

# Gujarat TOOLROOM LIMITED

402 Sheel Complex, 4th Floor, Mayur Colony, Nr. Mithakhali Under Bridge, Navrangpura, AHMEDABAD - 380 009  
Tel No. : 079 - 2640 3311, 2640 1304, Tel-Fax : 079 - 2640 1304, Email: info@gujarattoolroom.com, Website : www.gujarattoolroom.com

CIN: L45208GJ1983PLC006056

Date: September 2, 2022

To,  
**BSE LIMITED**  
P.J. Towers,  
Dalal Street,  
Mumbai-400001

**Sub.: Notice and Annual Report of the 38<sup>th</sup> Annual General Meeting of the Company for the Financial Year 2021-22.**

**BSE Scrip Code: 513337**

Dear Sir,

Pursuant to Regulation 34(1) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable rules and regulations made there under to comply with the disclosure requirement of Notice of AGM and Annual Report to Bombay Stock Exchange ('BSE'), we are submitting herewith the 38<sup>th</sup> Annual Report of the Company along with the Notice of Annual General Meeting ("AGM") for the Financial Year 2021-22.

Kindly take note for the same.

Thanking you,

Yours faithfully,  
For, GUJARAT TOOLROOM LIMITED



MR. VISHAL M. SHAH  
MANAGING DIRECTOR  
(DIN: 03279724)



Encl. : Copy of 38<sup>th</sup> Annual Report for F.Y. 2021-22 along with Notice of AGM.



**38<sup>TH</sup> ANNUAL REOPORT  
F.Y. 2021-22**

**GUJARAT TOOLROOM LIMITED**

**CIN: L45208GJ1983PLC006056**

**REGD.OFFICE**

***402, SHEEL COMPLEX, NEAR MITHAKHALI  
UNDER BRIDGE, NAVRANGPURA,  
AHMEDABAD - 380009.***

|   |
|---|
| <b>: KEY MANAGERIAL PERSONNEL &amp; BOARD OF DIRECTORS:</b> |
|---|

|   |  |
|---|--|
| <b><u>Key Managerial Personnel &amp; Board of Directors</u></b> | Mr. Vishal Shah : Managing Director<br>Mr. Manish Shah : Non-Executive Director<br>Mr. Kunjan Vora : Independent Director<br>Mr. Prakash Rahevar : Independent Director<br>Ms. Neha Jain : Chief Financial Officer<br>Ms. Avani Sejpal : Company Secretary & Compliance Officer (upto 10/10/2021)<br>Ms. Ziral Soni : Company Secretary & Compliance Officer (from 21/12/2021) |
| <b><u>Audit Committee</u></b>                                   | Mr. Kunjan Vora : Chairman<br>Mr. Manish Shah: Member<br>Mr. Prakash Rahevar : Member  |
| <b><u>Nomination and Remuneration Committee</u></b>             | Mr. Kunjan Vora : Chairman<br>Mr. Manish Shah: Member<br>Mr. Prakash Rahevar : Member  |
| <b><u>Stakeholders' Relationship Committee</u></b>              | Mr. Kunjan Vora : Chairman<br>Mr. Manish Shah: Member<br>Mr. Prakash Rahevar : Member  |
| <b><u>Statutory Auditor</u></b>                                 | M/s. Dharmesh Parikh & Co LLP<br>Chartered Accountants, Ahmedabad  |
| <b><u>Secretarial Auditor</u></b>                               | Mr Vishwas Sharma,<br>M/s. Vishwas Sharma & Associates<br>Practicing Company Secretary, Ahmedabad  |
| <b><u>Share Transfer Agent</u></b>                              | Bigshare Services Private Limited,<br>A-802, Samudra Complex, Near Klassic Gold Hotel, Off C.G Road, Navrangpura, Ahmedabad – 380 009  |
| <b><u>Registered Office</u></b>                                 | 402, Sheel Complex, Nr. Mithakhali Under Bridge,<br>Navrangpura, Ahmedabad – 380 009   |

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**NOTICE**

**NOTICE** is hereby given that the 38<sup>th</sup> Annual General Meeting of the Shareholders of Gujarat Toolroom Limited will be held on Friday, September 23, 2022 at 2:00 P.M. at the Registered Office of the Company situated a 402, Sheel Complex, Near Mithakhali Under Bridge, Navrangpura, Ahmedabad – 380 009, Gujarat to transact the following businesses:

**ORDINARY BUSINESS:**

1. To consider and adopt the Audited Financial Statement of the Company for the Financial Year ended on 31<sup>st</sup> March, 2022 and statement of Profit and Loss account together with the notes forming part thereof and Cash Flow Statement for the Financial Year ended on that date, and the reports of the Board of Directors (“The Board”) and Auditor thereon.
2. To appoint a director in place of Mr. Manish Shah (DIN: 03060959), who retires by rotation and being eligible, offers himself for re-appointment.

**SPECIAL BUSINESS:****3. Appointment of Mr. Vishal M. Shah (DIN: 03279724) as a Managing Director of the Company:**

To consider and, if thought fit, to give your assent/dissent to pass with or without modification(s) the following Resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Section 196, 197 and any other applicable provisions of the Companies Act, 2013 (“Act”) and the rules made there under, as amended from time to time, read with Schedule V to the Act, and Articles of Association of the Company, the consent of the Members of the Company be and is hereby accorded to appoint Mr. Vishal M. Shah (DIN : 03279724) as Managing Director of the Company for a period of 3 (Three) years effective from 9<sup>th</sup> August, 2022 upon the terms and conditions set out in the Explanatory Statement annexed to the Notice convening this meeting (including remuneration to be paid in the event of loss or inadequacy of profits in any financial year during the period of 3 (Three) years from the date of his appointment), with liberty to the Board of Directors of the Company (hereinafter referred to as “the Board” (which term shall be deemed to include any Committee of the Board constituted to exercise its powers, including the powers conferred by this Resolution) to alter and vary terms and conditions as detailed in the explanatory statement attached herewith”

“**RESOLVED FURTHER THAT** the remuneration payable to Mr. Vishal M. Shah (DIN : 03279724) shall not exceed the overall ceiling of the total managerial remuneration as provided under section 197 of the Companies Act, 2013 or such other limits as may be prescribed from time to time”

“**RESOLVED FURTHER THAT** any of the Board of directors, be and is hereby authorized to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required and to delegate all or any of its powers herein conferred to any Committee of Directors or Director(s) to give effect to the aforesaid resolution.”

**Registered Office**  
402, Sheel Complex,  
Near Mithakhali Under Bridge,  
Navrangpura, Ahmedabad – 380 009.

**Place: Ahmedabad**  
**Dated: August 9, 2022**

**By order of Board of Directors**  
**GUJARAT TOOLROOM LIMITED**

**Manish Shah**      **Vishal Mukesh Kumar Shah**  
**Director**            **Managing Director**  
**DIN: 03060959**    **DIN: 032797**

**Notes:**

1. The Annual General Meeting (AGM) will be held on Friday, September 23, 2022 at 2:00 p.m. (IST) at the Registered office of the Company at 402, Sheel Complex, Near Mithakhali Under Bridge, Navrangpura, Ahmedabad – 380 009, Gujarat.
2. A member entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy/proxies to attend and vote on a poll instead of himself/herself and such proxy/ proxies need not be a member of the company. Duly completed instrument of proxies in order to be effective must be reached the registered office of the Company not less than 48 hours before the scheduled time of the meeting. A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than 10% of the total share capital of the Company, provided a member holding more than 10% of the total share capital may appoint a single person as proxy and such person shall not act as proxy for any other shareholder.
3. Members/proxies are requested to bring their copy of Annual Report to the Meeting and bring in duly filled attendance slips enclosed herewith to attend the meeting. Shareholders/ Proxy holders are requested to produce at the entrance, duly filled and signed attendance slips for admission to the Meeting Hall.
4. Attendance slip, proxy form and the route map of the venue of the Meeting are annexed hereto along with this Annual Report
5. A remote e-voting facility for the members shall also be provided in terms of Section 108 of the Companies Act, 2013 and rules made there under and Regulation 44 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015. The facility for voting through ballot paper shall also be made available at the meeting and members attending the meeting who have not already cast their vote by remote e-voting shall be able to exercise the right at the meeting. The members who have casted their vote by remote e-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again.
6. In terms of the provisions of Section 152 of the Act, Mr. Manish Shah (DIN: 03060959) retires by rotation as a Director at this Meeting. Mr. Manish Shah and his relatives shall be deemed to be interested in the Ordinary Resolution set out at Item No.2 of the Notice of AGM with regard to his re-appointment. Save and except above, none of the Directors/Key Managerial Personnel of the Company/their relatives are, in anyway, concerned or interested, financially or otherwise, in the Ordinary Business set out at Item No. 2 of the Notice of AGM.
7. A detailed profile of Mr. Manish Shah along with additional information required under Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') and Secretarial Standard on General Meetings is provided separately by way of an Annexure to the Notice of AGM.
8. SEBI has mandated that for registration of transfer of the shares in the demat form only after 1<sup>st</sup> April, 2019. Therefore, it is advised to the shareholders, holding their shares in the physical form to get convert into the Demat form.
9. Corporate members intending to send their authorized representative to attend the Annual General Meeting are requested to ensure that the authorized representative carries a certified copy of the Board resolution, Power of Attorney or such other valid authorizations, authorizing them to attend and vote on their behalf at the Extra Ordinary General Meeting.
10. In line with the aforesaid Ministry of Corporate Affairs (MCA) Circulars and SEBI Circular dated May12, 2020, the Notice of Annual General Meeting, inter alia, indicating the process and manner of e-voting along with Board Report, Financials, Attendance Slip and Proxy Form is being sent to the members for the Financial Year 2021-22 only through electronic mode to those Members whose email addresses are registered with the Company/Depositories. Pursuant to Regulation 46 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and in line with the MCA Circulars, the Notice calling AGM and Annual Report for the Financial Year 2021-22 has been uploaded on the website of the Company at [www.gujarattoolroom.com](http://www.gujarattoolroom.com). The Notice can also be accessed from the website of the Stock Exchange i.e. BSE Limited at [www.bseindia.com](http://www.bseindia.com) and the Notice of Annual General Meeting is also available on the website of CDSL (agency for providing the Remote e-Voting facility) i.e. [www.evotingindia.com](http://www.evotingindia.com). For members who have not registered their email address, may write to the Company Secretary at [info@gujarattoolroom.com](mailto:info@gujarattoolroom.com) and physical copies of the Notice of the Meeting are being sent through permitted mode.
11. An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 relating to the Ordinary and Special Business to be transacted at the Annual General Meeting is annexed hereto.

12. Pursuant to Section 91 of the Companies Act, 2013 and Regulation 42 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Register of members and share transfer books of the Company will remain closed from Saturday, September 17, 2022 to Friday, September 23, 2022 (both days inclusive) for the purpose of Annual General Meeting.
13. Members desirous of obtaining any information concerning the accounts and operations of the Company are requested to address their question in writing to the Company by email at [info@gujarattoolroom.com](mailto:info@gujarattoolroom.com) so as to reach the registered office of the Company at least 10 days but not later than September 16, 2022 before the date of the meeting so that information required may be made available at the time of the Meeting so as to enable the management to keep the information ready.
14. The Securities and Exchange Board of India (SEBI) has mandated the Submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are therefore requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company or the Registrar and Share Transfer Agent.
15. Members are requested to intimate changes, if any. Pertaining to their name, postal address, email address, telephone/mobile numbers, Permanent Account Number (PAN), mandates nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc.,
  - a. **For shares held electronic form:** to their Depository Participants (DPs)
  - b. **For shares held in physical form:** to the Company/Registrar and Transfer Agent in prescribed Form ISR-1 and other forms pursuant to SEBI Circular No. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2021/655 dated November 03, 2021.
16. Members may please note that SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD\_RTAB/P/CIR/2022/8 dated January 25, 2022 has mandated the listed companies to issue securities in dematerialized form only while processing service requests viz. Issue of duplicate securities certificate, claim from unclaimed suspense account, renewal/exchange of securities certificate; endorsement; sub-division/splitting of securities certificate; consolidation of securities certificates/folios; transmission and transportation.

Accordingly, Members are requested to make service requests by submitting a duly filled and signed Form ISR-4. It may be noted that any service request can be processed only after the folio is KYC Compliant.

17. As per the provisions of Section 72 of the Companies Act, 2013 and the SEBI Circular, the facility for making nomination is available for the Members in respect of shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. If a Member desires to opt out or cancel the earlier nomination and record a fresh nomination, he/she may submit the same in Form No. ISR-3 or SH-14 as the case may be. Members are requested to submit the said details to their DP in case the shares are held by them in dematerialized form and to the Company/Registrar and Transfer Agent in case the shares are held in physical form.
18. Members are requested to notify any changes, in their address to the Company's Registrar & Share Transfer Agent, M/s. Bigshare Services Pvt. Ltd, A-802 Samudra Complex, Near Klassic Gold Hotel, Off C G Road, Navrangpura, Ahmedabad-380009, Gujarat.
19. In case of joint holders, the Members/Proxies whose name appears as the first holder in the order of name as per the Register of Members of the Company will be entitled to vote during the AGM.
20. Members can opt for only one mode of voting i.e. either by e-voting or Physical voting at AGM. In case Members cast their votes through both the modes, voting done by e-voting shall prevail and votes cast at AGM shall be treated as invalid.
21. Members who wish to inspect the Register of Directors' and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013, the Register of contracts or arrangements in which the Directors are interested under Section 189 of the Companies Act, 2013 and relevant documents referred to in this Notice of AGM and Explanatory Statement on the date of AGM will be available for inspection in electronic mode can send an email to [info@gujarattoolroom.com](mailto:info@gujarattoolroom.com).

**22. THE PROCEDURE AND INSTRUCTIONS FOR MEMBERS FOR VOTING ELECTRONICALLY ARE AS UNDER:**

- i. The voting period begins on Tuesday, September 20, 2022 at 09.00 a.m. to Thursday, September 22, 2022 at 5.00 p.m. During this period shareholders of the Company holding shares either in

physical form or in dematerialized form, as on the cut-off date Friday, September 16, 2022 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

- ii. Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting.
- iii. In compliance with the provisions of Section 108 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 and pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 09, 2020, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders / retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (hereinafter referred as 'ESPs') providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

- iv. Those Members who will be present in the Annual General Meeting physically and have not cast their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote at the Annual General Meeting.
- v. The Members who have casted their vote by remote e-Voting prior to the Annual General Meeting may also attend/ participate in the Annual General Meeting physically but shall not be entitled to cast their vote again.
- vi. Any person, who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holds shares as of the cut-off date, may obtain the login ID and password by sending a request at [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) by mentioning their demat account number/ folio number, PAN, name and registered address. However, if he/ she is already registered with CDSL for remote e-Voting then he/ she can use his/ her existing User ID and password for casting the vote.
- vii. In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Pursuant to above said SEBI Circular, Login method for e-Voting for Individual shareholders holding securities in Demat mode is given below:

| TYPE OF SHAREHOLDERS   | LOGIN METHOD  |
|--|---|
| Individual Shareholders holding securities in Demat mode with CDSL | <p>1) Users of who have opted for CDSL's Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URLs for users to login to Easi/Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on Login icon and select New System Myeasi.</p> <p>2) After successful login the Easi/Easiest user will be able to see the e-Voting Menu. On clicking the e-voting menu, the user will be able to see his/her holdings along with links of the respective e-Voting service provider i.e. CDSL/NSDL/KARVY/BIGSHARE as per information provided by Issuer/ Company. Additionally, we are providing links to e-Voting Service Providers, so that the user can visit the e-Voting service providers' site directly.</p> <p>3) If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a>.</p> |



|  |  |
|--|--|
|  | 4) Alternatively, the user can directly access E-Voting page by providing Demat Account Number and PAN No. from a link in <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be provided links for the respective ESP where the e-Voting is in progress during or before the Annual General Meeting.   |
| Individual Shareholders holding securities in demat mode with NSDL                                     | <p>1) If you are already registered for NSDL IDEAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsd.com">https://eservices.nsd.com</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the “Beneficial Owner” icon under “Login” which is available under ‘IdeAS’ section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-voting services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-voting service provider name and you will be re-directed to e-voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting&amp; voting during the meeting.</p> <p>2) If the user is not registered for IDEAS e-services, option to register is available at <a href="https://eservices.nsd.com">https://eservices.nsd.com</a>. Select “Register Online for IDEAS “Portal or click at <a href="https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp</a>.</p> <p>3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsd.com">https://www.evoting.nsd.com</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-voting service provider name and you will be redirected to e-voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting&amp; voting during the meeting.</p> |
| Individual Shareholders (holding securities in demat mode) login through their Depository Participants | You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After successful login, you will be able to see e-voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-voting service provider name and you will be redirected to e-voting service provider’s website for casting your vote during the remote e-voting period or joining virtual meeting & voting during the meeting.   |

**Important note:** Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at above mentioned website.

**Helpdesk for Individual Shareholders holding securities in demat mode for any technical Issues related to login through Depository i.e. CDSL and NSDL.**

| <b>Login type</b>   | <b>Helpdesk details</b>  |
|---|--|
| Individual Shareholders holding securities in Demat mode with <b>CDSL</b> | Members facing any technical issue in login can contact CDSL helpdesk by sending a request <a href="mailto:athelpdesk.evoting@cdslindia.com">athelpdesk.evoting@cdslindia.com</a> or contact at 022-23058738 and 22-23058542-43. |
| Individual Shareholders holding securities in Demat mode with <b>NSDL</b> | Members facing any technical issue in login can contact NSDL helpdesk by sending a request <a href="mailto:atevoting@nsdl.co.in">atevoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30              |

**Login method for e-Voting other than individual shareholders & physical shareholders:**

- 1) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- 2) Click on Shareholders
- 3) Now Enter your User ID
  - a. For CDSL: 16 digits beneficiary ID
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Members holding shares in Physical form should enter Folio Number registered with the Company
- 4) Next enter the Image Verification as displayed and Click on Login
- 5) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used
- 6) If you are a first time user follow the steps given below:

|  | <b>For Shareholders holding shares in Demat Form other than individual and Physical Form</b>  |
|--|---|
| PAN  | Enter your 10digit alpha-numeric PAN issued by Income Tax Department(Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> <li>• Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number which is printed on Attendance Slip indicated in the PAN field.</li> </ul>     |
| Dividend Bank Details OR Date of Birth (DOB) | Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none"> <li>• If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).</li> </ul> |

- viii. After entering these details appropriately, click on "SUBMIT" tab.
- ix. Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- x. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- xi. Click on the EVSN for the relevant <GUJARAT TOOLROOM LIMITED> on which you choose to vote.
- xii. On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- xiii. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- xiv. After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- xv. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- xvi. You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- xvii. If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- xviii. Shareholders can also cast their vote using CDSL's mobile app m-Voting. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting through your mobile.
- xix. Note for Non – Individual Shareholders and Custodians:
  - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves in the "Corporates" module.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com)

- After receiving the login details, user would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively, Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company, if voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

**PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL ADDRESSES ARE NOT REGISTERED WITH THE DEPOSITORIES FOR OBTAINING LOGIN CREDENTIALS FOR E-VOTING FOR THE RESOLUTIONS PROPOSED IN THIS NOTICE:**

- a. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN(self-attested scanned copy of PAN card), AADHAR(self-attested scanned copy of Aadhar Card) by email to Company/RTA email id.
- b. For Demat shareholders -, please provide Demat account details (CDSL-16-digit beneficiary ID or NSDL-16 digit DPID + CLID), Name, client master or copy of Consolidated Account statement, PAN(self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to Company/RTA email id.

In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call 022-23058542/43.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Manager, Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futorex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai-400013, Maharashtra or send an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call 022-23058542/43.

23. Mr. Vishwas Sharma, Practicing Company Secretary, Proprietor of M/s. Vishwas Sharma & Associates (Membership No. ACS: 33017; COP No: 16942) has been appointed by the Board of Directors of the Company to scrutinize the e-voting during the AGM and remote e-voting process prior to AGM in a fair and transparent manner and he has communicated his willingness to be appointed and will be available for same purpose.
24. The Scrutinizer shall within two working days from the conclusion of e-voting period, unblock the votes in presence of at least two witnesses not in employment of the Company and make a report of the votes cast in favor or against, if any, forthwith to the Chairman of the Company.
25. The Results shall be declared within two working days from the conclusion of the AGM. The results declared along with the Scrutinizer's report shall be placed on the Company's website at [www.gujarattoolroom.com](http://www.gujarattoolroom.com) and on the CDSL website [www.evotingindia.com](http://www.evotingindia.com) and communicated to the Stock Exchanges.

Every member entitled to vote at the meeting, or on any resolution to be moved thereat, shall be entitled during the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, to inspect the proxies lodged, at any time during the business hours of the company, provided that not less than three days notice in writing of the intention so to inspect is given to the Company.

If you have any queries or issues regarding attending Annual General Meeting& e-voting from the CDSL e-voting System, you can write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact at 022-23058738 and 022-23058542/43

**Registered Office**  
402, Sheel Complex,  
Near Mithakhali Under Bridge,  
Navrangpura, Ahmedabad - 380 009.

**Place: Ahmedabad**  
**Dated: August 9, 2022**

**By order of Board of Directors**  
**GUJARAT TOOLROOM LIMITED**

**Manish Shah**      **Vishal Mukesh Kumar Shah**  
**Director**            **Managing Director**  
**DIN: 03060959**    **DIN: 03279724**

**ANNEXURE TO NOTICE****EXPLANATORY STATEMENT UNDER SECTION 102 (1) OF THE COMPANIES ACT, 2013****Item No. 3 :**

The Board of Directors in their meeting held on Tuesday, 9<sup>th</sup> August, 2022, appointed Mr. Vishal Mukesh kumar Shah (DIN : 03279724), as Managing Director of the Company for a period of 3 years effective from 9<sup>th</sup> August, 2022 subject to the approval of Shareholders. The period of office of Mr. Vishal Mukesh Kumar Shah shall be liable to retire by rotation. Mr. Vishal Mukesh Kumar Shah is actively engaged in managing the company since its incorporation.

Keeping in view that Mr. Vishal Mukesh Kumar Shah has rich and varied experience in the Industry and has been involved in the operations of the Company over a long period of time, it would be in the interest of the Company to appoint Mr. Vishal Mukesh Kumar Shah as Managing Director of the Company.

This explanatory statement may also be read and treated as disclosure in compliance with the requirements of Section 190 of the Companies Act, 2013.

The details of remuneration payable to Mr. Vishal Mukesh Kumar Shah (DIN: 03279724) and the terms and conditions of the appointment are given below:

**I. PERIOD:**

For a period of Three (3) years from 9<sup>th</sup> August, 2022 to 8<sup>th</sup> August, 2025.

**II. SALARY:** Up to Rs.1,00,000/- per month which is eligible for revision on a date to be determined by the Nomination and Remuneration Committee.

**III. PERQUISITES:** The Managing Director shall not be entitled for any perquisites except salary and reimbursement of actual expenses incurred for the Company.

**IV. DUTIES:** Subject to the superintendence, direction, and control of the Board of Directors of the Company, the Managing Director shall be entrusted with substantial power of management and also such other duties and responsibilities as may be entrusted to him by the Board of Directors from time to time. The headquarter of the Managing Director shall be at Ahmadabad or at such place as the Board of Directors may decide from time to time.

**V. TERMINATION:** Managing Director may be removed from his office for gross negligence, breach of duty or trust if a special Resolution to that effect is passed by the Company in its General Meeting. The Managing Director may resign from his office by giving 90 days' Notice to the Company.

**VI. COMPENSATION:** In the event of termination of office of Managing Director takes place before the expiration of tenure thereof, Managing Director of the Company shall be entitled to receive compensation from the Company for loss of office to extent and subject to limitation as provided under Section 202 of the Companies Act, 2013.

**VII. OTHER TERMS AND CONDITIONS:**

a) In the event of absence or inadequacy of profits in any financial year during the tenure of the Managing Director, salary and perquisites subject to the limits stipulated under Schedule V read with Section 196 and 197 of the Companies Act, 2013, are payable.

b) Reimbursement of entertainment expenses actually and properly incurred in the course of business of the Company shall be allowed.

c) No sitting fees shall be paid to the Managing Director for attending the meetings of the Board of Directors or Committees thereof.

d) The perquisites as listed in Para (III) above shall be valued as per the Income Tax Rules, 1962, as may be applicable.

A Statement containing the following information as per section II of Part II of Schedule V of the Companies Act, 2013.

|    |  |  |         |         |
|----|--|--|---------|---------|
| 1. | Nature of industry   | The main object of the Company is relating to textile and construction, however the Company is not carrying any business activities and management is exploring various business activities. |         |         |
| 2. | Date or expected date of commencement of commercial production   | The Company is already in existence and it started its activities since 1983.  |         |         |
| 3. | In case of new companies expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus | N.A  |         |         |
| 4. | Financial Performance based on given indicators  | Financial Parameters   | 2021-22 | 2020-21 |
|    |  | Total revenue  | 0.00    | 0.00    |
|    |  | Net profit (Loss) after tax  | (16.05) | (4.49)  |
| 5. | Foreign Investments or collaborations, if any.   | N.A.   |         |         |

**II. Information about the appointees:**

|         |   |  |
|---------|---|--|
| Sr. no. | Particulars   | Mr. Vishal Mukeshkumar Shah  |
| 1.      | Background details  | Mr. Vishal Mukeshkumar Shah is under graduate  |
| 2.      | Past Remuneration   | Mr. Vishal Mukeshkumar Shah has not withdrawn any remuneration in past year from the Company.  |
| 3.      | Recognition or awards   | NA   |
| 4.      | Job profile and his suitability   | Mr. Vishal M. Shah has more than 10 years of experience in General administration and accounts   |
| 5.      | Remuneration Proposed   | Upto 1 Lakhs per annum   |
| 6.      | Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin) | The prevalent levels of remuneration in Textile industry is higher. Taking into consideration his involvement and responsibility by Mr. Vishal M. Shah , the proposed remuneration is reasonable and in line with the remuneration levels in the industry across the Country |
| 7.      | Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any.  | Mr. Vishal Kumar Shah is not related to any directors on the Board.  |

**III. Other Information:**

|  |  |
|--|--|
| Reason of loss or inadequate profits                               | The Company is not carrying any business activities and management is exploring various business activities. |
| Steps taken or proposed to be taken for improvement                | The Management is exploring for alternative business opportunities.  |
| Expected increase in productivity and profits in measurable terms. | 1-3% for first Two Year<br>4-6 % thereafter  |

The Board of Directors recommends the resolution in relation to the re-appointment of Managing Director, for the approval of the shareholders of the Company.

None of the Directors and Key Managerial Personnel of the Company and their relatives except Mr. Vishal M. Shah to whom the resolution relates is concerned or interested in this resolution set out at item no. 3.

**Registered Office**  
402, Sheel Complex,  
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**Place: Ahmedabad**  
**Dated: August 9, 2022**

**By order of Board of Directors**  
**GUJARAT TOOLROOM LIMITED**

**Manish Shah**  
**Director**  
**DIN: 03060959**

**Vishal Mukesh Kumar Shah**  
**Managing Director**  
**DIN: 03279724**

**ANNEXURE TO NOTICE**

Relevant details as stipulated under Regulation 36(3) of SEBI (LODR), 2015 and Secretarial Standard on General Meetings ("SS-2") issued by Institute of Company Secretaries of India, in respect of directors seeking appointment / reappointment as director is as under:

| <b>Name of the Director</b>  | <b>Mr. Manish Shah</b>   | <b>Mr. Vishal Shah</b>  |
|--|--|---|
| DIN  | 03060959   | 03279724  |
| Date of Birth  | 21/12/1970   | 13/09/1987  |
| Date of Appointment  | September 23, 2022   | September 23, 2022  |
| Qualification and experience in specific functional area;  | Mr. Manish Shah is holding Graduation degree in Commerce field. He has more than 7 years of rich experience in textile industry. | Mr. Vishal M. Shah has more than 10 years of experience in administration and accounts. |
| Skills and capabilities required for the role and the manner in which the proposed person meets such requirement | Not Applicable   | Not Applicable  |
| Directorship held in other companies*  | 1  | 0   |
| Membership / Chairmanships of Committee in other Public Companies  | Nil  | Nil   |
| Number of shares held in the company   | Nil  | 34,320  |
| Relationship with any Director(s) of the Company   | Mr. Manish Shah is not related to any Director of the Company  | Mr. Vishal M. Shah is not related to any Director of the Company                        |

**\*Excluded Private Companies**

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**Place: Ahmedabad**  
**Dated: August 9, 2022**

**By order of Board of Directors**  
**GUJARAT TOOLROOM LIMITED**

**Mr. Manish Shah**  
**Director**  
**DIN: 03060959**

**Vishal Mukesh Kumar Shah**  
**Managing Director**  
**DIN: 03279724**

**BOARD'S REPORT**

To,  
The Members,  
**GUJARAT TOOLROOM LIMITED.**

Your Directors are presenting the 38<sup>th</sup> Annual Report of the Company along with the Audited Statement of Accounts for the Financial Year ended on 31<sup>st</sup> March, 2022.

**1. FINANCIAL PERFORMANCE:**

The details of the financial performance are as under:

| Particulars   | (Rs. in Lakhs) |               |
|---|----------------|---------------|
|   | 2021-22        | 2020-21       |
| Income  | 0.00           | 0.00          |
| Other Income  | 0.84           | 0.00          |
| <b>Total Revenue</b>  | <b>0.84</b>    | <b>0.00</b>   |
| <b>Less Expenses</b>  |                |               |
|   | <b>16.77</b>   | <b>4.48</b>   |
| <b>Profit/(Loss) before Interest , Depreciation and tax</b> | <b>(15.93)</b> | <b>(4.48)</b> |
| Less : Interest   | 0.12           | 0.01          |
| Less: Depreciation & Amortization cost                      | 0.00           | 0.00          |
| <b>Profit/(Loss) Before Tax</b>                             | <b>(16.05)</b> | <b>(4.49)</b> |
| Less: Tax Expense   | 0.00           | 0.00          |
| <b>Profit/(Loss) after Tax</b>                              | <b>(16.05)</b> | <b>(4.49)</b> |

The Financial Statements of the Company are prepared in accordance with Indian Accounting Standards (IND AS) including the Rules notified under the relevant provisions of the Companies Act, 2013, form part of the Annual Report and Accounts.

**2. HIGHLIGHTS OF FINANCIAL SUMMERY**

During the period under review your Company has made a loss of Rs. 16.05 Lakhs as against the Loss of Rs. 4.49 of the previous financial year. The Company has earned total revenue of Rs. 0.84 Lakhs and there was no income generated by the company in the previous year.

**3. DIVIDEND**

Your directors have not recommended any dividend for the year 2021-22 as the Company has incurred loss and try to boost of its operation as before.

**4. TRANSFER TO RESERVES & SURPLUS:**

During the year under review, the Company has not transferred any amount to Reserves.

**5. INCREASE IN AUTHORISED SHARE CAPITAL:**

The Authorized share capital of the Company is Rs. 6,00,00,000 consisting of 60,00,000 Equity Shares of Rs. 10/- each.

Further, there was no change in the Authorized Share Capital of the Company During the year under review.

**6. INCREASE IN ISSUED, SUBSCRIBED & PAID-UP SHARE CAPITAL:**

The Issued, Subscribed and paid Up Capital of the Company is Rs 69,53,600 consisting of 6,95,360 fully paid up Equity Shares of Rs. 10 each. Further, There was no change in the Issued, Subscribed and paid Up Capital Share Capital of the Company during the year under review.

**7. DEMATERIALIZATION OF SHARES:**

As on 31<sup>st</sup> March, 2022, there were 3,25,019 Equity Shares dematerialized through depositories viz. National Securities Depository Limited and Central Depository Services (India) Limited, which represents about 46.74% of the total issued, subscribed and paid-up capital of the Company.



**8. LISTING:**

The Equity Shares of the Company are continued to be listed and actively traded on the Bombay Stock Exchange Limited (BSE).

**9. CHANGE IN NATURE OF BUSINESS, IF ANY:**

There was no change in nature of Business during the year under review.

**10. ANNUAL RETURN:**

In terms of Section 92(3) of the Companies Act, 2013 and Rule 12 of the Companies (Management and Administration) Rules, 2014, the Annual Return of the Company is available on the website of the Company at [www.gujarattoolroom.com](http://www.gujarattoolroom.com)

**11. DIRECTORS RESPONSIBILITY STATEMENT:**

In accordance with the provisions of Section 134(3)(c) and Section 134(5) of the Companies Act, 2013, to the best of their knowledge and belief the Board of Directors hereby submits that:

- a. In the preparation of the Annual Accounts, for the year ended on 31<sup>st</sup> March, 2022 the applicable accounting standards have been followed and there are no material departure from the same,
- b. The Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of financial year and of the profit of the Company for the Financial Year ended on 31<sup>st</sup> March, 2022,
- c. The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities,
- d. The Directors had prepared the Annual Accounts on a going concern basis,
- e. The Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively and
- f. The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

**12. BOARD'S RESPONSES TO OBSERVATIONS, QUALIFICATIONS AND ADVERSE REMARKS IN AUDITOR'S REPORT:**

There were no qualifications, reservations, adverse remarks or disclaimer made by the Statutory Auditors in their reports on the financial statement except some qualifications made by the Secretarial Auditors in their Secretarial Audit Report dated August 9, 2022 attached and marked as "Annexure-A" to the Director's Report for the Financial Year ended on 31<sup>st</sup> March, 2022.

The Board has given explanations to the Qualifications given by Secretarial Auditor in the Board's report.

Maintenance of cost records as specified under Companies Act, 2013 is not applicable to the Company.

**13. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE UNDER SECTION 186 OF THE COMPANIES ACT, 2013:**

There were no loans, investment, guarantees and securities made by the Company as per provisions of Section 186 of the Companies Act, 2013 during the year under review.

**14. PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES:**

During the year no contracts or arrangements were made with related parties falling under the purview of Section 188 of the Companies Act, 2013.

There are no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large.

**15. INTERNAL FINANCIAL CONTROLS AND THEIR ADEQUACY:**

The Company has in place a sound financial control system and framework in place to ensure:

- The orderly and efficient conduct of its business including adherence to Company's policies,
- Safeguarding of its assets,
- The prevention and detection of frauds and errors,
- The accuracy and completeness of the accounting records and
- The timely preparation of reliable financial information.

The Board has inter alia reviewed the adequacy and effectiveness of the Company's internal financial controls and takes necessary corrective actions where weaknesses are identified as a result of such reviews

During the year, such Controls were tested and no reportable material weakness was observed.

**16. CHANGE IN REGISTERED OFFICE OF THE COMPANY:**

During the year, there was no change in the Registered Office of the Company.

**17. RESERVES & SURPLUS:**

| Sr. No. | Particulars  | (Rs. in Lakhs) |
|---------|--|----------------|
| 1.      | Surplus / (Deficit) in Statement of Profit and Loss at the beginning of the year | (43.38)        |
| 2.      | Current Year's Profit / Loss   | (16.05)        |
| 3.      | Amount of Securities Premium and other Reserves                                  | 0.47           |
|         | <b>Total</b>   | <b>(58.96)</b> |

**18. MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR TO WHICH THE FINANCIAL STATEMENTS RELATES AND THE DATE OF THE REPORT:**

There are no any material changes and commitments, affecting the financial position of the Company which has occurred subsequent to the date of the Financial Year 2021-22. The Company continues to maintain a positive outlook for the next financial year and will continue to monitor changes in future economic conditions.

**19. TRANSFER TO THE UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND:**

Since there was no unpaid/unclaimed Dividend declared, the provisions of Section 125 of the Companies Act, 2013 does not apply.

**20. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGOCONSUMPTION OF ENERGY & TECHNOLOGY ABSORPTION:**

As the Company is not engaged in any production activity, no steps towards conservation energy or technology absorption ate taken by the Company and hence no particulars as required under Section 134 (3) (m) of the Companies Act, 2013, in respect of Conservation of Energy, Technology Absorption are furnished by the Board

**21. FOREIGN EXCHANGE EARNING & OUTGO:**

Foreign Exchange Earning: **NIL**

Foreign Exchange Outgo: **NIL**

**22. STATEMENT CONCERNING DEVELOPMENT AND IMPLEMENTATION OF THE RISK MANAGEMENT POLICY OF THE COMPANY:**

The Company has in place, a mechanism to identify, assess, monitor and mitigate various risks towards the key business objectives of the Company. Major risks identified by the business and functions are systematically addressed through mitigating actions on a continuing basis.

**23. BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL****i. COMPOSITION OF BOARD:**

The Directors and Key Managerial Personnel of the Company are summarized below:

| Sr. No. | Name                | Designation                            | Category                   | No. of Board Meeting Held | No. of Board Meeting attended |
|---------|---------------------|--|----------------------------|---------------------------|-------------------------------|
| 1.      | Mr. Vishal Shah     | Managing Director                      | Executive Director         | 8                         | 8                             |
| 2.      | Mr. Manish Shah     | Director                               | Non-Executive Director     | 8                         | 8                             |
| 3.      | Mr. Kunjan Vora     | Independent Director                   | Independent, Non-Executive | 8                         | 8                             |
| 4.      | Mr. Prakash Rahevar | Independent Director                   | Independent, Non-Executive | 8                         | 8                             |
| 5.      | Ms. Neha Ketan Jain | Chief Financial Officer                | -                          | 8                         | 8                             |
| 6.      | Ms. Ziral Soni*     | Company Secretary & Compliance Officer | -                          | 8                         | 8                             |
| 7.      | Ms. Avani Sejpal**  | Company Secretary & Compliance Officer | -                          | 8                         | 8                             |

\*Ms. Ziral Soni appointed as Company Secretary & Compliance Officer of the company with effect from December 21, 2021.

\*\*Ms. Avani Sejpal tendered resignation from the position of Company Secretary and Compliance Officer of the Company with effect from October 10, 2021.

**ii. INDUCTIONS AND CESSATIONS:**

There were following inductions and Cessations made by the board of directors during the year under review:

- Mr. Kunjan Vora (DIN: 03612667) has been re-appointed as an Independent Director of the Company with effect from August 14, 2021 and regularized by the members of the Company at 37<sup>th</sup> Annual General Meeting held on September 30, 2021.
- Ms. Avani Sejpal has tendered resignation from the position of Company Secretary and Compliance Officer of the Company with effect from October 10, 2021.
- Ms. Ziral Soni has been appointed as Company Secretary & Compliance Officer of the company with effect from December 21, 2021.

There were no other appointments/ re- appointments made in the composition of the Board of Directors of the Company during the Financial Year 2021-22.

**iii. RETIREMENT BY ROTATION:**

In accordance with the provisions of section 152[6] of the Companies Act, 2013 (" the Act,) and in terms of Articles of Association ('AOA' ) of the Company, Mr. Manish Shah (DIN: 03060959) Director of the Company being liable to retire by rotation and shall retire at the ensuing Annual General Meeting and being eligible, offer himself for reappointment. The Board recommends his reappointment.

**iv PROFILE OF DIRECTORS SEEKING APPOINTMENT / REAPPOINTMENT:**

As required under regulation 36(3) of SEBI (LODR), 2015, particulars of the Directors retiring and seeking reappointment at the ensuing Annual General Meeting is annexed to the notice convening 38<sup>th</sup> Annual General Meeting.

**24. STATEMENT ON FORMAL ANNUAL EVALUATION OF BOARD:**

Nomination and Remuneration Committee annually evaluates the performance of individual Directors, Committees, and of the Board as a whole in accordance with the formal system adopted by it. Further, the Board also regularly in their meetings held for various purposes evaluates the performance of all the Directors, committees and the Board as a whole. The Board considers the recommendation made by Nomination and Remuneration Committee in regard to the evaluation of board members and also tries to discharge its duties more effectively. Each Board member's contribution, their participation was evaluated and the domain knowledge they bring. They also evaluated the manner in which the information flows between the Board and the Management and the manner in which the board papers and other documents are prepared and furnished.

**25. NUMBER OF BOARD MEETINGS CONDUCTED DURING THE YEAR UNDER REVIEW :**

The Directors of the Company met at regular intervals at least once in a quarter with the gap between two meetings not exceeding 120 days to take a view of the Company's policies, strategies and financial matters apart from the Board Matters.

During the year under review, the Board duly met 8 (Eight) times i.e. 11<sup>th</sup> May, 2021, 30<sup>th</sup> June 2021, 12<sup>th</sup> August, 2021, 14<sup>th</sup> August, 2021, 10<sup>th</sup> October, 2021, 28<sup>th</sup> October 2021, 23<sup>rd</sup> December, 2021, 10<sup>th</sup> February, 2022 in respect of said meetings proper notices were given and proceedings were properly recorded and signed in the Minute Book maintained for the purpose.

**26. MEETINGS OF INDEPENDENT DIRECTORS:**

The Independent Directors met twice during the year under review on 30<sup>th</sup> June 2021 and 10<sup>th</sup> February, 2022. The Meetings were conducted in an informal manner without the presence of the Whole time Directors, the Non-Executive Non-Independent Directors, or any other Management Personnel.

The Independent Directors reviewed the performance of the non-independent Directors and Board as whole. The performance of the Chairman taking into account the views of executive Directors and Non-Executive Directors and assessed the quality, quantity and timeline of flow of information between company management and Board.

**27. DECLARATION BY INDEPENDENT DIRECTORS:**

The Company has received declaration from Mr. Prakash Rahevar (DIN: 00717541) and Mr. Kunjan Vora (DIN: 03612667) Independent Director of the Company under Section 149(7) of the Companies Act, that they meet the criteria of Independence as specified under Section 149 (6) of the Companies Act, 2013 and they qualify to be Independent Director. Also confirmed that, they have met all the requirements of Independent Director as mentioned under Regulation 16 (1) (b) of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015. The confirmation was noted by the Board.

**28. CORPORATE GOVERNANCE:**

Since the Paid up Capital of Company is less than Rs. 10 Crores and Turnover is less than Rs. 25 Crores 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 form part of this Board's Report.

**29. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES:**

The Company has no any Subsidiaries / Joint Venture / Associate Company.

**30. PUBLIC DEPOSITS:**

As per Section 73 of the Companies Act, 2013 the Company has neither accepted nor renewed any deposits during the Financial Year 2021-22. Hence the Company has not defaulted in repayment of deposits or payment of interest during the Financial Year.

**31. FORMAL ANNUAL EVALUATION PROCESS BY BOARD :**

Pursuant to the provisions of the Companies Act, 2013 and Rules made there under, the Board has carried the evaluation of its own performance, performance of Individual Directors, Board Committees, including the Chairman of the Board on the basis of attendance, contribution towards development of the Business and various other criteria as recommended by the Nomination and Remuneration Committee of the Company. The evaluation of the working of the Board, its committees, experience and expertise, performance of specific duties and obligations etc. were carried out. The Directors expressed their satisfaction with the evaluation process and outcome.

In a separate meeting of Independent Directors the performances of Executive and Non-Executive Directors were evaluated in terms of their contribution towards the growth and development of the Company. The achievements of the targeted goals and the achievements of the Expansion plans were too observed and evaluated, the outcome of which was satisfactory for all the Directors of the Company.

### 32. AUDITORS:

#### A. STATUTORY AUDITOR:

The present Auditors of the Company are M/s Dharmesh Parikh & Co., (FRN:112054W/W100725) Chartered Accountants, Ahmedabad were appointed as Auditors for a period of 5 year(s) at the 35th Annual General Meeting held on 29<sup>th</sup> September, 2019 to hold office till the conclusion of 40<sup>th</sup> Annual General Meeting to be held in 2024.

In accordance with the Companies Amendment Act, 2017, enforced on May 07, 2018 by the Ministry of Corporate Affairs, the appointment of Statutory Auditors is not required to be ratified at every Annual General Meeting.

#### Auditor Report :

During the year 2021-22, no frauds have either occurred or noticed and/or reported by the Statutory Auditors under Section 143(12) of the Companies Act, 2013 read with the Companies(Audit and Auditors) Rules, 2014 (as amended from time to time).

The Notes to the financial statements referred in the Auditors Report are self-explanatory. There are no qualifications or reservations or adverse remarks or disclaimers given by Statutory Auditors' of the Company and therefore do not call for any comments under Section 134 of the Companies Act, 2013. The Auditors' Report is enclosed with the financial statements in this Annual Report.

During the year under review, the Auditors have not reported any matter under Section 143 (12) of the Act and therefore no detail is required to be disclosed under Section 134 (3) (ca) of the Act.

#### B. COST AUDITORS:

The Company has not appointed the Cost Auditor as pursuant to Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Amendment Rules, 2014, the cost audit is not applicable to the Company.

#### C. Internal Auditor:

Pursuant to the provision of Section 138 of the Companies Act 2013 and on the recommendation of Audit Committee, the Board of Directors of the Company has appointed Mr. Chintan V. Janani & Co., Chartered Accountant (FRN: 154933W) as an Internal Auditor of the Company for the F.Y. 2022-23.

#### D. SECRETARIAL AUDITOR:

Provisions of Section 204 read with Section 134(3) of the Companies Act, 2013, mandates to obtain Secretarial Audit Report from Practicing Company Secretary. The Board has appointed M/s. Vishwas Sharma & Associates (A33017, COP No. 16942), Practicing Company Secretary, Ahmedabad to conduct Secretarial Audit for the Financial Year 2021-22. Secretarial Audit Report issued by M/s. Vishwas Sharma & Associates, Practicing Company Secretary in Form-MR-3, attached and marked as **Annexure "A"**, for the period under review forms part of this report.

The said report contains certain observation or qualifications which are as under:

1. 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.

**Reply:** *The Board of your Company would like to inform you that the Company has now initiated the steps to update the website of the Company with all required minimum statutory requirements and will also ensure timely updation of website by dissemination of the required information.*

2. The Company failed to submit reconciliation of share capital Audit report for the quarter ended on 30th June, 2021 within 30 days from the end of June quarter, however the same has been submitted on 30th November 2021.

**Reply:** *The Board of Directors of the Company would like to inform you that the Company is regular in submission of Audit report for all the quarter as required under Regulation 76(1) of SEBI(Depository participants) Regulations, 2021 but inadvertently missed to submit audit report for the Quarter ended on 30th June, 2021. It is to be noted that the Audit report for the remaining quarters were timely disseminated on website of the BSE Ltd.*

3. 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. Hence, 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

**Reply:** *The Board of Directors of the Company would like to inform you that, due to non availability of qualified Company Secretary and the Company inadvertently missed to submit the disclosure as required under Regulation 30(1) & (2) read with clause 7 of Para A under Part A of Schedule III of SEBI (LODR) Regulation, 2015 for resignation of company secretary & compliance officer.*

4. The Company had received show cause notice from Registrar of Companies (ROC) Ahmedabad under section 454 of the Company Act, 2013 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 diffence noted in Auhtorised 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”.

**Reply:** *The Board of Directors would like to inform that the Company had replied to Registrar of Companies that due to covid-19 Pandemic the business activities of the Company have been badly impacted and the Company don't have huge manpower to conduct its operations. Currently, the Company has only two employees and the said employees were working from home in the Month of January, 2022 and accordingly the letter sent by Registrar of Companies could not be delivered as the office was closed, therefore the said letter was returned undelivered to the Office of Registrar of Companies.*

5. The Company had not appointed any women director on the Board during the audit period therefore, the Company had not complied 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').

**Reply:** *The Board of Directors of the Company would like to inform you that the Company is in process of appointment of Woman Director. However, the Company will intimate the same as and when process of appointment gets completed.*

6. Miss Avani Sejpal was ceased to be Company secretary and Compliance officer of the Company w.e.f. October 10, 2021. The Company has designated Mr. Vishal Shah Managing Director of the Company as Compliance officer of the Company who was not qualified

company secretary. However, the Company has appointed Miss Ziral Soni as Company Secretary and Compliance officer w.e.f. December 21, 2021.

**Reply:** The Board of Directors of the Company would like to inform you that that Ms. Avani Sejjal has resigned on 10th October, 2021 from the position of Company Secretary and Compliance Officer. As per Section 203(4) of the Companies Act, 2013, If the office of any whole-time key managerial personnel is vacated, the resulting vacancy shall be filled-up by the Board at a meeting of the Board within a period of six months from the date of such vacancy. The Board of your company was unable to find suitable candidate for such post during the period. Your Company has appointed Ms. Ziral Soni as a Company Secretary & Compliance Officer of the Company w.e.f. 21/12/2021 therefore the Company has designated Mr. Vishal Shah, Managing Director of the Company as Compliance officer of the Company till the appointment of qualified Company Secretary

7. The Company has not appointed Internal Auditor during the financial year 2021-22, however the Company has appointed Mr. Chintan V Janani & Co, Chartered Accountant as Interanal Audit 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.

**Reply:** The Board of Directors would like to inform that the Auditor's remark are self explanatory, however the Company has appointed Mr. Chintan V Janani & Co, Chartered Accountant as Interanal Audit for F.Y. 2022-23.

8. The Bombay Stock Exchange ("BSE") has imposed fines for non compliances of various regulations of SEBI(Listing Obligations & Disclosure Requirements), Regulations, 2015 ("LODR") and other allied applicable regulations as the Company failed to submit some of quarterly/half yearly/ yearly compliances which relates to previous years and the reporting year, which are as follows;
- The BSE has imposed fine amount of Rs. 3,20,960/- vide their e-mail Dtd. 07th 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 & Participants) Regulation, 2018.
  - 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).
  - 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.

**Reply:** The Board of Directors would like to inform you that

- The Company had paid fine of Rs. 3,20,960/- on September 14, 2021 vide UTR no. HDFCR52021091464420433 and Rs. 7,28,000/- (including Rs. 44,840/-) on March 22, 2022 vide UTR no. HDFCR52022032255459567 for the non-compliance of certain regulations of SEBI (LODR) Regulations, 2015. Further the Company has applied for waiver under protest for wrong penalties levied by the BSE amounting to Rs. 3,24,000 out of total RS. 6,90,000 on account of the Company has already been complied such compliances on time after paying full amount of Rs. 6,90,000/- and requested that such excess amount paid may get adjusted towards the annual listing fees to be paid for the financial year 2022-23 of the Company.

**33. THE DETAILS OF DIFFERENCE BETWEEN AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS ALONG WITH THE REASONS THEREOF:**

During the year under review, no any Loan from Bank or FIIL sanctioned to Company

**34. DISCLOSURES OF VARIOUS COMMITTEES OF BOARD OF DIRECTORS:****A. Composition of Audit Committee:**

Pursuant to the provisions of section 177(8) of the Companies Act, 2013, the Board hereby discloses the composition of the Audit Committee and other relevant matters as under:

| Name Of Director    | Category of Directorship  | Designation | Number of meeting held | Number of meeting attended |
|---------------------|---------------------------|-------------|------------------------|----------------------------|
| Mr. Kunjan Vora     | Independent Non Executive | Chairman    | 4                      | 4                          |
| Mr. Manish Shah     | Non- Executive Director   | Member      | 4                      | 4                          |
| Mr. Prakash Rahevar | Independent Non Executive | Member      | 4                      | 4                          |

The broad terms of reference of the Audit Committee are as under:

- 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
- Recommending the appointment, remuneration and terms of appointment of external Auditor.
- Review and monitor the auditor's independence and performance and effectiveness of audit process.
- Approval or any subsequent modification of transactions of the company with related parties.
- Scrutiny of inter-corporate loans and investments
- Valuation of undertakings or assets of the Company, wherever it is necessary.
- Monitoring the end use of funds raised through public offers and related matters.
- Reviewing with management the Annual financial statements and half yearly and Quarterly financial results before submission to the Board.
- Reviewing periodically the adequacy of the internal control system.
- 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.

**Four meetings** of the Audit Committee were held during the year viz. on 30/06/2021, 14/08/2021, 28/10/2021 and 10/02/2022.

**B. Composition of Nomination and Remuneration Committee:**

The members of the Committee are as follows:

| Name Of Director    | Category of Directorship  | Designation | Number of meeting held | Number of meeting attended |
|---------------------|---------------------------|-------------|------------------------|----------------------------|
| Mr. Kunjan Vora     | Independent Non Executive | Chairman    | 2                      | 2                          |
| Mr. Manish Shah     | Non- Executive Director   | Member      | 2                      | 2                          |
| Mr. Prakash Rahevar | Independent Non Executive | Member      | 2                      | 2                          |

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:

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

During the financial year ended on 31<sup>st</sup> March 2022, the Nomination and Remuneration Committee met **two times**, 14/08/2021 and 15/02/2022.

#### **Policy on Directors' Appointment & Remuneration**

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 of Directors, Key Managerial Personnel and other employees. The said policy is accessible on the Company's official website at [www.gujarattoolroom.com](http://www.gujarattoolroom.com)

We affirm that the remuneration paid to the Directors is as per the terms laid out in the Remuneration Policy of the Company.

#### **Annual Evaluation of Board, Committees and Individual Directors:**

Pursuant to the provisions of the Act, Listing Regulations, 2015 and the Remuneration Policy of the Company, the Board of Directors/ Independent Directors/ Nomination and Remuneration Committee (as applicable) has undertaken an evaluation of its own performance, the performance of its Committees and of all the individual Directors including the Chairman of the Board of Directors based on various parameters relating to roles, responsibilities and obligations of the Board, effectiveness of its functioning, contribution of Directors at meetings and the functioning of its Committees. Such evaluation is presented to the Nomination and Remuneration Committee and the Board of Directors (as applicable).

Directors express their satisfaction with the evaluation process.

#### **C. Composition of Stakeholder Relation Committee:**

The members of the Committee are as follows:

| <b>Name Of Director</b> | <b>Category of Directorship</b> | <b>Designation</b> | <b>Number of meeting held</b> | <b>Number of meeting attended</b> |
|-------------------------|---------------------------------|--------------------|-------------------------------|-----------------------------------|
| Mr. Kunjan Vora         | Independent Non Executive       | Chairman           | 1                             | 1                                 |
| Mr. Manish Shah         | Non-Executive Director          | Member             | 1                             | 1                                 |
| Mr. Prakash Rahevar     | Independent Non Executive       | Member             | 1                             | 1                                 |

During the financial year ended on 31<sup>st</sup> March 2022, the Stakeholders Relationship Committee met **one time** on 10/02/2022.

#### **Details of Investor's grievances/ Complaints:**

All investor complaints received during the year were resolved. The pending complaints of the Shareholders/Investors registered with SEBI at the end of the current financial year ended on 31<sup>st</sup> March, 2022 are **NIL**.

There were no pending requests for share transfer/dematerialization of shares as of 31<sup>st</sup> March 2022.

**Compliance Officer:**

Ms. Ziral Soni appointed as the Company Secretary and Compliance officer of the Company.

**35. DISCLOSURES UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013:**

As per the requirement of The Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 and rules made there under, your Company has constituted Internal Complaints Committee (ICC) which is responsible for redressal of complaints related to sexual harassment. The ICs includes external members with relevant experience. The ICs, presided by senior women, conduct the investigations and make decisions at the respective Annual Report – 2021-22 The ICs also work extensively on creating awareness on relevance of sexual harassment issues, including while working remotely. Your Directors declared and confirm that, during the year under review, there is no case filed under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. All new employees go through a detailed personal orientation on anti-sexual harassment policy adopted by the Company.

**36. VIGIL MECHANISM / WHISTLE BLOWER POLICY:**

Pursuant to the provisions of Section 177(9) of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors of the Company has established vigil mechanism/Whistle Blower Policy for Directors and employees of the Company to report genuine concerns regarding unethical behaviour, actual or suspected fraud or violation of the Company's code of conduct and ethics Policy. The said mechanism also provides for direct access to the Chairperson of the Audit Committee in appropriate or exceptional cases.

The Board of Directors of the Company frequently reviews the vigil mechanism/whistle blower policy in order to ensure adequate safeguards to employees and Directors against victimization.

The said policy is also available on the website of the Company at [www.gujarattoolroom.com](http://www.gujarattoolroom.com)

**37. PARTICULARS OF EMPLOYEES:**

The Company does not have any employee getting remuneration under Section 197 of the Companies Act, 2013 read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. Therefore, Disclosures regarding the same is not required to be mentioned.

**38. STATE OF COMPANIES AFFAIRS:**

Discussion on the state of affairs of the Company has been covered as part of the Management Discussion and Analysis (MDA) in "Annexure- B' as stipulated under Regulation 34 of Listing Regulations is presented in a separate section forming part of this Annual Report.

**39. MANAGEMENT DISCUSSION AND ANALYSIS:**

Management Discussion and Analysis Report as required under Regulation 34 and Schedule V of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 forms an integral part of this Report, and provides the Company's current working and future outlook as per "Annexure – B".

**40. DETAILS OF POLICY DEVELOPED AND IMPLEMENTED BY THE COMPANY ON ITS CORPORATE SOCIAL RESPONSIBILITY INITIATIVES:**

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 initiatives according the same, hence , the said provision is **not applicable**.

**41. DIRECTOR'S DISQUALIFICATION:**

All the directors of the Company have confirmed that they are not disqualified from being appointed as directors in terms of Section 164 of the Companies Act, 2013.

**42. COMPLIANCE WITH THE PROVISIONS OF SECRETARIAL STANDARD - 1 AND SECRETARIAL STANDARD - 2:**

The Directors have devised proper systems to ensure compliance with the provisions of all applicable Secretarial Standards issued by the Institute of Company Secretaries of India and that such systems are adequate and operating effectively.

**43. DISCLOSURE OF ORDERS PASSED BY REGULATORS OR COURTS OR TRIBUNAL:**

During the year under review, there no any orders have been passed by any Regulator or Court or Tribunal which can have impact on the going concern status and the Company's operations in future.

**44. INSOLVENCY AND BANKRUPTCY CODE:**

During the Financial Year ended on 31<sup>st</sup> March, 2022, there is no application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016.

**ACKNOWLEDGEMENTS**

Your Directors would like to express their sincere appreciation for the co-operation and assistance received from the Bankers, Regulatory Bodies, Stakeholders including Financial Institutions, Suppliers, Customers and other business associates who have extended their valuable sustained support and encouragement during the year under review.

Your Directors take this opportunity to recognize and place on record their gratitude and appreciation for the commitment displayed by all executives, officers and staff at all levels of the Company. We look forward for the continued support of every stakeholder in the future.

**Registered Office:**

402-Sheel Complex,  
Nr. Mithakhadi under Bridge,  
Navrangpura, Ahmedabad- 380009

**By the Order of the Board  
Gujarat Toolroom Limited**

Manish Shah  
Director  
DIN: 03060959

Vishal Shah  
Managing Director  
DIN: 03279724

**Place:** Ahmedabad

**Date:** 9<sup>th</sup> August, 2022

## Annexure-B Management Discussion and Analysis Report

In terms of the provisions of Regulation 34(2) (e) of the Listing Regulations, the Management's discussion and analysis are as follows.

### A. Industry structure and developments:

The Indian Economy has shown significant resilience amidst the global pandemic and trade shock that began to impact the global economy towards the end of 2019-20 and acquired catastrophic proportions in 2020-21. The cumulative value of overall exports (merchandise & services) during April-March 2020-21 has been estimated at USD 493.19 Billion compared to USD 528.37 Billion during April-March 2019-20, registering a negative growth of 6.66 percent. He added that it reflects a remarkable recovery over the course of the financial year after the huge downturn in April 2020 reflected in decline in merchandise exports by (60.28)% and services exports by (8.92) %.

The overall trade deficit, taking merchandise and services together, for April-March 2020-21 is estimated at 12.74 USD billion as compared to the deficit of 77.76 US Billion in April-March 2019-20. The merchandise trade deficit between 2019-20 and 2020-21 declined from USD 161.35 Billion to 98.56 Billion.

### B. Opportunities and Threats

#### Opportunities:

Going ahead, there could be a positive side for textile and other business as festival season will start from mid 3<sup>rd</sup> Quarter till end of March, which majorly includes Navratri, Diwali, Christmas and Holi. Further from November'21 to March'22 marriages will be in quantum so all these festivals and marriages will increase the demand in textile fabrics.

#### Threats:

Currently the biggest threat is COVID 19 and its impact. It is expected that overall textile business will be severely affected which would result in various job losses across the value chain. Second half of FY 22 was very tough and the second half is expected to give some relief to the business and the society in general and also it is expected that India will be able to control the COVID 19 Pandemic within next 2-3 months.

### C. Segment-wise or product-wise performance:

The Company is operating in only one segment.

### D. Outlook:

It is estimated that India's current fiscal year budget points to make a shift towards demand-side stimulus, with an uptick in public investment. In the financial year India's economic growth is projected at 12.6% by Organization for Economic Co-operation and Development (OECD) which would enable India to retain its earlier tag of the fastest growing large economy in the world. The discretionary fiscal measures announced in India during the budget will add to the overall support. However, the V shaped spike in Covid cases is expected to impact the 'V' shaped recovery projected for the Indian economy.

### E. Risks and concerns:

Management recognizes the following principal risks that may influence decisions made by investors given their significant impact on business conditions as stated in the securities report, and among matters pertaining to accounting status, consolidated companies' financial status and business performance, as well as cash flows. Our risk management system addresses the increasingly complex risks that we face in our day-to-day operations. The risk management system conducts risk analysis of economic and social changes and implements preventive measures that are best suit for the Company.

### F. Internal control systems and their adequacy:

The Company has adequate internal financial control systems that commensurate with the size and nature of its business. Management has overall responsibility for the Company's control systems to

safeguard assets and to ensure reliability of financial records. The Company has due policies and procedures to ensure effective control of its business, including adherence to Company's policies, prevention and detection of frauds and errors, accuracy and completeness of accounting records and timely preparation of financial information.

Audit Committee reviews all financial statements and ensures adequacy of control systems. The Company has a well defined organization structure, authority levels and internal rules and guidelines for conducting business transactions.

**G. Discussion on financial performance with respect to operational performance:**

The financial performance of the Company for the Financial Year 2020-21 is described in the report of Board of Directors' of the Company.

**H. Material developments in Human Resources / Industrial Relations front including number of people employed:**

The cordial employer - employee relationship also continued during the year under the review. The Company has continued to give special attention to human resources.

**Registered Office:**

402, Sheel Complex, Nr. Mithakhali Under Bridge,  
Navrangpura, Ahmedabad - 380 009

**By the Order of the Board  
GUJARAT TOOLROOM LIMITED**

**Place:** Ahmedabad

**Date:** 9<sup>th</sup> August, 2022

Manish Shah  
Director  
DIN: 03060959

Vishal M. Shah  
Managing Director  
DIN: 03279724

**Annexure A**  
**FORM NO. MR-3**

**For the financial year ended on 31<sup>st</sup> March, 2022**

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No. 9 of the Companies  
(Appointment and Remuneration Personnel) Rules, 2014]

**To,**  
**The Members,**  
GUJARAT TOOLROOM LIMITED  
402, SHEEL Complex,  
Nr. Mithakhali Under Bridge,  
Navrangpura, Ahmedabad-380009.

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by GUJARAT TOOLROOM LIMITED (CIN: L45208GJ1983PLC006056) (hereinafter called "the company"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit. I, hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2022 ('Audit Period') complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31<sup>st</sup> March, 2022 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the Rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-Laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the Rules and Regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowing.
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.
  - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; **(Not applicable during the audit period)**
  - d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 ; **(Not applicable during the audit period)**

- e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;**( Not applicable during the audit period)**
- f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 ;**( Not applicable during the audit period)**
- h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;**( Not applicable during the audit period)**

I have relied on the representations made by the Company and its officers for systems and mechanism formed by the Company for compliances of other specific applicable Acts, Laws and Regulations to the Company as mentioned hereunder;

- a) Direct and Indirect Tax Laws;

I have also examined compliance with the applicable Clauses of the following:

- I. Secretarial Standards issued by The Institute of Company Secretaries of India;
- II. Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above, subject to the following observations;

- a. According to the **Regulation 46(1)**of the SEBI (Listing Obligation and Disclosures Requirements) Regulations, 2015, the listed entity shall maintain a functional website containing the basic information about the listed entity &shall disseminate the information(s) as provided under Regulation 46 (2) under the separate section of the website.

**Observation:**

*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, 2015and 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.*

- b. According to **Regulation 76(1)**of SEBI (Depositories and Participants) Regulation, 2021. The Listed entity shall submit audit report on Quarterly basis to the concerned stock exchanges audited by a qualified Chartered Accountant or a practicing Company Secretary or a practicing Cost Accountant, for the purposes of reconciliation of the total issued capital, listed capital and capital held by depositories in dematerialized form, the details of changes in share capital during the quarter and the in-principle approval obtained by the issuer from all the stock exchanges where it is listed in respect of such further issued capital.

**Observation:**

***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.***

- c. According to **Regulation 30 (1) & (2)** of SEBI(Listing Obligation and Disclosures Requirements) Regulations 2015, The Listed Entity shall disclose to the Stock Exchange following events/ Information, upon occurrence as per clause 7 of Para A under Part A of Schedule III:

Change in directors, key managerial personnel (Managing Director, Chief Executive Officer, Chief Financial Officer, Company Secretary etc.) Auditor and Compliance Officer.

***Observation:***

***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.***

- d. ***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".***

- G. According to second proviso 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'), every listed company shall appoint at least one woman director on the board

***Observation :***

***The Company had not appointed any women director on the Board during the audit period therefore, the Company had not complied with the Provision of Section 149 (1) of the Companies Act, 2013 ('the Act,)readwith rule 3 of Companies (Appointment and Qualifications of Directors) Rules, 2014 ('Rules').***

- H. According the Regulation 6(1) of SEBI (LODR) Regulation, 2015, a listed entity shall appoint a qualified company secretary as the compliance officer.

***Observation :***

***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.**

- I. According to the provision of Section 138 of the Companies Act, 2013 read with Rule 13 of Companies (Accounts) Rules, 2014, the Company is required to appoint Internal Audit and conduct an Internal Audit of the Company.

**Observation:**

**The Company has not appointed Internal Auditor during the financial year 2021-22, however the Company has appointed Mr. Chintan V Janani & Co, Chartered Accountant as Interanal 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.**

- F. **The Bombay Stock Exchange ("BSE") has imposed fines for non compliances of various regulations of SEBI(Listing Obligations & Disclosure Requirements), Regulations, 2015 ("LODR") and other allied applicable regulations as the Company failed to submit some of quarterly/half yearly/ yearly compliances which relates to previous years and the reporting year, which are as follows;**

- **The BSE has imposed fine amount of Rs. 3,20,960/- vide their e-mail Dtd. 07<sup>th</sup> September, 2021 for non-compalince 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 & Participants) Regulation, 2018.**
- **The BSE has imposed fine amount of Rs. 6,90,000/- vide their e-mail Dtd. 04<sup>th</sup> October, 2021 for non-complicance of Regulation 13(3), 31, 34, 29(2)/ (3), 6(1), and 7(1).**
- **The BSE has imposed the fine amount of Rs.44,840/- vide their email 17<sup>th</sup> January 22 for non-compliance of Regulation 34 of SEBI (LODR) Regulations, 2015.**

**I further report that:**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non- Executive Directors and Independent Directors except appointment of Women Director. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all the directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting Boards take decision by majority of directors while the dissenting directors' views are captured and recorded as part of the minutes.

**I further report that:**

There are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable Laws, Rules, Regulations and Guidelines.

**I further report that** during the audit period, there were no instances of:

- (i) Public/Rights/Preferential issue of Shares/debentures/sweat equity.

- (ii) Redemption/buy-back of securities.
- (iii) Major Decisions taken by the members in pursuant to section 180 of the Companies Act, 2013
- (iv) Merger/ amalgamation/ reconstruction etc.
- (v) Foreign technical collaborations.

**For, Vishwas Sharma and Associates,  
Company secretaries,**

**SD/-**

**Vishwas Sharma**

**Proprietor**

**ACS: 33017**

**COP No.:16942**

**UDIN: A033017D000768532**

**Place : Ahmedabad**

**Date : 09/08/2022**

**Note: This report is to be read with my letter of even date which is annexed as Annexure herewith and forms and integral part of this report.**

**ANNEXURE TO SECRETARIAL AUDIT REPORT**

**To,  
The Members,  
GUJARAT TOOLROOM LIMITED,**

My report of even date is to be read along with this letter.

1. Maintenance of secretarial records is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, I have obtained the Management representations about the compliance of Laws, Rules and Regulations and happening of events etc.
5. The compliance of the provisions of corporate and other applicable Laws, Rules, Regulations and Standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**For, Vishwas Sharma and Associates,  
Company secretaries,  
SD/-  
Vishwas Sharma Proprietor  
ACS: 33017  
COP No.:16942.  
UDIN: A033017D000768532**

**Place: Ahmedabad  
Date: 09/08/2022**

## **Independent Auditor's Report To the Members of Gujarat Toolroom Limited**

### **Report on the audit of the Standalone Financial Statements**

#### **Opinion**

We have audited the accompanying Standalone Financial Statements of **Gujarat Toolroom Limited** ("the Company"), which comprise the Balance Sheet as at 31<sup>st</sup> March, 2022, the Statement of Profit and Loss (including other comprehensive income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "Standalone Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements, read with the emphasis of matter paragraph below, give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31<sup>st</sup> March, 2022, the loss and total comprehensive loss, changes in equity and its cash flows for the year ended on that date.

#### **Emphasis of Matter**

We draw attention to the fact that the company has huge accumulated losses and do not have any operating revenue. These conditions indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. However, the accompanying financial statements have been prepared under the going concern assumption based on the undertaking from the management that they are looking for alternative business opportunities and do not have any intention to curtail the business.

Our opinion is not modified in respect of this matter.

#### **Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

#### **Description of Key Audit Matters**

In our opinion and to the best of our information and according to the explanations given to us we have determined that there are no key audit matters to communicate in our report.

#### **Basis for Opinion**

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the standalone financial statements under.

## **Independent Auditor's Report**

### **To the Members of Gujarat Toolroom Limited (Continue)**

The provisions of the Act and the Rules made there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

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

The Company's board of directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexure to Board's Report, but does not include the standalone financial statements and our auditor's report thereon.

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

### **Management's Responsibility for the Standalone Financial Statements**

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

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

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

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

**Independent Auditor's Report  
To the Members of Gujarat Toolroom Limited (Continue)  
Auditor's Responsibility**

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

**Independent Auditor's Report  
To the Members of Gujarat Toolroom Limited (Continue)**

**Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in "Annexure A" statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.
2. As required by section 143(3) of the Act, we report that :
  - a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - b) in our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - c) the Balance Sheet, the Statement of Profit and Loss including other comprehensive income, the Statement of Cash Flows, and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
  - d) in our opinion, the aforesaid Standalone Financial Statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended;
  - e) on the basis of the written representations received from the directors as on 31<sup>st</sup> March, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2022 from being appointed as a director in terms of Section 164(2) of the Act;
  - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in 'Annexure B';
  - g) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
    - a. The Company does not have any pending litigations which would impact its financial position;
    - b. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
    - c. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
    - d. (i) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

**Independent Auditor's Report  
To the Members of Gujarat Toolroom Limited (Continue)**

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

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

e. There were no amount of dividend declared or paid during the year by the company.

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

According to the information and explanations given to us and on the basis of our examination of the records of the Company, managerial remuneration has not been paid /provided. Accordingly, reporting under section 197(16) of the Act is not applicable.

**Registered Office:**  
402-Sheel Complex,  
Nr. Mithakhadi under Bridge,  
Navrangpura, Ahmedabad- 380009

**By the Order of the Board  
Gujarat Toolroom Limited**

Manish Shah  
Director  
DIN: 03060959

Vishal Shah  
Managing Director  
DIN: 03279724

**Place:** Ahmedabad  
**Date:** 9<sup>th</sup> August, 2022



**Annexure - A to the Independent Auditor's Report**  
**RE: Gujarat Toolroom Limited**

(Referred to in Paragraph 1 of our Report of even date)

The Annexure referred to in our Independent Auditor's Report to the members of the Company on the Standalone Financial Statements for the year ended 31<sup>st</sup> March, 2022, we report that:

- (i) The company does not have any Property, Plant and equipment. Accordingly, the provision of clause 3(i)(a) to (e) of the Order are not applicable.
- (ii) (a) The Company has not carried out any commercial activities during the year ended on 31<sup>st</sup> March, 2022 and hence it does not carry any Inventory. Accordingly, the provisions of clause 3 (ii) (a) of the Order are not applicable.  
  
 (b) According to the information and explanation given to us and the records produced to us for our verification, The company has not been sanctioned working capital limits in excess of Rs. 5 crore, in aggregate, at any point of time during the year, from banks or financial institutions on the basis of security of current assets. Accordingly, the provision of clause 3(ii)(b) of the Order are not applicable.
- (iii) During the year the company has not made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the provisions of clause 3 (iii) (a) to (f) of the Order are not applicable.
- (iv) According to the information and explanations given to us and representations made by the Management, the Company has not done any transactions covered under section 185 and 186 in respect of loans, investments, guarantees and security. Accordingly, the provisions of clause 3(iv) of the Order are not applicable.
- (v) In our opinion, and according to the information and explanations given to us, the Company has not accepted any deposits or amounts which are deemed to be deposits from the public within the meaning of the directives issued by the Reserve Bank of India, provisions of section 73 to 76 of the Act, any other relevant provisions of the Act and the relevant rules framed thereunder. Accordingly, the provisions of clause 3(v) of the Order are not applicable to the Company.
- (vi) According to the information and explanation given to us, the maintenance of cost records under section 148(1) of the Act as prescribed by the Central Government is not applicable to the company for the year under review. Accordingly, the provisions of clause 3(vi) of the Order are not applicable.
- (vii) a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/accrued in the books of account in respect of undisputed statutory dues including Income-Tax, Provident fund, Employees' State Insurance, Goods and Service Tax and other statutory dues have generally been regularly deposited during the year by the Company with the appropriate authorities. As explained to us, the company did not have any dues on account of Duty of Customs and Duty of Excise.

According to the information and explanations given to us, no undisputed amounts payable in respect of Income-Tax, Provident fund, Employees' State Insurance, Goods and Service Tax and other statutory dues were in arrears as at 31<sup>st</sup> March, 2022, for a period of more than six months from the date they became payable.

b) According to the information and explanations given to us, there are no undisputed dues of Income-tax, Goods and Service Tax, and other statutory dues as at 31<sup>st</sup> March, 2022, which have not been deposited with the appropriate authorities on account of any dispute.

**Annexure - A to the Independent Auditor's Report**  
**RE: Gujarat Toolroom Limited**

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(Referred to in Paragraph 1 of our Report of even date)

- (viii) There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under section 43 of the Income Tax Act, 1961. Accordingly, the provisions of clause 3(viii) of the Order are not applicable.
- (ix) a) According to the information and explanations given to us and based on our examination of the records of the Company, the company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
- b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the company has not been declared willful defaulter by any bank or financial institution or government or any government authority or any other lender.
- c) In our opinion and according to the information and explanations given to us, the company has not taken any term loans during the year under review. Accordingly, the provisions of clause 3(viii) of the Order are not applicable.
- d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the company, we report that no funds raised on short-term basis have been used for long-term purposes by the company. Accordingly, the provisions of clause 3(ix)(d) of the Order are not applicable to the Company.
- e) According to the information and explanations given to us and on an overall examination of the financial statements of the company, we report that the company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures. Accordingly, the provisions of clause 3(ix)(e) of the Order are not applicable to the Company.
- f) According to the information and explanations given to us and procedures performed by us, we report that the company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies. Accordingly, the provisions of clause 3(ix)(f) of the Order are not applicable to the Company.
- (x) a) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the provisions of clause 3(x)(a) of the Order are not applicable to the Company.
- b) According to the information and explanations given to us and on the basis of our examination of the records, the Company has not made any preferential allotment or private placement or not issued any fully or partly convertible debenture during the year under review. Accordingly, the provisions of clause 3(x) (b) of the Order are not applicable.
- (xi) a) During the course of our examination of the books and records of the company, carried out in accordance with the generally accepted auditing practice in India, and according to the information and explanation given to us, we have neither come across any instance of material fraud by the company or on the company by its officers or employees has been noticed or reported during the year.
- b) No report on any matter under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- c) As represented to us by the management, there are no whistle blower complaints received by the company during the year.

**Annexure - A to the Independent Auditor's Report****RE: Gujarat Toolroom Limited (Continue)**

(Referred to in Paragraph 1 of our Report of even date)

- (xii) In our opinion, the Company is not a nidhi Company. Accordingly, the provisions of Clauses 3 (xii) (a) to (c) of the Order are not applicable.
- (xiii) As per the information and explanation given to us and on the basis of our examination of the records of the Company, all the transactions with related parties are in compliance with section 177 and 188 of Companies Act 2013, where applicable, and all the details have been disclosed in Standalone Financial Statements as required by the applicable Indian Accounting Standards.
- (xiv) In our opinion and based on our examination, the company is not required to have an internal audit system as per provisions of the Companies Act 2013. Accordingly, the provisions of clause 3(xiv) (a) &(b) of the Order are not applicable.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions, within the meaning of Section 192 of the Act, with directors or persons connected with them. Accordingly, the provisions of clause 3(xv) of the Order are not applicable to the Company.
- (xvi) a) In our opinion and according to the information and explanations given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of clause 3(xvi) (a) of the Order are not applicable to the Company.
- b) According to the information and explanations given to us and based on our examination of the records of the Company has not conducted any Non-Banking Financial or Housing Finance activities without a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act 1934. Accordingly, the provisions of clause 3(xvi) (b) of the Order are not applicable.
- d) In our opinion and according to the information and explanations given to us, the company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, the provisions of clause 3(xvi) (c) & (d) of the Order are not applicable to the Company.
- (xvii) The Company has incurred cash losses during the financial year of Rs. 16.05 Lacs and the company has incurred cash losses in the immediately preceding financial year of Rs. 4.49 Lacs.
- (xviii) There is no resignation of the statutory auditors during the year in the company. Accordingly, the provisions of clause 3(xviii) of the Order are not applicable to the Company.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.

(xx) According to the information and explanations given to us and based on our examination of the records of the Company, section 135 is not applicable on the company. Accordingly, the provisions of clause 3(xx) of the Order are not applicable to the Company.

Place : Ahmedabad  
Date : 18/05/2022

For, **DHARMESH PARIKH & COLLP**  
Chartered Accountants  
Firm Registration No. 112054W / W100725

**Anuj Jain**  
Partner  
**Membership No.** 119140  
**UDIN:** 22119140AKYIZA9328

**Annexure – B to the Independent Auditor’s Report  
RE: Gujarat Toolroom Limited**

(Referred to in Paragraph 2(f) of our Report of even date)

Report on the Internal Financial Controls under Clause (i) of sub-section 3 of section 143 of the Companies Act 2013 (the act).

**Opinion**

We have audited the internal financial controls over financial reporting of the company as of 31<sup>st</sup> March, 2022 in conjunction with our audit of the Standalone Financial Statements of the company for the year ended on that date.

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31<sup>st</sup> March 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**Management’s Responsibilities for Internal Financial Controls**

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**Auditors’ Responsibility**

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the Guidance Note) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

**Annexure – B to the Independent Auditor’s Report**  
**RE: Gujarat Toolroom Limited(continue)**

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(Referred to in Paragraph 2(f) of our Report of even date)

**Meaning of Internal Financial Controls over Financial Reporting**

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

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

**Inherent Limitations of Internal Financial Controls over Financial Reporting**

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

Place : Ahmedabad  
Date : 18/05/2022

For, **DHARMESH PARIKH& COLLP**  
Chartered Accountants  
Firm Registration No. 112054W / W100725

**Anuj Jain**  
Partner  
**Membership No. 119140**  
**UDIN: 22119140AKYIZA9328**

## GUJARAT TOOLROOM LIMITED

Balance Sheet as at 31<sup>st</sup> March 2022

(Amount in Lacs)

| Sr.No. | Particulars                                | Notes | As at        | As at        |
|--------|--|-------|--------------|--------------|
|        |  |       | 31-Mar-2022  | 31-Mar-2021  |
|        | <b>ASSETS</b>                              |       |              |              |
|        |  |       |              |              |
| (I)    | Non-Current Assets                         |       | -            | -            |
| (II)   | Current Assets                             |       |              |              |
|        | (a) Financial Assets                       |       |              |              |
|        | (i) Cash & Cash Equivalents                | 3     | 7.94         | 5.03         |
|        | (b) Other Current Assets                   | 4     | 37.40        | 37.40        |
|        |  |       |              |              |
|        |  |       | <b>45.34</b> | <b>42.43</b> |
|        |  |       |              |              |
|        | <b>Total ASSETS</b>                        |       | <b>45.34</b> | <b>42.43</b> |
|        |  |       |              |              |
|        | <b>EQUITY AND LIABILITIES</b>              |       |              |              |
|        |  |       |              |              |
|        | <b>EQUITY</b>                              |       |              |              |
|        | (a) Equity Share Capital                   | 5     | 69.54        | 69.54        |
|        | (b) Other Equity                           | 6     | (58.96)      | (42.91)      |
|        |  |       | <b>10.58</b> | <b>26.63</b> |
|        |  |       |              |              |
|        | <b>LIABILITIES</b>                         |       |              |              |
| (I)    | Non-Current Liabilities                    |       | -            | -            |
|        |  |       | -            | -            |
|        |  |       |              |              |
| (II)   | Current Liabilities                        |       |              |              |
|        | (a) Financial Liabilities                  |       |              |              |
|        | (i) Borrowings                             | 7     | 33.47        | 13.91        |
|        | (ii) Trade Payables                        | 8     | 1.29         | 1.59         |
|        | (b) Other Current Liabilities              | 9     | -            | 0.30         |
|        |  |       | <b>34.76</b> | <b>15.80</b> |
|        |  |       |              |              |
|        | <b>Total EQUITY AND LIABILITIES</b>        |       | <b>45.34</b> | <b>42.43</b> |
|        |  |       |              |              |
|        | Summary of significant accounting policies |       |              |              |
|        |  |       |              |              |

As per our report of even date  
For **Dharmesh Parikh & CO LLP**  
Chartered Accountants  
Firm Registration Number : 112054W/W100725

**Anuj Jain**  
Partner  
Membership No. 119140  
Place : Ahmedabad  
Date : 18/05/2022

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

**Manish Shah**      **Vishal M Shah**  
Director              Director  
DIN : 03060959      DIN : 03279724

**Neha Ketan Jain**      **Ziral P Soni**  
CFO                      Company Secretary

Place : Ahmedabad  
Date : 18/05/2022

## GUJARAT TOOLROOM LIMITED

## Statement of Profit and Loss for the year ended on 31st March 2022

(Amount in Lacs)

| Sr.No. | Particulars  | Notes | For the year ended | For the year ended |
|--------|--|-------|--------------------|--------------------|
|        |  |       | 31-Mar-2022        | 31-Mar-2021        |
| a)     | <b>Revenue</b>   |       |                    |                    |
|        | Other Income   | 10    | 0.84               | -                  |
|        | <b>Total Income</b>  |       | <b>0.84</b>        | <b>-</b>           |
| b)     | <b>Expenses</b>  |       |                    |                    |
|        | Employee Benefits Expense  | 11    | 0.91               | -                  |
|        | Finance Costs  | 12    | 0.12               | 0.01               |
|        | Other Expenses   | 13    | 15.86              | 4.48               |
|        | <b>Total Expenses</b>  |       | <b>16.89</b>       | <b>4.49</b>        |
| c)     | <b>(Loss) Before Tax</b>   |       | <b>(16.05)</b>     | <b>(4.49)</b>      |
| d)     | <b>Tax Expense</b>   |       |                    |                    |
|        | Current Tax  |       | -                  | -                  |
|        | Deferred Tax   |       | -                  | -                  |
|        | <b>Total Tax Expenses</b>  |       | <b>-</b>           | <b>-</b>           |
| e)     | <b>(Loss) For The Period</b>   |       | <b>(16.05)</b>     | <b>(4.49)</b>      |
| f)     | <b>Other Comprehensive Income</b>  |       |                    |                    |
|        | - Item that will not be reclassified to Profit & Loss                          |       | -                  | -                  |
|        | - Income tax relating to items that will not be reclassified to profit or loss |       | -                  | -                  |
|        | - Item that will be reclassified to Profit & Loss                              |       | -                  | -                  |
|        | - Income tax relating to items that will be reclassified to Profit or Loss     |       | -                  | -                  |
|        | <b>Total Other Comprehensive Income</b>  |       | <b>-</b>           | <b>-</b>           |
| g)     | <b>Total Comprehensive (Loss) for the Year</b>                                 |       | <b>(16.05)</b>     | <b>(4.49)</b>      |
| h)     | <b>Earning per Equity Share (Face value of Rs.10 each)</b>                     | 19    |                    |                    |
|        | Basic  |       | (2.31)             | (0.65)             |
|        | Diluted  |       | (2.31)             | (0.65)             |
|        | Summary of significant accounting policies                                     |       |                    |                    |

As per our report of even date  
For **Dharmesh Parikh & CO LLP**  
Chartered Accountants  
Firm Registration Number : 112054W/W100725

**Anuj Jain**  
Partner  
Membership No. 119140  
Place : Ahmedabad  
Date : 18/05/2022

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

**Manish Shah**      **Vishal M Shah**  
Director              Director  
DIN : 03060959      DIN : 03279724

**Neha Ketan Jain**      **Ziral P Soni**  
CFO                      Company Secretary

Place : Ahmedabad  
Date : 18/05/2022



## GUJARAT TOOLROOM LIMITED

Cash Flow Statement for the year ended on 31<sup>st</sup> March 2022.

| Sr. No.     | Particulars   | For the year ended 31-Mar-2022 | For the year ended 31-Mar-2021 |
|-------------|---|--------------------------------|--------------------------------|
| <b>I.</b>   | <b><u>CASH FLOW FROM OPERATING ACTIVITIES</u></b>               |                                |                                |
|             | (Loss) Before Tax   | (16.05)                        | (4.49)                         |
|             | <b>Adjustment on account of :</b>                               |                                |                                |
|             | Finance Costs   | 0.12                           | 0.01                           |
|             | <b>Operating (Loss) Before Working Capital Changes</b>          | <b>(15.93)</b>                 | <b>(4.48)</b>                  |
|             | <b>Movements in Working Capital :</b>                           |                                |                                |
|             | (Decrease) in Trade Payables                                    | (0.30)                         | (6.25)                         |
|             | Decrease in Current Assets                                      | -                              | 5.00                           |
|             | Increase/(Decrease) in Current liabilities                      | (0.30)                         | 0.30                           |
|             | <b>Cash (used in) Operations</b>                                | <b>(16.53)</b>                 | <b>(5.43)</b>                  |
|             | Less : Direct Taxes Paid  | -                              | -                              |
|             | <b>Net Cash (Used in) Operating Activities</b>                  | <b>(16.53)</b>                 | <b>(5.43)</b>                  |
| <b>II.</b>  | <b><u>CASH FLOW FROM INVESTING ACTIVITIES</u></b>               |                                |                                |
|             | Net Cash generated from/(used in) Investing Activities          | -                              | -                              |
| <b>III.</b> | <b><u>CASH FLOW FROM FINANCING ACTIVITIES</u></b>               |                                |                                |
|             | Proceeds from Current Borrowing                                 | 19.56                          | 10.20                          |
|             | Finance Costs Paid  | (0.12)                         | (0.01)                         |
|             | <b>Net Cash generated from Financing Activities</b>             | <b>19.44</b>                   | <b>10.19</b>                   |
|             | <b>Net Increase / (Decrease) in Cash &amp; Cash Equivalents</b> | <b>2.91</b>                    | <b>4.76</b>                    |
|             | Cash & Cash Equivalents at the beginning of the year            | 5.03                           | 0.27                           |
|             | <b>Cash &amp; Cash Equivalents at the end of the year</b>       | <b>7.94</b>                    | <b>5.03</b>                    |

| <b>Notes to Cash flow Statement :</b> |  | For the year ended | For the year ended |
|---------------------------------------|--|--------------------|--------------------|
|                                       |  | 31-Mar-2022        | 31-Mar-2021        |
| 1.                                    | Reconciliation of Cash and cash equivalents with the Balance Sheet:  |                    |                    |
|                                       | Cash and cash equivalents as per Balance Sheet (refer note 3)  | 7.94               | 5.03               |
|                                       |  | <b>7.94</b>        | <b>5.03</b>        |
| 2.                                    | The Statement of Cash Flow has been prepared under the 'Indirect Method' set out in IND AS 7 'Statements of Cash Flow'.  |                    |                    |
| 3.                                    | As per the amendment in "Ind AS 7 Statement of Cash flows : Disclosure of changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes. This amendment has become effective from 1st April, 2017 and the required disclosure is made below. There is no other impact on the financial statements due to this amendment. |                    |                    |

| <b>Particulars</b> | <b>Balance as at April 01, 2021</b> | <b>Cash Flows</b> | <b>Other Changes</b> | <b>Balance as at March 31, 2022</b> |
|--------------------|-------------------------------------|-------------------|----------------------|-------------------------------------|
| Current Borrowings | 13.91                               | 19.56             | -                    | 33.47                               |
| Finance Costs paid | -                                   | (0.12)            | 0.12                 | -                                   |
| <b>Total</b>       | 13.91                               | 19.44             | 0.12                 | 33.47                               |

| <b>Particulars</b> | <b>Balance as at April 01, 2020</b> | <b>Cash Flows</b> | <b>Other Changes</b> | <b>Balance as at March 31, 2021</b> |
|--------------------|-------------------------------------|-------------------|----------------------|-------------------------------------|
| Current Borrowings | 3.71                                | 10.20             | -                    | 13.91                               |
| Finance Costs paid | -                                   | (0.01)            | 0.01                 | -                                   |
| <b>Total</b>       | 3.71                                | 10.19             | 0.01                 | 13.91                               |

As per our report of even date  
 For **Dharmesh Parikh & CO LLP**  
 Chartered Accountants  
 Firm Registration Number : 112054W/W100725

**Anuj Jain**  
 Partner  
 Membership No. 119140  
**Place : Ahmedabad**  
**Date : 18/05/2022**

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

**Manish Shah**      **Vishal M Shah**  
 Director              Director  
 DIN : 03060959      DIN : 03279724

**Neha Ketan Jain**      **Ziral P Soni**  
 CFO                      Company Secretary

**Place : Ahmedabad**  
**Date : 18/05/2022**

## GUJARAT TOOLROOM LIMITED

## Statement of Changes in Equity for the year ended on 31st March 2022

## A. Share Capital

| Particulars                         | Number of Shares | Amount in Laacs |
|-------------------------------------|------------------|-----------------|
| As at 1 <sup>st</sup> April 2020    | 6,95,360         | 69.54           |
| Changes in the Equity Share Capital | -                | -               |
| As at 31 <sup>st</sup> March 2021   | 6,95,360         | 69.54           |
| Changes in the Equity Share Capital | -                | -               |
| As at 31 <sup>st</sup> March 2022   | 6,95,360         | 69.54           |

## B. Other Equity

(Amount in Laacs)

| Particulars                                   | Retained Earnings | General Reserve | Total   |
|---|-------------------|-----------------|---------|
| As at 1st April 2020                          | (38.89)           | 0.47            | (38.42) |
| Add : Total Comprehensive (Loss) for the year | (4.49)            | -               | (4.49)  |
| As at 31 <sup>st</sup> March 2021             | (43.38)           | 0.47            | (42.91) |
| Add : Total Comprehensive (Loss) for the year | (16.05)           | -               | (16.05) |
| As at 31 <sup>st</sup> March 2022             | (59.43)           | 0.47            | (58.96) |

As per our report of even date  
For **Dharmesh Parikh & CO LLP**  
Chartered Accountants  
Firm Registration Number : 112054W/W100725

**Anuj Jain**  
Partner  
Membership No. 119140  
Place : Ahmedabad  
Date : 18/05/2022

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

**Manish Shah**      **Vishal M Shah**  
Director                      Director  
DIN : 03060959      DIN : 03279724

**Neha Ketan Jain**      **Ziral P Soni**  
CFO                              Company Secretary

Place : Ahmedabad  
Date : 18/05/2022

Notes to Financial Statements for the year ended 31<sup>st</sup> March 2022

## 5 Share Capital

| Sr. No. | Particulars                                    | As at 31-Mar-2022 |                | As at 31-Mar-2021 |                |
|---------|--|-------------------|----------------|-------------------|----------------|
|         |  | Numbers of Shares | Amount in Lacs | Numbers of Shares | Amount in Lacs |
|         | <b>Authorised shares</b>                       |                   |                |                   |                |
|         | Equity Shares of Rs. 10/- each                 | 60,00,000         | 600.00         | 60,00,000         | 600.00         |
|         | <b>Issued, subscribed fully paid-up shares</b> |                   |                |                   |                |
|         | Equity shares of Rs. 10/- each fully paid up   | 6,95,360          | 69.54          | 6,95,360          | 69.54          |
|         |  | <b>6,95,360</b>   | <b>69.54</b>   | <b>6,95,360</b>   | <b>69.54</b>   |

## a. Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

| Equity shares.                     | As at 31-Mar-2022 |                | As at 31-Mar-2021 |                |
|------------------------------------|-------------------|----------------|-------------------|----------------|
|                                    | Numbers of Shares | Amount in Lacs | Numbers of Shares | Amount in Lacs |
| At the beginning of the year       | 6,95,360          | 69.54          | 6,95,360          | 69.54          |
| Issued during the period           | -                 | -              | -                 | -              |
| Outstanding at the end of the year | <b>6,95,360</b>   | <b>69.54</b>   | <b>6,95,360</b>   | <b>69.54</b>   |

## b. Terms/ rights attached to equity shares

Company has only one class of equity shares having a par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation, the liquidator may divide amongst the members, in piece or kind, the whole or any part of the assets of the company, after distribution of all preferential amounts.

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

The Company does not have any Holding Company, Subsidiaries or Associates.

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

| Equity Shares | As at 31-Mar-2022 |           | As at 31-Mar-2021 |           |
|---------------|-------------------|-----------|-------------------|-----------|
|               | Number of shares  | % holding | Number of shares  | % holding |
|               | -                 | -         | -                 | -         |
|               | -                 | -         | -                 | -         |

## e. Shareholding of Promoters

## i) Shares held by promoters as at March 31, 2022

| Promoter name                  | No. of Shares | % of Total Shares | % Change during the year |
|--------------------------------|---------------|-------------------|--------------------------|
| 1. Bhavin Suryakant Parikh HUF | 10,000        | 1.44%             | -                        |
| 2. Purvi Bhavin Parikh         | 300           | 0.04%             | -                        |
| 3. Vishal MukeshKumar Shah     | 34,320        | 4.94%             | -                        |
| 4. Mittal MukeshKumar Shah     | 34,460        | 4.96%             | -                        |
| <b>Total</b>                   | <b>79,080</b> | <b>11.38%</b>     | -                        |

## ii) Shares held by promoters as at March 31, 2021

| Promoter name                  | No. of Shares | % of Total Shares | % Change during the year |
|--------------------------------|---------------|-------------------|--------------------------|
| 1. Bhavin Suryakant Parikh HUF | 10,000        | 1.44%             | -                        |
| 2. Purvi Bhavin Parikh         | 300           | 0.04%             | -                        |
| 3. Vishal MukeshKumar Shah     | 34,320        | 4.94%             | -                        |
| 4. Mittal MukeshKumar Shah     | 34,460        | 4.96%             | -                        |
| <b>Total</b>                   | <b>79,080</b> | <b>11.38%</b>     | -                        |

## Notes to Financial Statements for the year ended 31<sup>st</sup> March 2022.

### 1 Corporate Information

Gujarat Toolroom Limited (GTL or 'the company'), was originally incorporated as Private Limited Company on 25/03/1983 with the Registrar of Companies, Gujarat and consequently converted in to Limited company with effect from 11/09/1991. The Company is listed Company and its equity shares are presently listed at Bombay Stock Exchange & Ahmedabad Stock Exchange. The company currently do not have any significant business. However the management is working on other alternative business opportunities and are hopeful of revival in the near future.

### 2 Summary of Significant Accounting Policies

#### a) Statement of Compliance

Gujarat Toolroom Limited ('the Company') has adopted Indian Accounting Standards (referred to as "Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 with effect from 1st April 2016, in accordance with the notification issued by the Ministry of Corporate Affairs.

Upto the year ended March 31, 2016, the Company has presented its financial statements in accordance with the requirements of previous GAAP, which includes the Standards notified under the Companies (Accounting Standards) Rules, 2006. The date of transition to Ind AS is 1st April, 2016.

#### b) Basis of preparation and presentation of financial statements

These financial statements have been prepared on historical cost basis, except for certain financial instruments that are measured at fair values at the end of each reporting period. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between the market participants at the measurement date.

In accordance with Ind AS 101 First-time Adoption of Indian Accounting Standard, the Company has presented a reconciliation of shareholders' equity as at 31st March, 2017 and 1st April, 2016 and of the comprehensive net income for the year ended 31st March, 2017 as reported under Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 ("Previous GAAP") to Ind AS financial statements.

The Financial statements are presented in INR except when otherwise stated.

#### c) Use of Estimates

The preparation of financial statements in conformity with Ind AS requires management to make certain estimates and assumptions that affect the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and differences between the actual results and the estimates are recognised in the periods in which the results are known / materialized.

#### Estimates and assumptions are required in particular for:

##### i) Recognition of deferred tax assets:

A deferred tax asset is recognised for all the deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilised. The management assumes that taxable profits will be available while recognising deferred tax assets.

##### ii) Recognition and measurement of other provisions:

The recognition and measurement of other provisions are based on the assessment of the probability of an outflow of resources, and on past experience and circumstances known at the balance sheet date. The actual outflow of resources at a future date may therefore vary from the figure included in other provisions.

##### iii) Defined benefit plans (Gratuity benefits):

The obligation arising from the defined benefit plan is determined on the basis of actuarial assumptions. Key actuarial assumptions include discount rate, trends in salary escalation and life expectancy.

#### **d) Current & Non-Current Classification**

All the assets and liabilities have been classified as current or non-current as per the company's normal operating cycle and other criteria set out in Schedule III to the Companies Act, 2013. Based on the nature of activities and time between the activities performed and their subsequent realisation in cash or cash equivalents, the company has ascertained its operating cycle as 12 months for the purpose of current / non-current classification of assets and liabilities.

#### **e) Cash And Cash Equivalents (for purposes of Cash Flow Statement)**

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

#### **f) Cash Flow Statement**

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

#### **g) Revenue Recognition**

i) Revenue from sale of goods is recognised, net of return and trade discounts, on transfer of significant risks and rewards of ownership to the buyer, which generally coincides with the delivery of goods to customer. Sales excludes sales tax and value added tax.

ii) Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

#### **h) Financial Instruments**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition.

Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

For purposes of subsequent measurement, financial assets and liabilities are classified in various categories as under.

- > at amortised cost
- > fair value through other comprehensive income
- > fair value through profit and loss account

Financial instruments are subsequently measured and accounted based on their category. All financial instruments of the Company are covered under Amortised Cost. After initial measurement, such financial assets and liabilities are subsequently measured using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss.

#### **Derecognition of Financial Assets**

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised when:

- a) The rights to receive cash flows from the asset have expired, or
- b) The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement

#### **Impairment of Financial Assets**

The Company applies simplified approach model for measurement and recognition of impairment loss on the financial assets and credit risk exposure.

Under the simplified approach the Company does not track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime expected credit losses (ECL) at each reporting date, right from its initial recognition.

#### **Derecognition of Financial Liability**

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

##### **i) Borrowing Costs**

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

##### **j) Segment Accounting**

In accordance with Companies (Indian Accounting Standard) Rules, 2015 (as amended), the company has determined its business segment as Mining Services. Since, there are no other business segments in which the company operates, there are no other primary reportable segments. Further since the company's services are limited to the operation of allocated mine, it operates in a single geographical segment. Therefore, the segment revenue, results, segment assets, segment liabilities, total cost incurred to acquire segment assets, depreciation charge are all as reflected in the financial statements.

##### **k) Related Party Transactions**

Disclosure of transactions with Related Parties, as required by Ind AS 24 "Related Party disclosures" has been set out in a separate note. Related Parties as defined under clause 9 of the Ind AS 24 have been identified on the basis of representation made by management and information available with the Company.

##### **l) Earnings Per Share**

The Basic EPS has been computed by dividing the income available to equity shareholders by the weighted average number of equity shares outstanding during the accounting year. The Diluted EPS has been computed using the weighted average number of equity shares and dilutive potential equity shares outstanding at the end of the year.

##### **m) Taxes on Income**

Tax expense comprises of current income tax and deferred tax.

##### **i) Current Taxation**

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



Current tax items, relating to items recognised outside the statement of profit and loss, are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate. Provision for current tax is recognised based on the estimated tax liability computed after taking credit for allowances and exemption in accordance with the Income Tax Act, 1961.

Current tax assets and liabilities are offset where the Company has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

#### **ii) Deferred Taxation**

Deferred tax is provided using the balance sheet approach on temporary differences between the tax bases of assets and liabilities and their carrying amounts in the financial statements at the reporting date. Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity).

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses to the extent it is probable that these assets can be realised in future.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Deferred tax assets and liabilities are offset where a legally enforceable right exists to offset current tax assets and liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

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

#### **n) Provisions, Contingent Liabilities and Contingent Assets**

Provisions involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events and it is possible that there will be an outflow of resources. Contingent liabilities are not recognised but are disclosed in the notes. Contingent assets are not recognised in the financial statements. The nature of such assets and an estimate of its financial effect are disclosed in notes to the Financial Statements.

**3 Cash & Cash Equivalents**

|   | (Amount in Lacs)     |                      |
|---|----------------------|----------------------|
|   | As at<br>31-Mar-2022 | As at<br>31-Mar-2021 |
| i) Cash in Hand                                 | 7.59                 | 4.85                 |
| ii) Balances with banks<br>- In Current Account | 0.35                 | 0.18                 |
|   | <b>7.94</b>          | <b>5.03</b>          |

**4 Other Current Assets**

|                                  | (Amount in Lacs)     |                      |
|----------------------------------|----------------------|----------------------|
|                                  | As at<br>31-Mar-2022 | As at<br>31-Mar-2021 |
| (Unsecured, Considered<br>Goods) |                      |                      |
| Capital Advances                 | 37.40                | 37.40                |
|                                  | <b>37.40</b>         | <b>37.40</b>         |

**6 Other Equity**

|   | (Amount in Lacs)     |                      |
|---|----------------------|----------------------|
|   | As at<br>31-Mar-2022 | As at<br>31-Mar-2021 |
| <b>General Reserve</b>  |                      |                      |
| Opening Balance   | 0.47                 | 0.47                 |
| Add/Less During the year  | -                    | -                    |
| <b>Closing Balance</b>  | <b>0.47</b>          | <b>0.47</b>          |
| <b>Surplus/ (Deficit) In Statement Of Profit And Loss</b>         |                      |                      |
| Opening Balance   | (43.38)              | (38.89)              |
| Add : (Loss) for the Year   | (16.05)              | (4.49)               |
| <b>Net surplus/ (deficit) in the statement of profit and loss</b> | <b>(59.43)</b>       | <b>(43.38)</b>       |
| <b>Total Reserves and<br/>Surplus</b>                             | <b>(58.96)</b>       | <b>(42.91)</b>       |

Note: Retained earnings represents the amount that can be distributed by the Company as dividends considering the requirements of the Companies' Act, 2013.

**7 Current Borrowings****(Amount in Lacs)**

|                      | As at 31-Mar-2022 | As at 31-Mar-2021 |
|----------------------|-------------------|-------------------|
| Unsecured borrowings |                   |                   |
| - Others             | 33.47             | 13.91             |
|                      | <b>33.47</b>      | <b>13.91</b>      |

Note: Borrowing is repayable on demand and it is interest free

**8 Trade Payables****(Amount in Lacs)**

|  | As at 31-Mar-2022 | As at 31-Mar-2021 |
|--|-------------------|-------------------|
| Trade payables                                       |                   |                   |
| - Micro, small and medium enterprise (refer note 17) | -                 | 0.84              |
| - Other than Micro, small and medium enterprise      | 1.29              | 0.75              |
|  | <b>1.29</b>       | <b>1.59</b>       |

**9 Other Current Liabilities****(Amount in Lacs)**

|  | As at<br>31-Mar-2022 | As at<br>31-Mar-2021 |
|--|----------------------|----------------------|
| Statutory Dues Payable (includes TDS ) | -                    | 0.30                 |
|  | <b>-</b>             | <b>0.30</b>          |

**10 Other Income**

|                              | For the<br>year ended<br>31-Mar-2022 | For the<br>year ended<br>31-Mar-2021 |
|------------------------------|--------------------------------------|--------------------------------------|
| Liability No Longer Required | 0.84                                 | -                                    |
|                              | <b>0.84</b>                          | <b>-</b>                             |

**11 Employee Benefits Expense****(Amount in Lacs)**

|                  | For the<br>year ended<br>31-Mar-2022 | For the<br>year ended<br>31-Mar-2021 |
|------------------|--------------------------------------|--------------------------------------|
| Salaries & Bonus | 0.91                                 | -                                    |
|                  | <b>0.91</b>                          | <b>-</b>                             |

**12 Finance Costs**

|              | For the<br>year ended<br>31-Mar-2022 | For the<br>year ended<br>31-Mar-2021 |
|--------------|--------------------------------------|--------------------------------------|
| Bank Charges | 0.12                                 | 0.01                                 |
|              | <b>0.12</b>                          | <b>0.01</b>                          |

### 13 Other Expenses

|                             |  |  |  | For the<br>year ended | For the<br>year ended |
|-----------------------------|--|--|--|-----------------------|-----------------------|
|                             |  |  |  | 31-Mar-2022           | 31-Mar-2021           |
| Advertisement Expenses      |  |  |  | 0.19                  | 0.24                  |
| <b>Payment to Auditors</b>  |  |  |  |                       |                       |
| - Statutory Audit Fees      |  |  |  | 0.35                  | 0.30                  |
| Legal & Filing<br>Fees      |  |  |  | 1.68                  | 3.73                  |
| Printing &<br>Stationery    |  |  |  | 0.01                  | -                     |
| Non Compliance Penalty      |  |  |  | 12.89                 | -                     |
| RTA<br>Fees                 |  |  |  | 0.66                  | 0.14                  |
| Website Development Charges |  |  |  | 0.08                  | 0.08                  |
|                             |  |  |  | <b>15.86</b>          | <b>4.48</b>           |

### 14 Fair Value Measurement and Hierarchy

Since the Company does not have any financial asset or liability measured at fair value, disclosure of fair value hierarchy and disclosure of category-wise assets and liabilities is not relevant. All financial assets and liabilities of the Company have been valued at amortised cost and their values are not expected to be different than those presented in financial statements.

### 15 Financial Instruments And Risk Review

The Company's principal financial liabilities comprise provisions, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations / projects. The Company's principal financial assets include mainly cash and cash equivalents, trade receivables, loans and other financial assets. In the ordinary course of business, the Company is mainly exposed to risks resulting from interest risk, credit risk and liquidity risk .

#### Interest risk

The Company is exposed to changes in interest rates due to its financing, investing and cash management activities. The Company's risk management activities are subject to the management, direction for interest rate risk.

#### Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a loss to the company. The company has adopted the policy of only dealing with creditworthy counter parties as a means of mitigating the risk of financial losses from default. The carrying amount of financial assets recorded in the financial statements represents the company's maximum exposure to credit risk. Cash are held with creditworthy financial institutions.

#### Liquidity risk

The Company monitors its risk of shortage of funds using cash flow forecasting models. These models consider the maturity of its financial investments, committed funding and projected cash flows from operations. The Company's objective is to provide financial resources to meet its business objectives in a timely, cost effective and reliable manner and to manage its capital structure. A balance between continuity of funding and flexibility is maintained through the use of various types of borrowings.

**16 Contingent Liabilities & Commitments**

(Amount in Lacs)

|  | As at       | As at       |
|--|-------------|-------------|
|  | 31-Mar-2022 | 31-Mar-2021 |
| Contingent Liabilities, to the extent not provided for Commitments                           | -           | -           |
| Estimated amount of contracts remaining to be executed on capital accounts (net of advances) | -           | -           |

**17 Disclosures under MSMED Act**

On the basis of the information and records available with management, outstanding dues to the Micro and Small enterprise as defined in the MSMED Act, 2006 are disclosed as below.

| Particulars   | For the year ended 31-Mar-2022 | For the year ended 31-Mar-2021 |
|---|--------------------------------|--------------------------------|
| Principal amount remaining unpaid to any supplier as at the year end.   | -                              | -                              |
| Interest due thereon.   | -                              | -                              |
| Amount of interest paid by the company in terms of section 16 of the MSMED, along with the amount of the payment made to the supplier beyond the appointed day during the accounting year.                    | -                              | -                              |
| Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding the interest specified under the MSMED. | -                              | -                              |
| Amount of interest accrued and remaining unpaid at the end of the accounting year.  | -                              | -                              |
| Amount of further interest remaining due and payable even in succeeding years.  | -                              | -                              |

**18 Related Parties**

Holding Company : Nil  
 Subsidiary Company : Nil  
 Fellow Subsidiaries & Associates : Nil  
 (with transactions during the year)

Key Management Personnel : Mr. Suryakant H Parikh, Managing Director  
 Mr. Bhavin Suryakant Parikh, Executive Director  
 Mr. Vishal Shah - Director  
 Mr. Prakash Rahevar, CFO

**Terms and conditions of transactions with related parties**

Outstanding balances (if any) of related parties at the year-end are unsecured. There have been no guarantees received for any related party receivables or payables. Transaction entered into with related party are made on terms equivalent to those that prevail in arm's length transactions.

(Amount in Lacs)

| Transactions With related parties | For the year ended 31-Mar-2022 | For the year ended 31-Mar-2021 |
|-----------------------------------|--------------------------------|--------------------------------|
| <u>Remmuneration</u>              | -                              | -                              |

**Balance with related parties: NIL****19 Earning Per Share (EPS)**

(Amount in Lacs)

|  | For the year ended 31-Mar-2022 | For the year ended 31-Mar-2021 |
|--|--------------------------------|--------------------------------|
| (Loss) for calculation of basic and diluted EPS                      | (16.05)                        | (4.49)                         |
| Weighted average number of equity shares for calculating Basic EPS   | 6,95,360                       | 6,95,360                       |
| Weighted average number of equity shares for calculating Diluted EPS | 6,95,360                       | 6,95,360                       |
| Face value of equity shares  | 10                             | 10                             |
| Basic Earning Per Share (in Rupees)                                  | (2.31)                         | (0.65)                         |
| Diluted Earning Per Share (in Rupees)                                | (2.31)                         | (0.65)                         |

**21 Standards issued but not effective**

The amendments to standards that are issued, but not yet effective, up to the date of issuance of the Company's financial statements are disclosed below. The Company intends to adopt these standards, if applicable, as and when they become effective. The Ministry of Corporate Affairs (MCA) has notified certain amendments to Ind AS, through Companies (Indian Accounting Standards) Amendment Rules, 2022 on 23rd March, 2022. These amendments maintain convergence with IFRS by incorporating amendments issued by International Accounting Standards Board(IASB) into Ind AS and has amended the following standards:

1. Ind AS 101 - First-time adoption of Ind AS
2. Ind AS 103 – Business Combinations
3. Ind AS 109 – Financial Instruments
4. Ind AS 16 – Property, Plant and Equipment
5. Ind AS 37 – Provisions, Contingent Liabilities and Contingent Assets
6. Ind AS 41 – Agriculture

These amendments shall come into force with effect from April 01, 2022.

The Company is assessing the potential effect of the amendments on its financial statements. The Company will adopt these amendments, if applicable, from applicability date.

**22 Going Concern**

As at March 31, 2022, the Company has incurred net loss of Rs.16.05 lacs (March 31, 2021 Rs. 4.49 lacs) and has net worth of Rs. 10.58 lacs (March 31, 2021 Rs. 26.63 lacs).The company has huge accumulated losses and do not have any operating revenue. These conditions indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern.

**23 Previous Year Comparatives**

Previous year's figures have been recast, regrouped and rearranged, wherever necessary to conform to this year's classification. Further, the figures have been rounded off to the nearest rupee.

**24 Approval of financial statements**

The financial statements were approved for issue by the board of directors on 18/05/2022.

As per our report of even date  
For **Dharmesh Parikh & CO LLP**  
Chartered Accountants  
Firm Registration Number : 112054W/W100725

**Anuj Jain**  
Partner  
Membership No. 119140  
**Place : Ahmedabad**  
**Date : 18/05/2022**

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

**Manish Shah**      **Vishal M Shah**  
Director              Director  
DIN : 03060959      DIN : 03279724

**Neha Ketan Jain**      **Ziral P Soni**  
CFO                      Company Secretary

**Place : Ahmedabad**  
**Date : 18/05/2022**

**\*ATTENDANCE SLIP\***

**GUJARAT TOOLROOM LIMITED**

**Registered Office:** 402, Sheel Complex, Nr. Mithakhali Under Bridge, Navrangpura, Ahmedabad-380009,  
Gujarat

**CIN:** L45208GJ1983PLC006056

**Phone:** 079- 2640 1304

**Email:** gujtoolroom@gmail.com

**Website:** www.gujarattoolroom.com

**DPID/ CLIENT ID:** \_\_\_\_\_

**Registered Folio No.:** \_\_\_\_\_

**No of Shares:** \_\_\_\_\_

**Name(s) and address of the Shareholders/Proxy in Full:**

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

I hereby certify that I am a Shareholder/ Proxy of the Shareholder of the Company. I/We hereby accord my/our presence at the Annual General Meeting of the Company being held on Friday, September 23, 2022 at 2.00 p.m. at the Registered Office of the Company at 402, Sheel Complex, Nr. Mithakhali Under Bridge, Navrangpura, Ahmedabad-380009, Gujarat.

\_\_\_\_\_

**Signature of Shareholder/ Proxy**

**NOTE:** Please fill in the Attendance Slip and hand it over at the entrance of the Hall.



**GUJARAT TOOLROOM LIMITED**

**Registered Office:** 402, Sheel Complex, Nr. Mithakhali Under Bridge, Navrangpura, Ahmedabad-380009,  
Gujarat

**CIN:** L45208GJ1983PLC006056 **Phone:** 079- 2640 1304

**Email:** gujtoolroom@gmail.com **Website:** www.gujarattoolroom.com

**FORM MGT-11****PROXY FORM**

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies  
(Management and Administration) Rules, 2014]

|                      |  |
|----------------------|--|
| CIN:                 | L45208GJ1983PLC006056  |
| Name of the company: | GUJARAT TOOLROOM LIMITED   |
| Registered office:   | 402, Sheel Complex, Nr. Mithakhali Under Bridge, Navrangpura,<br>Ahmedabad-380009, Gujarat |

|                        |
|------------------------|
| Name of the member(s): |
| Registered address:    |
| Email Id:              |
| Folio No./Client Id:   |
| DP ID:                 |

I/We, being the member (s) of ..... shares of the above named company, hereby appoint:

|    |            |  |
|----|------------|--|
| 1. | Name:      |  |
|    | Address:   |  |
|    | E-mail Id: |  |
|    | Signature: |  |

|    |            |  |
|----|------------|--|
| 2. | Name:      |  |
|    | Address:   |  |
|    | E-mail Id: |  |
|    | Signature: |  |

|    |            |  |
|----|------------|--|
| 3. | Name:      |  |
|    | Address:   |  |
|    | E-mail Id: |  |
|    | Signature: |  |

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Annual General Meeting of the company to be held on Friday, September 23, 2022 at 2.00 p.m. at the Registered Office of the Company at 402, Sheel Complex, Nr. Mithakhali Under Bridge, Navrangpura, Ahmedabad-380009, Gujarat and at any adjournment thereof in respect of such resolutions as are indicated below:

| Resolution No. | Particulars   |
|----------------|---|
| 1.             | To consider and adopt the Audited Financial Statement of the Company for the Financial Year ended on 31 <sup>st</sup> March, 2022 and statement of Profit and Loss account together with the notes forming part thereof and Cash Flow Statement for the Financial Year ended on that date, and the reports of the Board of Directors ("The Board") and Auditor thereon. |

|    |   |
|----|---|
| 2. | To appoint a director in place of Mr. Manish Shah (DIN: 03060959), who retires by rotation and being eligible, offers himself for re-appointment. |
| 3. | Appointment of Mr. Vishal M. Shah (DIN: 03279724) as a Managing Director of the Company   |

Signed this..... day of..... 2022.

Signature of shareholder\_\_\_\_\_

Signature of Proxy holder(s)\_\_\_\_\_

**Notes:**

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the meeting. The Proxy need not be a member of the Company.
2. A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or shareholder.  
  
\*\* This is only optional. Please put 'X' in the appropriate Column against the resolutions indicated in the Box. If you leave the 'For' or ' Against ' Column blank against any or all the resolutions, your proxy will be entitled to vote in the manner as he/she thinks appropriate.
3. Appointing a proxy does not prevent a member from attending the meeting in person if he so wishes.

**ROUTE MAP TO AGM VENUE**



**Regd. Office :**  
**402, Sheel Complex, Nr. Mithakhali Under Bridge, Navrangpura,**  
**Ahmedabad-380009, Gujarat**