Application Forms are submitted for Applications pertaining to Rights Entitlements credited to the same demat account or in demat suspense escrow account, including cases where an Investor submits Application Forms along with a plain paper Application, such Applications shall be liable to be rejected. Investors are requested to strictly adhere to these instructions. Failure to do so could result in an application being rejected, with our Company and the Registrar not having any liability to the Investor. The plain paper Application format will be available on the website of the Registrar at <https://rights.cameoindia.com/gtl>.*

*I/ We acknowledge that Our Company and the Registrar shall not be responsible if the Applications are not uploaded by SCSB or funds are not blocked in the Investors’ ASBA Accounts on or before the Issue Closing Date.”*

In cases where multiple Common Application Forms are submitted for Applications pertaining to Rights Entitlements credited to the same demat account or in demat suspense escrow account, including cases where an Investor submits Common Application Forms along with a plain paper Application, such Applications shall be liable to be rejected.

Investors are requested to strictly adhere to these instructions. Failure to do so could result in an Application being rejected, with our Company, and the Registrar not having any liability to the Investor.

Our Company, and the Registrar shall not be responsible if the Applications are not uploaded by SCSB or funds are not blocked in the Investors’ ASBA Accounts on or before the Issue Closing Date.

## **MODE OF PAYMENT**

All payments against the Application Forms shall be made only through ASBA facility.

The Registrar will not accept any payments against the Application Forms, if such payments are not made through ASBA facility.

In case of Application through ASBA facility, the Investor agrees to block the entire amount payable on Application with the submission of the Application Form, by authorizing the SCSB to block an amount, equivalent to the amount payable on Application, in the Investor’s ASBA Account.

After verifying that sufficient funds are available in the ASBA Account, details of which are provided in the Application Form, the SCSB shall block an amount equivalent to the Application Money mentioned in the Application Form until the Transfer Date. On the Transfer Date, upon receipt of intimation from the Registrar, pursuant to the finalization of the Basis of Allotment as approved by the Designated Stock Exchange, the SCSBs shall transfer such amount as per the Registrar’s instruction from the ASBA Account into the Allotment Account which shall be a separate bank account maintained by our Company, other than the bank account referred to in sub-section (3) of Section 40 of the Companies Act, 2013. The balance amount remaining after the finalization of the Basis of Allotment on the Transfer Date shall be unblocked by the SCSBs on the basis of the instructions issued in this regard by the Registrar to the respective SCSB.

The Investors would be required to give instructions to the respective SCSBs to block the entire amount payable on their application at the time of the submission of the Application Form.

The SCSB may reject the application at the time of acceptance of Application Form if the ASBA Account, details of which have been provided by the Investor in the Application Form does not have sufficient funds equivalent to the amount payable on Application mentioned in the Application Form. After the acceptance of

the Application by the SCSB, our Company would have a right to reject the Application on technical grounds as set forth hereinafter.

Instructions issued in this regard by the Registrar to the respective SCSB.

## **1. Mode of payment for Resident Investors**

All payments on the Application Forms shall be made only through ASBA facility. Applicants are requested to strictly adhere to these instructions.

## **2. Mode of payment for non-resident Investors**

As regards the Application by non-resident Investors, the following conditions shall apply:

- a. Individual non-resident Indian Applicants who are permitted to subscribe to Right Shares by applicable local securities laws can obtain Application Forms on the websites of the Registrar and our Company;

*Note: In case of non-resident Eligible Shareholders, the Abridged Letter of Offer, the Rights Entitlement Letter and the Application Form shall be sent to (i) the Indian addresses of the non-resident Eligible Shareholders, on a reasonable effort basis, who have provided an Indian address to our Company; and (ii) the e-mail addresses of the foreign corporate or institutional shareholders.*

*The Letter of Offer will be provided by the Registrar on behalf of our Company to the Eligible Shareholders at (i) the Indian addresses of the non-resident Eligible Shareholders, on a reasonable effort basis, who have provided an Indian address to our Company; and (ii) the e-mail addresses of the foreign corporate or institutional shareholders, in each case who make a request in this regard.*

- b. Application Forms will not be accepted from non-resident Investors in any jurisdiction where the offer or sale of the Rights Entitlements and Rights Equity Shares may be restricted by applicable securities laws;
- c. Payment by non-residents must be made only through ASBA facility and using permissible accounts in accordance with FEMA, FEMA Rules and requirements prescribed by the RBI;

### **Notes**

- i. In case where repatriation benefit is available, interest, dividend, sales proceeds derived from the investment in Rights Equity Shares can be remitted outside India, subject to tax, as applicable according to the Income-tax Act;
- ii. In case Rights Equity Shares are allotted on a non-repatriation basis, the dividend and sale proceeds of the Rights Equity Shares cannot be remitted outside India;
- iii. In case of an Application Form received from non-residents, Allotment, refunds and other distribution, if any, will be made in accordance with the guidelines and rules prescribed by the RBI as applicable at the time of making such Allotment, remittance and subject to necessary approvals;
- iv. Application Forms received from non-residents/ NRIs, or persons of Indian origin residing abroad for Allotment of Rights Equity Shares shall, amongst other things, be subject to conditions, as may be imposed from time to time by RBI under FEMA, in respect of matters including Refund of Application Money and Allotment;

- v. In the case of NRIs who remit their Application Money from funds held in FCNR/NRE Accounts, refunds and other disbursements, if any shall be credited to such account;

Non-resident Renounces who are not Eligible Shareholders must submit regulatory approval for applying for additional Rights Equity Shares;

## **APPLICATION BY ELIGIBLE SHAREHOLDERS HOLDING EQUITY SHARES IN PHYSICAL FORM**

Please note that in accordance with Regulation 77A of the SEBI (ICDR) Regulations read with the SEBI Rights Issue Circulars, the credit of Rights Entitlements and Allotment of Rights Equity Shares shall be made in dematerialized form only. Accordingly, Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date and desirous of subscribing to Rights Equity Shares in this Issue are advised to furnish the details of their demat account to the Registrar or our Company at least 2 (Two) Working Days prior to the Issue Closing Date, to enable the credit of their Rights Entitlements in their respective demat accounts at least one day before the Issue Closing Date.

Prior to the Issue Opening Date, the Rights Entitlements of those resident Eligible Equity Shareholders, among others, who hold Equity Shares in physical form, and whose demat account details are not available with our Company or the Registrar, shall be credited in a demat suspense escrow account opened by our Company. In the event, the relevant details of the demat accounts of such Eligible Equity Shareholders are not received during the Issue Period, then their Rights Entitlements kept in the suspense escrow demat account shall lapse.

To update respective email addresses/ mobile numbers in the records maintained by the Registrar or our Company, Eligible Equity Shareholders should visit <https://rights.cameoindia.com/gtl>.

## **PROCEDURE FOR APPLICATION BY ELIGIBLE EQUITY SHAREHOLDERS HOLDING EQUITY SHARES IN PHYSICAL FORM**

Eligible Equity Shareholders, who hold Equity Shares in physical form as on Record Date and who have opened their demat accounts after the Record Date, shall adhere to following procedure for participating in this Issue:

- a. The Eligible Equity Shareholders shall send a letter to the Registrar containing the name(s), address, email address, contact details and the details of their demat account along with copy of self-attested PAN and self-attested client master sheet of their demat account either by email, post, speed post, courier, or hand delivery so as to reach to the Registrar no later than 2 (Two) Working Days prior to the Issue Closing Date;
- b. The Registrar shall, after verifying the details of such demat account, transfer the Rights Entitlements of such Eligible Equity Shareholders to their demat accounts at least 1 (One) day before the Issue Closing Date;
- c. The Eligible Equity Shareholders can access the Application Form from:
  - Our Company's website at [www.gujarattoolroom.com](http://www.gujarattoolroom.com);
  - Registrar to the Issue's website at [www.cameoindia.com](http://www.cameoindia.com) / <https://rights.cameoindia.com/gtl>;
  - BSE's website at [www.bseindia.com](http://www.bseindia.com);

The Eligible Shareholders can obtain the details of their respective Rights Entitlements from the website of the Registrar at [www.cameoindia.com](http://www.cameoindia.com) by entering their DP-ID and Client-ID and PAN. The link for the same shall also be available on the website of our Company at [www.gujarattoolroom.com](http://www.gujarattoolroom.com).

- d. The Eligible Equity Shareholders shall, on or before the Issue Closing Date (i) submit the Application Form to the Designated Branch of the SCSB or online/electronic Application through the website of the SCSBs (if made available by such SCSB) for authorising such SCSB to block Application Money payable on the Application in their respective ASBA Accounts.

**PLEASE NOTE THAT NON-RESIDENT ELIGIBLE EQUITY SHAREHOLDERS, WHO HOLD EQUITY SHARES IN PHYSICAL FORM AS ON RECORD DATE AND WHO HAVE NOT FURNISHED THE DETAILS OF THEIR RESPECTIVE DEMAT ACCOUNTS TO THE REGISTRAR OR OUR COMPANY AT LEAST TWO WORKING DAYS PRIOR TO THE ISSUE CLOSING DATE, SHALL NOT BE ELIGIBLE TO MAKE AN APPLICATION FOR RIGHTS EQUITY SHARES AGAINST THEIR RIGHTS ENTITLEMENTS WITH RESPECT TO THE EQUITY SHARES HELD IN PHYSICAL FORM.**

#### **ALLOTMENT OF THE RIGHTS EQUITY SHARES IN DEMATERIALIZED FORM**

**PLEASE NOTE THAT THE RIGHTS EQUITY SHARES APPLIED FOR IN THIS ISSUE CAN BE ALLOTTED ONLY IN DEMATERIALIZED FORM AND TO THE SAME DEPOSITORY ACCOUNT IN WHICH OUR EQUITY SHARES ARE HELD BY SUCH INVESTOR ON THE RECORD DATE. FOR DETAILS, SEE '*ALLOTMENT ADVICE OR REFUND/ UNBLOCKING OF ASBA ACCOUNTS*' ON PAGE 206 OF THIS LETTER OF OFFER.**

#### **GENERAL INSTRUCTIONS FOR INVESTORS**

1. Please read this Letter of Offer carefully to understand the Application process and applicable settlement process;
2. Please read the instructions on the Application Form sent to you;
3. The Application Form can be used by both the Eligible Shareholders and the Renouncees;
4. Application should be made only through the ASBA facility.
5. Application should be complete in all respects. The Application Form found incomplete with regard to any of the particulars required to be given therein, and/or which are not completed in conformity with the terms of the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter and the Application Form are liable to be rejected. The Application Form must be filled in English;
6. In case of non-receipt of Application Form, Application can be made on plain paper mentioning all necessary details as mentioned under the section '*Application on Plain Paper under ASBA process*' on page 193 of this Letter of Offer;
7. In accordance with Regulation 76 of the SEBI (ICDR) Regulations, SEBI Rights Issue Circulars and ASBA Circulars, all Investors desiring to make an Application in this Issue are mandatorily required to use the ASBA process. Investors should carefully read the provisions applicable to such Applications before making their Application through ASBA;

8. An Investor, wishing to participate in this Issue through the ASBA facility, is required to have an ASBA enabled bank account with an SCSB, prior to making the Application.
9. Applications should be (i) submitted to the Designated Branch of the SCSB or made online/electronic through the website of the SCSBs (if made available by such SCSB) for authorizing such SCSB to block Application Money payable on the Application in their respective ASBA Accounts. Please note that on the Issue Closing Date, (i) Applications through ASBA process will be uploaded until 5.00 p.m. (Indian Standard Time) or such extended time as permitted by the Stock Exchange;
10. Applications should not be submitted to the Bankers to the Issue or Escrow Collection Bank (assuming that such Escrow Collection Bank is not an SCSB), our Company or the Registrar;
11. In case of Application through ASBA facility, Investors are required to provide necessary details, including details of the ASBA Account, authorization to the SCSB to block an amount equal to the Application Money in the ASBA Account mentioned in the Application Form;
12. All Applicants, and in the case of Application in joint names, each of the joint Applicants, should mention their PAN allotted under the Income-tax Act, irrespective of the amount of the Application. Except for Applications on behalf of the Central or the State Government, the residents of Sikkim and the officials appointed by the courts, Applications without PAN will be considered incomplete and are liable to be rejected. With effect from August 16, 2010, the demat accounts for Investors for which PAN details have not been verified shall be “suspended for credit” and no Allotment and credit of Rights Equity Shares pursuant to this Issue shall be made into the accounts of such Investors. Further, in case of Application in joint names, each of the joint Applicants should sign the Application Form;
13. In case of Application through ASBA facility, all payments will be made only by blocking the amount in the ASBA Account. Cash payment or payment by cheque or demand draft or pay order or NEFT or RTGS or through any other mode is not acceptable for application through ASBA process. In case payment is made in contravention of this, the Application will be deemed invalid and the Application Money will be refunded and no interest will be paid thereon;
14. For physical Applications through ASBA at Designated Branches of SCSB, signatures should be either in English or Hindi or in any other language specified in the Eighth Schedule to the Constitution of India. Signatures other than in any such language or thumb impression must be attested by a Notary Public or a Special Executive Magistrate under his/her official seal. The Investors must sign the Application as per the specimen signature recorded with the SCSB;
15. In case of joint holders and physical Applications through ASBA process, all joint holders must sign the relevant part of the Application Form in the same order and as per the specimen signature(s) recorded with the SCSB. In case of joint Applicants, reference, if any, will be made in the first Applicant’s name and all communication will be addressed to the first Applicant;
16. All communication in connection with Application for the Rights Equity Shares, including any change in address of the Eligible Shareholders should be addressed to the Registrar prior to the date of Allotment in this Issue quoting the name of the first/sole Applicant, folio numbers/DP ID and Client ID and Application Form number, as applicable; In case of any change in address of the Eligible Shareholders, the Eligible Shareholders should also send the intimation for such change to the respective depository participant, or to our Company or the Registrar;
17. Please note that subject to SCSBs complying with the requirements of SEBI Circular bearing reference number ‘CIR/CFD/DIL/13/2012 dated September 25, 2012’ within the periods stipulated therein, Applications made through ASBA facility may be submitted at the Designated Branches of the SCSBs.

Application through ASBA facility in electronic mode will only be available with such SCSBs who provide such facility;

18. In terms of the SEBI circular CIR/CFD/DIL/1/2013 dated January 02, 2013, it is clarified that for making applications by banks on their own account using ASBA facility, SCSBs should have a separate account in own name with any other SEBI registered SCSB(s). Such account shall be used solely for the purpose of making application in public/ rights issues and clear demarcated funds should be available in such account for ASBA applications;
19. Investors are required to ensure that the number of Rights Equity Shares applied for by them do not exceed the prescribed limits under the applicable law;
20. An Applicant being an OCB is required not to be under the adverse notice of the RBI and must submit approval from RBI for applying in this Issue;

***Do's:***

1. Ensure that the Application Form and necessary details are filled in. In place of Application number, Investors can mention the reference number of the e-mail received from Registrar informing about their Rights Entitlement or last eight digits of the demat account. Alternatively, SCSBs may mention their internal reference number in place of application number;
2. Except for Application submitted on behalf of the Central or the State Government, residents of Sikkim and the officials appointed by the courts, each Applicant should mention their PAN allotted under the Income-tax Act;
3. Ensure that the demographic details such as address, PAN, DP ID, Client ID, bank account details and occupation ("*Demographic Details*") are updated, true and correct, in all respects;
4. Investors should provide correct DP-ID and client-ID/ folio number while submitting the Application. Such DP-ID and Client-ID/ folio number should match the demat account details in the records available with Company and/or Registrar, failing which such Application is liable to be rejected. Investor will be solely responsible for any error or inaccurate detail provided in the Application. Our Company, SCSBs or the Registrar will not be liable for any such rejections.

***Don'ts:***

1. Do not apply if you are ineligible to participate in this Issue under the securities laws applicable to your jurisdiction;
2. Do not submit the GIR number instead of the PAN as the application is liable to be rejected on this ground;
3. Avoid applying on the Issue Closing Date due to risk of delay/ restrictions in making any physical Application;
4. Do not pay the Application Money in cash, by money order, pay order or postal order;
5. Do not submit multiple Applications.

***Do's for Investors applying through ASBA:***

1. Ensure that the details about your Depository Participant and beneficiary account are correct and the beneficiary account is activated as the Rights Equity Shares will be Allotted in the dematerialized form only;
2. Ensure that the Applications are submitted with the Designated Branch of the SCSBs and details of the correct bank account have been provided in the Application;
3. Ensure that there are sufficient funds (equal to {number of Rights Equity Shares (including additional Rights Equity Shares) applied for} X {Application Money of Rights Equity Shares}) available in ASBA Account mentioned in the Application Form before submitting the Application to the respective Designated Branch of the SCSB;
4. Ensure that you have authorized the SCSB for blocking funds equivalent to the total amount payable on application mentioned in the Application Form, in the ASBA Account, of which details are provided in the Application and have signed the same;
5. Ensure that you have a bank account with an SCSB providing ASBA facility in your location and the Application is made through that SCSB providing ASBA facility in such location;
6. Ensure that you receive an acknowledgement from the Designated Branch of the SCSB for your submission of the Application Form on a plain paper Application;
7. Ensure that the name(s) given in the Application Form is exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case the Application Form is submitted in joint names, ensure that the beneficiary account is also held in same joint names and such names are in the same sequence in which they appear in the Application Form and the Rights Entitlement Letter;

***Don'ts for Investors applying through ASBA:***

1. Do not apply if you are not eligible to participate in this Issue under the securities laws applicable to your jurisdiction;
2. Do not submit the Application Form after you have submitted a plain paper Application to a Designated Branch of the SCSB or vice versa;
3. Do not send your physical Application to the Registrar, the Escrow Collection Bank (assuming that such Escrow Collection Bank is not an SCSB), a branch of the SCSB which is not a Designated Branch of the SCSB or our Company; instead submit the same to a Designated Branch of the SCSB only;
4. Do not instruct the SCSBs to unblock the funds blocked under the ASBA process;
5. Do not submit Application Form using third party ASBA account.

**GROUNDS FOR TECHNICAL REJECTION**

Applications made in this Issue are liable to be rejected on the following grounds:

1. DP-ID and Client-ID mentioned in Application not matching with the DP-ID and Client ID records available with the Registrar;

2. Sending an Application to the Registrar, Escrow Collection Banks (assuming that such Escrow Collection Bank is not a SCSB), to a branch of a SCSB which is not a Designated Branch of the SCSB or our Company;
3. Insufficient funds are available in the ASBA Account with the SCSB for blocking the Application Money;
4. Funds in the ASBA Account whose details are mentioned in the Application Form having been frozen pursuant to regulatory orders;
5. Account holder not signing the Application or declaration mentioned therein;
6. Submission of more than one Application Forms for Rights Entitlements available in a particular demat account;
7. Multiple Application Forms, including cases where an Investor submits Application Forms along with a plain paper Application;
8. Submitting the GIR number instead of the PAN (except for Applications on behalf of the Central or State Government, the residents of Sikkim and the officials appointed by the courts);
9. Applications by persons not competent to contract under the Indian Contract Act, 1872, except Applications by minors having valid demat accounts as per the demographic details provided by the Depositories;
10. Applications by SCSB on own account, other than through an ASBA Account in its own name with any other SCSB;
11. Application Forms which are not submitted by the Investors within the time periods prescribed in the Application Form and this Letter of Offer;
12. Physical Application Forms not duly signed by the sole or joint Investors;
13. Application Forms accompanied by stock invest, outstation cheques, post-dated cheques, and money order, postal order or outstation demand drafts;
14. If an Investor is (a) debarred by SEBI; or (b) if SEBI has revoked the order or has provided any interim relief then failure to attach a copy of such SEBI order allowing the Investor to subscribe to their Rights Entitlements;
15. Applications which: (i) appears to our Company or its agents to have been executed in, electronically transmitted from or dispatched from the United States (other than from persons in the United States who are U.S. QIBs) or other jurisdictions where the offer and sale of the Rights Equity Shares is not permitted under laws of such jurisdictions; (ii) does not include the relevant certifications set out in the Application Form, including to the effect that the person submitting and/or renouncing the Application Form is (a) outside India and the United States and is a foreign corporate or institutional shareholder eligible to subscribe for the Rights Equity Share under the applicable securities laws or (b) a U.S. QIB in the United States, and in each case such person is complying with laws of jurisdictions applicable to such person in connection with this Issue; or (iii) where either a registered Indian address is not provided or where our Company believes acceptance of such Application Form may infringe applicable legal or regulatory requirements; and our Company shall not be bound to issue or allot any Rights Equity Shares in respect of any such Application Form;

16. Applications which have evidence of being executed or made in contravention of applicable securities laws;
17. Details of PAN mentioned in the Application does not match with the PAN records available with the Registrar;
18. Applications by a non-resident without the approval from RBI with respect to Rule 7 of the FEMA Rules;
19. Application from Investors that are residing in U.S. address as per the depository records (other than in reliance with Reg S).

**DEPOSITORY ACCOUNT AND BANK DETAILS FOR INVESTORS HOLDING SHARES IN DEMAT ACCOUNTS AND APPLYING IN THIS ISSUE.**

**IT IS MANDATORY FOR ALL THE INVESTORS APPLYING UNDER THIS ISSUE TO APPLY THROUGH THE ASBA PROCESS, TO RECEIVE THEIR RIGHTS EQUITY SHARES DEMATERIALISED FORM AND TO THE SAME DEPOSITORY ACCOUNT/ CORRESPONDING PAN IN WHICH THE EQUITY SHARES ARE HELD BY THE INVESTOR AS ON THE RECORD DATE. ALL INVESTORS APPLYING UNDER THIS ISSUE SHOULD MENTION THEIR DEPOSITORY PARTICIPANT'S NAME, DP-ID AND BENEFICIARY ACCOUNT NUMBER/ FOLIO NUMBER IN THE APPLICATION FORM. INVESTORS MUST ENSURE THAT THE NAME GIVEN IN THE APPLICATION FORM IS EXACTLY THE SAME AS THE NAME IN WHICH THE DEPOSITORY ACCOUNT IS HELD. IN CASE THE APPLICATION FORM IS SUBMITTED IN JOINT NAMES, IT SHOULD BE ENSURED THAT THE DEPOSITORY ACCOUNT IS ALSO HELD IN THE SAME JOINT NAMES AND ARE IN THE SAME SEQUENCE IN WHICH THEY APPEAR IN THE APPLICATION FORM OR PLAIN PAPER APPLICATIONS, AS THE CASE MAY BE.**

**Investors applying under this Issue should note that on the basis of name of the Investors, Depository Participant's name and identification number and beneficiary account number provided by them in the Application Form or the plain paper Applications, as the case may be, the Registrar will obtain Demographic Details from the Depository. Hence, Investors applying under this Issue should carefully fill in their Depository Account details in the Application.**

These Demographic Details would be used for all correspondence with such Investors including mailing of the letters intimating unblocking of bank account of the respective Investor and/or refund. The Demographic Details given by the Investors in the Application Form would not be used for any other purposes by the Registrar. Hence, Investors are advised to update their Demographic Details as provided to their Depository Participants.

By signing the Application Forms, the Investors would be deemed to have authorized the Depositories to provide, upon request, to the Registrar, the required Demographic Details as available on its records.

**The Allotment advice and the email intimating unblocking of ASBA Account or refund (if any) would be emailed to the address of the Investor as per the email address provided to our Company or the Registrar or Demographic Details received from the Depositories. The Registrar will give instructions to the SCSBs for unblocking funds in the ASBA Account to the extent Rights Equity Shares are not allotted to such Investor. Please note that any such delay shall be at the sole risk of the Investors and none of our Company, the SCSBs or Registrar shall be liable to compensate the Investor for any losses caused due to any such delay or be liable to pay any interest for such delay.**

In case no corresponding record is available with the Depositories that match three parameters, (a) names of the Investors (including the order of names of joint holders), (b) the DP ID, and (c) the beneficiary account number, then such Application Forms are liable to be rejected.

## **MULTIPLE APPLICATIONS**

In case where multiple Applications are made in respect the Rights Entitlements using same demat account, such Applications shall be liable to be rejected. However supplementary applications in relation to further Rights Equity Shares with/without using additional Rights Entitlements will not be treated as multiple application. A separate Application can be made in respect of each scheme of a mutual fund registered with SEBI and such Applications shall not be treated as multiple applications. For details, see '*Procedure for Applications by Mutual Funds*' below. Cases where Investor submits Application Forms along with plain paper or multiple plain paper Applications for same Rights Entitlements shall be treated as multiple applications.

In cases where multiple Application Forms are submitted, such Applications shall be treated as multiple applications, including cases where an Investor submits Application Forms along with a plain paper Application or multiple plain paper Applications, such Applications shall be treated as multiple applications and are liable to be rejected.

## **LAST DATE FOR APPLICATION**

The last date for submission of the duly filled in the Application Form or a plain paper Application is July 12, 2024 Issue Closing Date. The Board of Directors may extend the said date for such period as it may determine from time to time, subject to the Issue Period not exceeding 30 days from the Issue Opening Date (inclusive of the Issue Opening Date).

If the Application Form is not submitted with an SCSB, uploaded with the Stock Exchange and the Application Money is not blocked with the SCSB, on or before the Issue Closing Date or such date as may be extended by the Board of Directors, the invitation to offer contained in this Letter of Offer shall be deemed to have been declined and the Board of Directors shall be at liberty to dispose of the Rights Equity Shares hereby offered, as provided under the section, '*Basis of Allotment*' on page 205 of this Letter of Offer.

Please note that on the Issue Closing Date, (i) Applications through ASBA process will be uploaded until 5.00 p.m. (Indian Standard Time) or such extended time as permitted by the Stock Exchange.

Please ensure that the Application Form and necessary details are filled in. In place of Application number, Investors can mention the reference number of the e-mail received from Registrar informing about their Rights Entitlement or last eight digits of the demat account. Alternatively, SCSBs may mention their internal reference number in place of application number.

## **WITHDRAWAL OF APPLICATION**

An Investor who has applied in this Issue may withdraw their application at any time during Issue Period by approaching the SCSB where application is submitted. However, no Investor, whether applying through ASBA facility, may withdraw their application post the Issue Closing Date.

## **ISSUE SCHEDULE**

<b>Last date for Credit of Rights Entitlements</b>	Tuesday, June 11, 2024
<b>Issue Opening Date</b>	Friday, June 14, 2024
<b>Last Date for On-Market Renunciation*</b>	Monday, July 08, 2024

<b>Issue Closing Date<sup>#</sup></b>	Friday, July 12, 2024
<b>Finalization of Basis of Allotment (on or about)</b>	Thursday, July 18, 2024
<b>Date of Allotment (on or about)</b>	Friday, July 19, 2024
<b>Date of Credit (on or about)</b>	Monday, July 22, 2024
<b>Date of Listing (on or about)</b>	Thursday, July 25, 2024

*\*Eligible Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renouncees on or prior to the Issue Closing Date.*

*#Our Board of Directors/Rights Issue Committee may however decide to extend the Issue Period as it may determine from time to time but not exceeding 30 (Thirty) days from the Issue Opening Date (inclusive of the Issue Opening Date).*

Please note that if Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date, have not provided the details of their demat accounts to our Company or to the Registrar, they are required to provide their demat account details to our Company or the Registrar not later than two Working Days prior to the Issue Closing Date, i.e., July 12, 2024, to enable the credit of the Rights Entitlements by way of transfer from the demat suspense escrow account to their respective demat accounts, at least one day before the Issue Closing Date.

## **BASIS OF ALLOTMENT**

Subject to the provisions contained in the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter, the Application Form, the Articles of Association of our Company and the approval of the Designated Stock Exchange, our Board will proceed to allot the Rights Equity Shares in the following order of priority:

- a) Full Allotment to those Eligible Equity Shareholders who have applied for their Rights Entitlements of Rights Equity Shares either in full or in part and also to the Renouncee(s) who has or have applied for Rights Equity Shares renounced in their favour, in full or in part as adjusted for fractional entitlement.
- b) As per SEBI Rights Issue Circulars, Eligible Equity Shareholders whose fractional entitlements are being ignored and Eligible Shareholders with zero entitlement, would be given preference in allotment of one Additional Rights Equity Share each if they apply for additional Rights Equity Shares. Allotment under this head shall be considered if there are any unsubscribed Rights Equity Shares after allotment under (a) above. If number of Rights Equity Shares required for Allotment under this head are more than the number of Rights Equity Shares available after Allotment under (a) above, the Allotment would be made on a fair and equitable basis in consultation with the Designated Stock Exchange and will not be a preferential allotment.
- c) Allotment to the Eligible Equity Shareholders who having applied for all the Rights Equity Shares offered to them as part of this Issue, have also applied for Additional Rights Equity Shares. The Allotment of such Additional Rights Equity Shares will be made as far as possible on an equitable basis having due regard to the number of Equity Shares held by them on the Record Date, provided there are any unsubscribed Rights Equity Shares after making full Allotment in (a) and (b) above. The Allotment of such Rights Equity Shares will be at the sole discretion of our Board in consultation with the Designated Stock Exchange, as a part of this Issue and will not be a preferential allotment.
- d) Allotment to Renouncees who having applied for all the Rights Equity Shares renounced in their favour, have applied for additional Rights Equity Shares provided there is surplus available after making full Allotment under (a), (b) and (c) above. The Allotment of such Rights Equity Shares will be made on a proportionate basis in consultation with the Designated Stock Exchange, as a part of this Issue and will not be a preferential allotment.
- e) Allotment to any other person, that our Board may deem fit, provided there is surplus available after making Allotment under (a), (b), (c) and (d) above, and the decision of our Board in this regard shall be final and binding. After taking into account Allotment to be made under (a) to (d) above, if there is any unsubscribed portion, the same shall be deemed to be 'unsubscribed'.

Upon approval of the Basis of Allotment by the Designated Stock Exchange, the Registrar shall send to the Controlling Branches, a list of the Investors who have been allocated Rights Equity Shares in this Issue, along with:

- 1) The amount to be transferred from the ASBA Account to the separate bank account opened by our Company for this Issue, for each successful Application;
- 2) The date by which the funds referred to above, shall be transferred to the aforesaid bank account; and
- 3) The details of rejected ASBA applications, if any, to enable the SCSBs to unblock the respective ASBA Accounts.

## **ALLOTMENT ADVICE OR REFUND/ UNBLOCKING OF ASBA ACCOUNTS**

Our Company will send/ dispatch Allotment advice, refund instructions/intimations (including in respect of Applications made through the optional facility) or demat credit of securities and/or letters of regret, along with crediting the Allotted Rights Equity Shares to the respective beneficiary accounts (only in dematerialised mode) or in a demat suspense account (in respect of Eligible Equity Shareholders holding Equity Shares in physical form on the Allotment Date) or issue instructions for unblocking the funds in the respective ASBA Accounts, if any, within a period of 15 days from the Issue Closing Date. In case of failure to do so, our Company and “our Directors” who are officers in default shall pay interest at 15% p.a. and such other rate as specified under applicable law from the expiry of such 15 days’ period.

The Rights Entitlements will be credited in the dematerialized form using electronic credit under the depository system and the Allotment advice shall be sent, through an e-mail, to the e-mail address provided to our Company or at the address recorded with the Depository

In the case of non-resident Investors who remit their Application Money from funds held in the NRE or the FCNR Accounts, unblocking and/or payment of interest or dividend and other disbursements, if any, shall be credited to such accounts.

Where an Applicant has applied for additional Equity Shares in the Issue and is allotted a lesser number of Equity Shares than applied for, the excess Application Money paid/blocked shall be refunded/unblocked. The unblocking of ASBA funds / refund of monies shall be completed be within such period as prescribed under the SEBI (ICDR) Regulations. In the event that there is a delay in making refunds beyond such period as prescribed under applicable law, our Company shall pay the requisite interest at such rate as prescribed under applicable law.

## **PAYMENT OF REFUND**

### **Mode of making refunds**

In case of Applicants not eligible to make an application through ASBA process, the payment of refund, if any, including in the event of oversubscription or failure to list or otherwise would be done through any of the following modes:

1. **Unblocking amounts blocked using ASBA facility** – The payment of refund, if any, including in the event of oversubscription or failure to list or otherwise would be done through unblocking amounts blocked using ASBA facility
2. **National Automated Clearing House** (*hereinafter referred to as “NACH”*) – National Automated Clearing House is a consolidated system of electronic clearing service. Payment of refund would be done through NACH for Applicants having an account at one of the centres specified by the RBI, where such facility has been made available. This would be subject to availability of complete bank account details including MICR code wherever applicable from the depository. The payment of refund through NACH is

mandatory for Applicants having a bank account at any of the centres where NACH facility has been made available by the RBI (subject to availability of all information for crediting the refund through NACH including the MICR code as appearing on a cheque leaf, from the depositories), except where Applicant is otherwise disclosed as eligible to get refunds through NEFT or Direct Credit or RTGS.

- 3. National Electronic Fund Transfer** (*hereinafter referred to as "NEFT"*) – Payment of refund shall be undertaken through NEFT wherever the Investor's bank has been assigned the Indian Financial System Code (hereinafter referred to as IFSC Code'), which can be linked to a MICR, allotted to that particular bank branch. IFSC Code will be obtained from the website of RBI as on a date immediately prior to the date of payment of refund, duly mapped with MICR numbers. Wherever the Investors have registered their nine digit MICR number and their bank account number with the Registrar to our Company or with the Depository Participant while opening and operating the demat account, the same will be duly mapped with the IFSC Code of that particular bank branch and the payment of refund will be made to the Investors through this method.
- 4. Direct Credit** – Investors having bank accounts with the Bankers to the Issue shall be eligible to receive refunds through direct credit. Charges, if any, levied by the relevant bank(s) for the same would be borne by our Company.
- 5. RTGS** – If the refund amount exceeds ₹ 2,00,000, the Investors have the option to receive refund through RTGS. Such eligible Investors who indicate their preference to receive refund through RTGS are required to provide the IFSC Code in the Application Form. In the event the same is not provided, refund shall be made through NACH or any other eligible mode. Charges, if any, levied by the refund bank(s) for the same would be borne by our Company. Charges, if any, levied by the Investor's bank receiving the credit would be borne by the Investor.
- 6.** For all other Investors, the refund orders will be dispatched through speed post or registered post subject to applicable laws. Such refunds will be made by cheques, pay orders or demand drafts drawn in favour of the sole/first Investor and payable at par.
- 7.** Credit of refunds to Investors in any other electronic manner, permissible by SEBI from time to time.

#### **Refund payment to non-residents**

The Application Money will be unblocked in the ASBA Account of the non-resident Applicants, details of which were provided in the Application Form.

#### **ALLOTMENT ADVICE OR DEMAT CREDIT OF SHARES**

The demat credit of Shares to the respective beneficiary accounts or the demat suspense account (pending receipt of demat account details for Eligible Shareholders holding Equity Shares in physical form/ with IEPF authority/ in suspense, etc.) will be credited within 15 days from the Issue Closing Date or such other timeline in accordance with applicable laws.

#### **RECEIPT OF THE RIGHTS EQUITY SHARES IN DEMATERIALIZED FORM**

PLEASE NOTE THAT THE RIGHTS EQUITY SHARES APPLIED FOR UNDER THIS ISSUE CAN BE ALLOTTED ONLY IN DEMATERIALIZED FORM AND TO

- 1. THE SAME DEPOSITORY ACCOUNT/ CORRESPONDING PAN IN WHICH THE EQUITY SHARES ARE HELD BY SUCH INVESTOR ON THE RECORD DATE, OR**

2. THE DEPOSITORY ACCOUNT, DETAILS OF WHICH HAVE BEEN PROVIDED TO OUR COMPANY OR THE REGISTRAR AT LEAST TWO WORKING DAYS PRIOR TO THE ISSUE CLOSING DATE BY THE ELIGIBLE EQUITY SHAREHOLDER HOLDING EQUITY SHARES IN PHYSICAL FORM AS ON THE RECORD DATE, OR
3. DEMAT SUSPENSE ACCOUNT PENDING RECEIPT OF DEMAT ACCOUNT DETAILS FOR RESIDENT ELIGIBLE SHAREHOLDERS/ WHERE THE CREDIT OF THE RIGHTS ENTITLEMENTS RETURNED/ REVERSED/FAILED.
4. INVESTORS SHALL BE ALLOTTED THE RIGHTS EQUITY SHARES IN DEMATERIALIZED (ELECTRONIC) FORM.

**INVESTORS MAY PLEASE NOTE THAT THE RIGHTS EQUITY SHARES CAN BE TRADED ON THE STOCK EXCHANGE ONLY IN DEMATERIALIZED FORM**

The procedure for availing the facility for Allotment of Rights Equity Shares in this Issue in the dematerialized form is as under:

1. Open a beneficiary account with any depository participant (care should be taken that the beneficiary account should carry the name of the holder in the same manner as is registered in the records of our Company. In the case of joint holding, the beneficiary account should be opened carrying the names of the holders in the same order as registered in the records of our Company). In case of Investors having various folios in our Company with different joint holders, the Investors will have to open separate accounts for such holdings. Those Investors who have already opened such beneficiary account(s) need not adhere to this step.
2. It should be ensured that the depository account is in the name(s) of the Investors and the names are in the same order as in the records of our Company or the Depositories.
3. The responsibility for correctness of information filled in the Application Form vis-a-vis such information with the Investor's depository participant, would rest with the Investor. Investors should ensure that the names of the Investors and the order in which they appear in Application Form should be the same as registered with the Investor's depository participant.
4. If incomplete or incorrect beneficiary account details are given in the Application Form, the Investor will not get any Rights Equity Shares and the Application Form will be rejected.
5. The Rights Equity Shares will be allotted to Applicants only in dematerialized form and would be directly credited to the beneficiary account as given in the Application Form after verification or demat suspense account (pending receipt of demat account details for resident Eligible Shareholders with IEPF authority/ in suspense, etc.). Allotment advice, refund order (if any) would be sent directly to the Applicant by email and, if the printing is feasible, through physical dispatch, by the Registrar but the Applicant's depository participant will provide to him the confirmation of the credit of such Rights Equity Shares to the Applicant's depository account.
6. Non-transferable Allotment advice/ refund intimation will be directly sent to the Investors by the Registrar, by email and, if the printing is feasible, through physical dispatch.
7. Renounees will also have to provide the necessary details about their beneficiary account for Allotment of Rights Equity Shares in this Issue. In case these details are incomplete or incorrect, the Application is liable to be rejected.

**Eligible Equity Shareholders, who hold Equity Shares in physical form and who have not furnished the details of their demat account to the Registrar or our Company at least two Working Days prior to the Issue Closing Date, shall not be able to apply in this Issue for further details, please refer to ‘Procedure for Application by Eligible Equity Shareholders holding Equity Shares in physical form’ on page 197 of this Letter of Offer.**

## **PROCEDURE FOR APPLICATION BY CERTAIN CATEGORIES OF INVESTORS**

### **1. Procedure for Applications by FPIs**

In terms of applicable FEMA Rules and the SEBI FPI Regulations, investments by FPIs in the Equity Shares is subject to certain limits, i.e., the individual holding of an FPI (including its investor group (which means multiple entities registered as foreign portfolio investors and directly and indirectly having common ownership of more than 50% of common control)) shall be below 10% of our post -Offer Equity Share capital. In case the total holding of an FPI or investor group increases beyond 10% of the total paid-up Equity Share capital of our Company, on a fully diluted basis or 10% or more of the paid-up value of any series of debentures or preference shares or share warrants that may be issued by our Company, the total investment made by the FPI or investor group will be re-classified as FDI subject to the conditions as specified by SEBI and the RBI in this regard and our Company and the investor will also be required to comply with applicable reporting requirements. 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 our Company operates.

FPIs are permitted to participate in this Issue subject to compliance with conditions and restrictions which may be specified by the Government from time to time. The FPIs who wish to participate in the Offer are advised to use the Application Form for non-residents. Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 21 of the SEBI FPI Regulations, an FPI may issue, subscribe to or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by an FPI against Shares held by it that are listed or proposed to be listed on any recognized stock exchange in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only to persons registered as Category I FPI under the SEBI FPI Regulations; (ii) such offshore derivative instruments are issued only to persons who are eligible for registration as Category I FPIs (where an entity has an investment manager who is from the Financial Action Task Force member country, the investment manager shall not be required to be registered as a Category I FPI); (iii) such offshore derivative instruments are issued after compliance with ‘know your client’ norms; and (iv) compliance with other conditions as may be prescribed by SEBI.

An FPI issuing offshore derivative instruments is also required to ensure that any transfer of offshore derivative instruments issued by or on its behalf, is carried out subject to inter alia the following conditions: (a) such offshore derivative instruments are transferred only to persons in accordance with the SEBI FPI Regulations; and (b) prior consent of the FPI is obtained for such transfer, except when the persons to whom the offshore derivative instruments are to be transferred to are pre – approved by the FPI.

### **2. Procedure for Applications by AIFs, FVCIs and VCFs**

The SEBI VCF Regulations and the SEBI FVCI Regulations prescribe, among other things, the investment restrictions on VCFs and FVCIs registered with SEBI. Further, the SEBI AIF Regulations prescribe, among other things, the investment restrictions on AIFs.

As per the SEBI VCF Regulations and SEBI FVCI Regulations, VCFs and FVCIs are not permitted to invest in listed companies pursuant to rights issues. Accordingly, applications by VCFs or FVCIs will not be accepted in this Issue. Venture capital funds registered as Category I AIFs, as defined in the SEBI AIF

Regulations, are not permitted to invest in listed companies pursuant to rights issues. Accordingly, applications by venture capital funds registered as category I AIFs, as defined in the SEBI AIF Regulations, will not be accepted in this Issue. Other categories of AIFs are permitted to apply in this Issue subject to compliance with the SEBI AIF Regulations. Such AIFs having bank accounts with SCSBs that are providing ASBA in cities / centres where such AIFs are located are mandatorily required to make use of the ASBA facility. Otherwise, applications of such AIFs are liable for rejection.

### **3. Procedure for Applications by NRIs**

Investments by NRIs are governed by the FEMA Rules. Applications will not be accepted from NRIs that are ineligible to participate in this Issue under applicable securities laws.

As per the FEMA Rules, an NRI or Overseas Citizen of India (“OCI”) may purchase or sell capital instruments of a listed Indian Company on repatriation basis, on a recognized stock exchange in India, subject to the conditions, inter alia, that the total holding by any individual NRI or OCI will not exceed 5% of the total paid - up equity capital on a fully diluted basis or should not exceed 5% of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian Company and the total holdings of all NRIs and OCIs put together will not exceed 10% of the total paid-up equity capital on a fully diluted basis or shall not exceed 10% of the paid-up value of each series of debentures or preference shares or share warrants. The aggregate ceiling of 10% may be raised to 24%, if a special resolution to that effect is passed by the general body of the Indian company.

Further, in accordance with press note 3 of 2020, the FDI Policy has been recently amended to state that all investments by entities incorporated in a country which shares land border with India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country (“*Restricted Investors*”), will require prior approval of the Government of India. It is not clear from the press note whether or not an issuance of the Rights Equity Shares to Restricted Investors will also require a prior approval of the Government of India and each Investor should seek independent legal advice about its ability to participate in the Issue. In the event such prior approval of the Government of India is required and such approval has been obtained, the Investor shall intimate our Company and the Registrar about such approval within the Issue Period.

### **4. Procedure for Applications by Mutual Funds**

Applications made by asset management companies or custodians of Mutual Funds should clearly and specifically state names of the concerned schemes for which such Applications are made.

A separate application can be made in respect of each scheme of an Indian mutual fund registered with SEBI and such applications shall not be treated as multiple applications. The applications made by asset management companies or custodians of a mutual fund should clearly indicate the name of the concerned scheme for which the application is being made.

No Mutual Fund scheme shall invest more than 10% of its net asset value in equity shares or equity related instruments of any single company provided that the limit of 10% shall not be applicable for investments in case of index funds or sector or industry specific schemes. No Mutual Fund under all its schemes should own more than 10% of any company’s paid-up share capital carrying voting rights.

### **5. Procedure for Applications by Systemically Important Non-Banking Financial Companies (“NBFC-SI”)**

In case of an application made by NBFC-SI registered with the RBI, (a) the certificate of registration issued by the RBI under Section 45IA of the RBI Act, 1934 and (b) net-worth certificate from its statutory auditors

or any independent chartered accountant based on the last Audited Financial Statements is required to be attached to the application.

## **IMPERSONATION**

As a matter of abundant caution, attention of the Investors is specifically drawn to the provisions of Section 38 of the Companies Act, 2013 which is reproduced below:

*“Any person who:*

- i. makes or abets making of an application in a fictitious name to a Company for acquiring, or subscribing for, its Shares; or*
- ii. makes or abets making of multiple applications to a Company in different names or in different combinations of his name or surname for acquiring or subscribing for its Shares; or*
- iii. Otherwise induces directly or indirectly a Company to allot, or register any transfer of, Shares to him, or to any other person in a fictitious name, shall be liable for action under Section 447.”*

The liability prescribed under Section 447 of the Companies Act for fraud involving an amount of at least ₹ 10 lakhs or 1% of the turnover of the company, whichever is lower, includes imprisonment for a term of not less than six months extending up to 10 years (provided that where the fraud involves public interest, such term shall not be less than three years) and fine of an amount not less than the amount involved in the fraud, extending up to three times of such amount.

In case the fraud involves (i) an amount which is less than ₹ 10 lakhs or 1% of the turnover of the company, whichever is lower; and (ii) does not involve public interest, then such fraud is punishable with an imprisonment for a term extending up to five years or a fine of an amount extending up to ₹ 50 lakhs or with both.

## **PAYMENT BY STOCK INVEST**

In terms of RBI Circular DBOD No. FSC BC 42/24.47.00/2003- 04 dated November 5, 2003, the stock invest scheme has been withdrawn. Hence, payment through stock invest would not be accepted in this Rights Issue.

## **DISPOSAL OF APPLICATION AND APPLICATION MONEY**

No acknowledgment will be issued for the Application Money received by our Company. However, the Designated Branch of the SCSBs receiving the Application Form will acknowledge its receipt by stamping and returning the acknowledgment slip at the bottom of each Application Form would generate an electronic acknowledgment to the Eligible Equity Shareholders upon submission of the Application.

Our Board of Directors of the Company reserves its full, unqualified and absolute right to accept or reject any Application, in whole or in part, and in either case without assigning any reason thereto.

In cases where refunds are applicable, such refunds shall be made within a period of 15 days. In case of failure to do so, our Company and the Directors who are “officers in default” shall pay interest at the prescribed rate. In case an Application is rejected in full, the whole of the Application Money will be unblocked in the respective ASBA Accounts, in case of Applications through ASBA. Wherever an Application is rejected in part, the balance of Application Money, if any, after adjusting any money due on Rights Equity Shares Allotted, will be refunded / unblocked in the respective bank accounts from which Application Money was received / ASBA Accounts of the Investor within a period of 15 days from the Issue Closing Date. In case of failure to do so, our Company shall pay interest at such rate and within such time as specified under applicable law.

**For further instructions, please read the Application Form carefully.**

## **UTILIZATION OF ISSUE PROCEEDS**

Our Board declares that:

1. All monies received out of issue of this Rights Issue to the public shall be transferred to a separate bank account.
2. Details of all monies utilized out of this Rights Issue referred to in clause (A) above shall be disclosed under an appropriate separate head in the balance sheet of our Company indicating the purpose for which such monies had been utilized; and
3. Details of all unutilized monies out of this Rights Issue referred to in clause (A) above, if any, shall be disclosed under an appropriate separate head in the balance sheet of our Company indicating the form in which such unutilized monies have been invested.
4. Our Company may utilize the funds collected in the Issue only after final listing and trading approvals for the Rights Equity Shares Allotted in the Issue is received.

## **UNDERTAKINGS BY OUR COMPANY**

Our Company undertakes the following:

1. The complaints received in respect of the issue shall be attended to by our Company expeditiously and satisfactorily;
2. All steps for completion of the necessary formalities for listing and commencement of trading at Stock Exchange, where the Rights Equity Shares are to be listed are taken within the time limit specified by the SEBI;
3. The funds required for making refunds to unsuccessful applicants as per the mode(s) disclosed shall be made available to the Registrar by our Company;
4. No further issue of securities affecting our Company's Equity Share capital shall be made until the Rights Equity Shares are listed or until the Application Money is refunded on account of non-listing, under subscription etc., other than as disclosed in accordance with the Regulation 56.
5. Where refunds are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within 15 (Fifteen) days of closure of the issue giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;
6. Where release of block on the application amount for unsuccessful bidders or part of the application amount in case of proportionate allotment, a suitable communication shall be sent to the applicants;
7. Adequate arrangements shall be made to collect all ASBA applications;
8. Our Company accepts full responsibility for the accuracy of information given in this Letter of Offer and confirms that to the best of its knowledge and belief, there are no other facts the omission of which makes any statement made in this Letter of Offer misleading and further confirm that it has made all reasonable enquiries to ascertain such facts.

## **IMPORTANT**

1. Please read this Letter of Offer carefully before taking any action. The instructions contained in the Common Application Form, Abridged Letter of Offer and the Rights Entitlement Letter are an integral part

of the conditions of this Letter of Offer and must be carefully followed, otherwise the Application is liable to be rejected.

2. All enquiries in connection with this Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or Application Form must be addressed (quoting the Registered Folio Number or the DP ID and Client ID number, the Application Form number and the name of the first Eligible Equity Shareholder as mentioned on the Application Form and super scribed '**GUJARAT TOOLROOM LIMITED – RIGHTS ISSUE**' on the envelope and postmarked in India or in the email) to the Registrar at the following address:

 <b>CAMEO CORPORATE SERVICES LIMITED</b>	<b>Address</b>	:	Subramanian Building, No.1, Club House Road, Chennai 600002
	<b>Contact Person</b>	:	Ms. K. Sreepriya
	<b>Tel No.</b>	:	+91 - 44 4002 0700
	<b>Email</b>	:	<a href="mailto:rights@cameoindia.com">rights@cameoindia.com</a>
	<b>Website</b>	:	<a href="http://www.cameoindia.com">www.cameoindia.com</a> / <a href="https://rights.cameoindia.com/gtl">https://rights.cameoindia.com/gtl</a>
	<b>Investor grievance e-mail</b>	:	<a href="mailto:investor@cameoindia.com">investor@cameoindia.com</a>
	<b>SEBI Registration No.</b>	:	INR000001385

3. In accordance with SEBI Rights Issue Circulars, frequently asked questions and online/ electronic dedicated investor helpdesk for guidance on the Application process and resolution of difficulties faced by the Investors will be available on the website of the Registrar ([www.cameoindia.com](http://www.cameoindia.com)). Further, helpline numbers provided by the Registrar for guidance on the Application process and resolution of difficulties are 022 – 62638200.
4. This Issue will remain open for a minimum 7 (Seven) days. However, the Board of Directors will have the right to extend the Issue Period as it may determine from time to time but not exceeding 30 (Thirty) days from the Issue Opening Date (inclusive of the Issue Closing Date).

## RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

There are two routes through which foreign investors may invest in India. One is the “*automatic route*”, where no government approval is required under Indian foreign exchange laws to make an investment as long as it is within prescribed thresholds for the relevant sector. The other route is the “*government route*”, where an approval is required under foreign exchange laws from the relevant industry regulator, prior to the investment.

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991, of the Government of India and FEMA. While the Industrial Policy, 1991, of the Government of India, prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise way such investment may be made. The Union Cabinet, as provided in the Cabinet Press Release dated May 24, 2017, has given its approval for phasing out the FIPB. Under the Industrial Policy, 1991, unless specifically restricted, foreign investment is freely permitted in all sectors of the Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. Accordingly, the process for foreign direct investment and approval from the Government of India will now be handled by the concerned ministries or departments, in consultation with the Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India (formerly known as the Department of Industrial Policy and Promotion), Ministry of Finance, Department of Economic Affairs, FIPB section, through a memorandum dated June 5, 2017, has notified the specific ministries handling relevant sectors.

The Government has, from time to time, made policy pronouncements on FDI through press notes and press releases. The DPIIT issued the consolidated FDI Policy Circular of 2020 (***FDI Circular 2020***), which, with effect from October 15, 2020, consolidated and superseded all previous press notes, press releases and clarifications on FDI issued by the DPIIT that were in force and effect as on October 15, 2020. The Government proposes to update the consolidated circular on FDI policy once every year and therefore, FDI Circular 2020 will be valid until the DPIIT issues an updated circular.

The Government of India has from time to time made policy pronouncements on FDI through press notes and press releases which are notified by RBI as amendments to FEMA. In case of any conflict, the relevant notification under Foreign Exchange Management (Non-Debt Instruments) Rules, 2019 will prevail. The payment of inward remittance and reporting requirements are stipulated under the Foreign Exchange Management (Mode of Payment and Reporting of Non-Debt Instruments) Regulations, 2019 issued by RBI. The FDI Circular 2020, issued by the DPIIT, consolidates the policy framework in place as on October 15, 2020, and supersedes all previous press notes, press releases and clarifications on FDI issued by the DPIIT that were in force and effect as on October 15, 2020.

The transfer of shares between an Indian resident and a non-resident does not require the prior approval of RBI, provided that:

1. The activities of the investee company falls under the automatic route as provided in the FDI Policy and FEMA and transfer does not attract the provisions of the SEBI (SAST) Regulations;
2. The non- resident shareholding is within the sectoral limits under the FDI Policy; and
3. The pricing is in accordance with the guidelines prescribed by SEBI and RBI.

No investment under the FDI route (i.e., any investment which would result in the investor holding 10% or more of the fully diluted paid-up equity share capital of the Company or any FDI investment for which an approval from the government was taken in the past) will be allowed in the Issue unless such application is accompanied with necessary approval or covered under a pre-existing approval from the government. It will be the sole responsibility of the investors to ensure that the necessary approval or the pre-existing approval from the government is valid to make any investment in the Issue.

Our Company will not be responsible for any allotments made by relying on such approvals. Please also note that pursuant to Circular no. 14 dated September 16, 2003, issued by RBI, Overseas Corporate Bodies have been derecognized as an eligible class of investors and RBI has subsequently issued the Foreign Exchange Management (Withdrawal of General Permission to Overseas Corporate Bodies (OCBs)) Regulations, 2003. Any Investor being an OCB is required not to be under the adverse notice of RBI and in order to apply for this issue as an incorporated non-resident must do so in accordance with the FDI Circular 2020 and Foreign Exchange Management (Non-Debt Instrument) Rules, 2019. Further, while investing in the Issue, the Investors are deemed to have obtained the necessary approvals, as required, under applicable laws and the obligation to obtain such approvals shall be upon the Investors. Our Company shall not be under an obligation to obtain any approval under any of the applicable laws on behalf of the Investors and shall not be liable in case of failure on part of the Investors to obtain such approvals.

The above information is given for the benefit of the Applicants / Investors. Our Company is not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of the Letter of Offer. Investors are advised to make their independent investigations and ensure that the number of Equity Shares applied for do not exceed the applicable limits under laws or regulations.

Please note that the Rights Equity Shares applied for under this Issue can be allotted only in dematerialised form and to (a) the same depository account/ corresponding pan in which the Equity Shares are held by such Investor on the Record Date, or (b) the depository account, details of which have been provided to our Company or the Registrar at least two working days prior to the Issue Closing Date by the Eligible Equity Shareholder, or (c) demat suspense account where the credit of the Rights Entitlements returned/ reversed /failed.

**MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION**

The following material documents and contracts (not being contracts entered into in the ordinary course of business carried on by our Company or entered into more than 2 (Two) years prior to the date of this Letter of Offer) which are or may be deemed material have been entered or are to be entered into by our Company. Copies of the abovementioned contracts and the documents for inspection referred to hereunder, may be inspected at the Registered and Corporate Office between 10.00 A.M. and 5.00 P.M. (Indian Standard Time) on all working days from the date of filing of the Letter of Offer until the Issue Closing Date. The copies of these contracts and also the documents for inspection referred to hereunder, would be available on the website of the Company at [www.gujarattoolroom.com](http://www.gujarattoolroom.com) from the date of this Letter of Offer until the Issue Closing Date.

**MATERIAL CONTRACTS FOR THE ISSUE**

1. Registrar Agreement dated November 28, 2023.
2. Bankers to the Issue Agreement dated May 23, 2024 amongst our Company, the Registrar to the Issue and the Escrow Collection Bank(s).
3. Tripartite Agreement between our Company, National Securities Depository Limited (NSDL) and Registrar to the Issue;
4. Tripartite Agreement between our Company, Central Depository Services (India) Limited (CDSL) and Registrar to the Issue;

**MATERIAL DOCUMENTS IN RELATION TO THE ISSUE**

1. Certified copies of the updated Memorandum of Association and Articles of Association of our Company;
2. Certificate of Incorporation of our Company;
3. Copies of Unaudited Financial Results of our Company for the nine Months period ended December 31, 2023.
4. Copies of Audited Restated Financial Statement of our Company for the last 3 (Three) Financial Years ending March 31, 2023, March 31, 2022 and March 31, 2021;
5. Resolution of our Board of Directors dated August 14, 2023 approving the Rights Issue;
6. Resolution of our Board dated December 22, 2023, approving the Draft Letter of Offer;
7. Resolution of our Board of Directors dated May 23, 2024, finalizing the terms of the Issue including Issue Price, Record Date and the Rights Entitlement Ratio;
8. Resolution of our Board of Directors dated May 23, 2024, approving the Letter of Offer;
9. Consents of our Directors, Bankers to our Company, Bankers to the Issue, Legal Advisor and the Registrar to the Issue for inclusion of their names in the Letter of Offer to act in their respective capacities;
10. Report on Statement of Special Tax Benefits dated December 04, 2023 for our Company from the Statutory Auditors of our Company;

11. In-principle approval issued by BSE dated February 19, 2024 vide approval letter reference No. LOD/RIGHT/AB/FIP/1257/2023-24.

Any of the contracts or documents mentioned in this Letter of Offer may be amended or modified at any time if so required in the interest of our Company or if required by the other parties, without notice to the Eligible Shareholders subject to compliance of the provisions contained in the Companies Act and other relevant statutes.

## DECLARATION

We hereby declare that all relevant provisions of the Companies Act 2013 and the rules, regulations and guidelines issued by the Government of India, or the rules, regulations or guidelines issued by the SEBI, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Letter of Offer is contrary to the provisions of the Companies Act 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contract (Regulation) Rules, 1957 and the Securities and Exchange Board of India Act, 1992, each as amended, or the rules, regulations or guidelines issued thereunder, as the case may be. We further certify that all disclosures made in this Letter of Offer are true and correct.

### SIGNED BY ALL THE DIRECTORS, CFO AND CS OF OUR COMPANY

Name	Designation	Signature
Mr. Narendra Sharma (DIN: 10295571)	Managing Director	Sd/-
Mr. Sunil Pachlangia (DIN: 07850377)	Executive Director	Sd/-
Mr. Avachalbai Chaudhari (DIN: 07850377)	Executive Director	Sd/-
Mr. Nirali Karetha (DIN: 10289583)	Non-Executive Director	Sd/-
Mr. Vaibhav Kakkad (DIN: 08148272)	Independent Director	Sd/-
Mr. Vinodkumar Mishra (DIN: 07552109)	Independent Director	Sd/-
Mr. Rakesh Dutta	Chief Financial Officer	Sd/-
Ms. Asha Parmar	Company Secretary & Compliance Officer	Sd/-

**Place:** Ahmedabad

**Date:** May 23, 2024