

CIN: L45208GJ1983PLC006056

**FORM A  
COVERING LETTER OF THE ANNUAL AUDIT REPORT TO BE FILED  
WITH THE STOCK EXCHANGES**

|    |  |   |
|----|--|---|
| 1. | Name of the Company:                           | <b>Gujarat Toolroom Limited</b>   |
| 2. | Annual financial statements for the year ended | <b>31<sup>st</sup> March, 2015</b>  |
| 3. | Type of Audit observation                      | <p><b>Matter of Emphasis</b></p> <p>We draw attention to Note 19(b) of the Financial Statements which indicates that the Company has accumulated losses and its net worth has been fully eroded, the company has incurred net cash loss during the current as well as previous financial year and the company also has a negative net current assets position. 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 mitigating factors stated therein.</p> <p>Our opinion is not modified in respect of this matter.</p> |
| 4. | Frequency of Observation                       | The para on Matter of Emphasis has been appearing second time in the statutory auditor's report on the financial statements of the Company for the financial years ended on 31 <sup>st</sup> March, 2014 and 2015.  |

# Gujarat TOOLROOM LIMITED

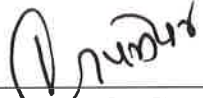
402, Sheel Complex, 4th Floor, Mayur Colony, Nr. Mithakhali Under Bridge, Navrangpura, AHMEDABAD - 380 009.  
Tel No. : 079 - 2640 3311, 2640 1304, Tel-Fax : 079 - 2640 1304, Email: info@gujarattoolroom.com, Website : www.gujarattoolroom.com

## 5. To be signed by-


- Managing Director

  
**(Suryakant H. Parikh)**  
(Din: 00038136)

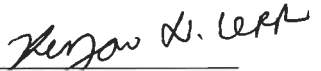
- Chief Financial Officer

  
**(Viren G. Gurjar)**

- Auditor of the company

  
**For, Dharmesh Parikh & Co.**  
(Kanti Gothi)  
Partner

- Audit Committee Chairman

  
**(Kunjan N. Vora)**  
(Din: 03612667)

**31<sup>st</sup>**  
**ANNUAL REPORT**  
**2014-2015**

**GUJARAT TOOLROOM LIMITED**

**31<sup>st</sup> ANNUAL REPORT 2014-15****KEY MANAGERIAL PERSONNEL & BOARD OF DIRECTORS**

|                           |  |
|---------------------------|--|
| Shri Suryakant H. Parikh  | Chairman cum Managing Director (DIN : 00038136)        |
| Shri Bhavin S. Parikh     | Director (DIN : 00034258)                              |
| Shri Vishal M. Shah       | Director (DIN : 03279724)                              |
| Shri Viral N. Shah        | Director (DIN : 03603173)                              |
| Shri Kunjan N. Vora       | Director (DIN : 03612667)                              |
| Shri Tushar S. Shah       | Director (upto 28/10/2014) (DIN : 01748630)            |
| Smt. Archanaben G. Shinde | Additional Director (upto 14/08/2015) (DIN : 06719570) |
| Shri Viren G. Gurjar      | Chief Financial Officer (w.e.f. 01/05/2015)            |

**AUDITORS**

M/s. Dharmesh Parikh & Co.  
Chartered Accountants  
Ahmedabad

**BANKERS**

HDFC Bank  
UCO Bank Ltd.

**REGISTERED OFFICE**

402, Sheel Complex,  
Nr. Mithakhali Under Bridge,  
Navrangpura, Ahmedabad – 380 009.  
Website: [www.gujarattoolroom.com](http://www.gujarattoolroom.com)  
E-mail Id : [info@gujtoolroom.com](mailto:info@gujtoolroom.com)  
[gujtoolroom@gmail.com](mailto:gujtoolroom@gmail.com)

**REGISTRAR FOR TRANSFER**

Sharepro Services (India) Pvt. Ltd.  
416-420, 4th Floor, Devnandan Mall,  
Opp. Sanyash Ashram, Ellisbridge,  
Ahmedabad-380006  
Tel Nos.079 26582381/82/83/ 84  
Fax No. 079 26582385  
Email: [sharepro.ahmedabad@shareproservices.com](mailto:sharepro.ahmedabad@shareproservices.com)

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**NOTICE**

NOTICE is hereby given that the **31<sup>st</sup> ANNUAL GENERAL MEETING** of the Members of **GUJARAT TOOLROOM LIMITED** will be held on **Thursday, 24<sup>th</sup> September, 2015** at **03.30 P.M.** at 402, Sheel Complex, Nr. Mithakhali Under Bridge, Navrangpura, Ahmedabad – 380 009 to transact the following businesses:

**ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Balance Sheet as at 31<sup>st</sup> March, 2015 Statement of Profits & Loss and together with Cash Flow Statement and Notes forming part thereto (“Financial Statement”) for the year ended on 31<sup>st</sup> March, 2015 and Report of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Shri Vishal M. Shah who retires by rotation and being eligible, offers himself for re-appointment.
3. To ratify the appointment of the Auditors and fix their remuneration.

**SPECIAL BUSINESS:**

4. **To consider the Reduction of Capital and consolidation of face value of the shares of the Company.**

To consider and if thought fit, to give your assent/dissent to the following resolution as a **special resolution**:

**“RESOLVED THAT** pursuant to section 100 to 104 and other relevant provisions of the Companies Act, 1956, Article 8 of the Articles of Association of the Company and subject to confirmation by the Hon’ble High Court of Judicature at Ahmedabad, in the state of Gujarat, consent of the members of the Company be and is hereby accorded to the reduction in the paid-up share capital of the Company with effect from the appointed date of the Scheme from **Rs.3,47,68,000/-** (Rupees Three Crores Forty Seven Lacs Sixty Eight Thousand Only) divided into 34,76,800 Equity Shares of Rs.10/- (Rupees Ten Only) each fully paid up TO **Rs.69,53,600/-** (Rupees Sixty Nine Lacs Fifty Three Thousand Six Hundred Only) divided into 34,76,800 Equity Shares of Rs.2/- (Rupee Two Only) each fully paid up and that such reduction be effected by reducing the paid up value of shares of the Company from Rs.10/- per share to Rs.2/- per share, on 34,76,800 Equity Shares aggregating to Rs.2,78,14,400/- in the existing paid up Equity Share Capital which is lost or un-represented by the available assets i.e. Debit balance in Profit & Loss Account.”

**RESOLVED FURTHER THAT** pursuant to applicable provisions of the Companies Act, 1956 and/or the Companies Act 2013 consent of the members of the Company, subject to necessary approvals of the applicable authority, be and is hereby granted to consolidate the reduced face value of Rs.2/- per share to Rs.10/- per share as fully paid-up by issuing 1 equity share of Rs.10/- each fully paid-up against every 5 equity shares of Rs.2/- each fully paid-up and to do all such acts, deeds and things as may be necessary in this regard.

**RESOLVED FURTHER THAT** after reduction of the capital of the Company, the paid up capital of the Company be re-organised subject to such rights, privileges and conditions attaching thereto as are provided by the Memorandum and Articles of Association of the Company and the board be and are hereby authorized to implement, modify, amend and alter the REDUCTION OF CAPITAL of the Company in accordance with the order of the Hon’ble High Court judicature at Ahmedabad in the state of Gujarat and such other authorities, Stock Exchange, Registrar of Companies and Securities and Exchange Board of India.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to move the petition/application to the Hon’ble High Court judicature at Ahmedabad and/or to any tribunal for an order confirming the aforesaid reduction and to submit necessary applications under the Companies Act, 1956 and/or the Companies Act, 2013, Listing Agreement, SEBI Act, 1992 and other Applicable Rules and Regulation for the purpose of giving effect to the above mentioned reduction of capital and to do all such other acts, matters, deeds as may deem fit and proper to carry out the reduction of capital..”

5. **To consider with or without modification to deal with fractional share and implementation of reduction of capital of the company:**

To consider and if thought fit, to give your assent/dissent to the following resolution as a **Special Resolution**:

**“RESOLVED THAT** on account of reduction of capital, the paid up value of shares of the Company will be reduced from Rs.10/- per share to Rs.2/- per share and on account of consolidation of face value of the shares, every shareholder of the Company, whose name appears on the Register of Members as on the Record Date, will get 1

(one) Equity Share of Rs.10/- (Rupees Ten Only) each fully paid up against every 5 (five) Equity Shares of Rs.2/- (Rupees Two Only) each fully paid up, held earlier in the Company, therefore the fractional entitlements of the relevant shareholders of the Company shall be consolidated and thereupon New Equity Shares shall be issued and allotted in lieu of thereof to such Director(s), Officer(s) or other person(s) as shall be nominated by the Company ["Trustee(s)] who shall hold the shares in trust on behalf of the shareholders of the Company entitled to the fractional entitlements on the express understanding that such Trustee(s), shall sell the same in the market at such time or times and at such price or prices, as deemed fit by such Trustee(s), and the net sale proceeds thereof shall be distributed, subject to deduction of tax as applicable and related expenses, to the shareholders of the Company in proportion to their respective fractional entitlements.

**RESOLVED FURTHER THAT** for the purpose of giving effect to the reduction of capital, consolidation of reduced face value AND as per the direction of Hon'ble High Court judicature at Ahmedabad and/or applicable tribunal and/or such other authorities, Stock Exchange, Government, Registrar, the Securities and Exchange Board of India, the Board of Directors of the Company be and is hereby authorized to:

- A. Fix the Book Closure/Record Date to give effect to the reduction of capital and to consolidate the reduce face value to Rs.10/- per share;
- B. Make necessary application to the depositories including NSDL/CDSL and Registrar and Share transfer Agent; and
- C. Issue new share certificates in accordance with Companies (Share Capital and Debentures) Rules, 2014.
- D. Listing and trading application to stock exchange(s).

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to give effect the changes and take appropriate steps to intimate the CDSL / NSDL, BSE and other statutory authorities and call back the existing share certificates from the share holders or issue fresh new set of certificates as deem fit and proper or to give effect the changes in the physical shares, issue new share certificates with a new set of distinctive numbers and certificate numbers in the aforesaid proportion under intimation to CDSL / NSDL, BSE and other statutory authorities, and subject to the rules as laid down in the Companies (Share Capital and Debentures) Rules, 2014 and the Articles of Association of the Company.

**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, the Board be and it is hereby authorised to do all such acts, deeds, matters and things as it may, in its discretion, deem necessary."

**6. To appoint Ms. Falguni Trivedi (DIN: 07243113) as a Director of the company.**

To consider and if thought fit, to give your assent/dissent to the following resolution as an **Ordinary Resolution:**

**"RESOLVED THAT** pursuant to the provisions of Sections 149, 152, and other applicable provisions, if any, of the Companies Act, 2013 and Rules framed there under, (including any statutory modification(s) or re-enactment thereof for the time being in force), Ms. Falguni Trivedi (DIN: 07243113) in respect of whom the Company has received a notice in writing under section 160 of the Companies Act, 2013 from Ms. Falguni Trivedi (DIN: 07243113) proposing her candidature for the office of the Director who is eligible for appointment, be and is hereby appointed as a Director of the Company whose period of office shall be liable for retirement by rotation.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and are hereby authorized to sign the form DIR-12 and make arrangement to file the same with Registrar of Companies and intimate to Stock Exchange(s) and to take such other steps as may be necessary in this regard."

**7. To appoint Mr. Kunjan Vora (DIN: 03612667) as an Independent Director of the Company.**

To consider and if thought fit, to give your assent/dissent to the following resolution as an **Ordinary Resolution:**

**"RESOLVED THAT** pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 Act and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Act and pursuant to the provisions of Listing Agreement, Mr. Kunjan Vora (DIN: 03612667), a Non-executive Director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for appointment and in respect of whom the Company has received a notice in writing from Mr. Kunjan Vora under Section 160 of the Companies Act, 2013, proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company not liable to retire by rotation, to hold office for a period of five (5) consecutive years.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and are hereby authorized to sign the form DIR-12 and make arrangement to file the same with Registrar of Companies and intimate to Stock Exchange(s) and to take such other steps as may be necessary in this regard.”

**8. To appoint Mr. Viral Shah (DIN: 03603173) as an Independent Director of the Company.**

To consider and if thought fit, to give your assent/dissent to the following resolution as an **Ordinary Resolution:**

**“RESOLVED THAT** pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 Act and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Act and pursuant to the provisions of Listing Agreement, Mr. Viral Shah (DIN: 03603173), a Non-executive Director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for appointment and in respect of whom the Company has received a notice in writing from Mr. Viral Shah under Section 160 of the Companies Act, 2013, proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company not liable to retire by rotation, to hold office for a period of five (5) consecutive years.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and are hereby authorized to sign the form DIR-12 and make arrangement to file the same with Registrar of Companies and intimate to Stock Exchange(s) and to take such other steps as may be necessary in this regard.”

**9. To approve material related party transactions entered into by the Company with related parties.**

To consider and if thought fit, to give your assent/dissent to the following resolution as a **Special Resolution:**

**“RESOLVED THAT** pursuant to the provisions of Section 188 and all other applicable provisions, if any, of the Companies Act, 2013 (“Act”) read with rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) and in terms of applicable provisions of Listing Agreement executed with the Stock Exchanges, consent of the members be and is hereby accorded for ratification / approval of material related party transactions entered into by the Company with related parties as set out in the explanatory statement annexed to the notice convening this meeting.”

**“RESOLVED FURTHER THAT** the Board be and is hereby authorised to take all such steps as may be deemed necessary, proper or expedient to give effect to this resolution.”

**10. To increase the Borrowing power Limit of the Board of Directors on behalf of the Company**

To consider and if thought fit, to give your assent/dissent to the following resolution as a **Special Resolution:**

**“RESOLVED THAT** pursuant to the provisions of Section 180 (1) (c) of the Companies Act, 2013 and other enabling provisions, if any, consent of the Company be and is hereby accorded to the Board of Directors of the Company for borrowing any sum or sums of moneys for and on behalf of the Company, from time to time from any one or more persons, firms, bodies corporate, bankers, financial institutions, or from others by way of advances, deposits, loans or otherwise and whether unsecured or secured by mortgage, charge, hypothecation or lien or pledge of the Company’s assets and properties, whether movable or immovable or stock-in process and debts, advances notwithstanding that the sum or sums of moneys so borrowed together with moneys, if any, already borrowed by the Company (apart from the temporary loans obtained from the Company’s bankers in the ordinary course of business) will or may exceed the aggregate of the paid up capital of the Company and its free reserves which have not been set apart for any specific purpose, provided that the total amount upto which the moneys may be borrowed shall not exceed Rs. 10 crores (Rupees Ten crores Only) at any point of time on account of the principal.

**11. To Make Investments in other Body Corporates**

To consider and if thought fit, to give your assent/dissent to the following resolution as a **Special Resolution:**

**“RESOLVED THAT** pursuant to the provisions of Section 186 and other applicable provisions, if any, of the Companies Act, 2013 (“Act”) read with rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), the provisions of the Memorandum and Articles of Association of the Company and subject to the necessary approvals, consents, sanctions and permissions of appropriate authorities, as may be necessary, consent of the members of the Company be and is hereby accorded to the Board of Directors of the Company to invest/acquire the securities of any body corporate by way of subscription / purchase or

otherwise, which may or may not be subsidiary(ies) of the Company from time to time in one or more tranches as the Board may think fit to the extent of Rs. 5.00 Crores (Rupees Five Crores Only) which shall be in excess of and in addition to the threshold limit as prescribed under Section 186(2) of the Act.

**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, the Board be and is hereby authorised to negotiate and finalise the terms and conditions of such investments and to take such other steps as may be necessary for obtaining approvals, statutory, contractual or otherwise, if any, as may be required, in relation to the above and to settle all matters arising out of and incidental thereto, and to sign and execute all agreements, deeds, applications, documents and writings that may be required and to do all such acts, deeds and things that may be necessary, proper, expedient or incidental therewith."

**Regtd. Office**

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

**Date : 14/08/2015****Place : Ahmedabad**

By order of Board of Directors  
For, **Gujarat Toolroom Limited**

**Suryakant H. Parikh**  
*Chairman cum Managing Director*  
**(DIN: 00038136)**

**NOTES**

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF AND PROXY NEED NOT BE A MEMBER OF THE COMPANY.

Proxies, in order to be effective, must be received by the Company, duly filled, stamped and signed, at its Registered Office not less than 48 hours before the Meeting.

Proxies submitted on behalf of limited companies, societies, etc., must be supported by appropriate resolutions / authority, as applicable, issued on behalf of the nominating organisation.

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 carrying voting rights. In case a proxy is proposed to be appointed by a Member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or Member.

2. The Statement setting out the material facts pursuant to Section 102 of the Companies Act, 2013 ("the Act"), concerning the Special Business in the Notice is annexed hereto and forms part of this Notice.
3. Corporate Members intending to send their authorised representatives to attend the AGM are requested to send a duly certified copy of their Board Resolution authorising their representatives to attend and vote at the AGM.
4. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
5. Members / Proxies / Authorised Representatives should bring the enclosed Attendance Slip, duly filled in, for attending the Meeting. Copies of the Annual Report or Attendance Slips will not be distributed at the Meeting.
6. Relevant documents referred to in the accompanying Notice and the Statement, are open for inspection by the members at the Registered Office of the Company on all working days, except Saturdays, during business hours up to the date of the Meeting.
7. Profile of the Directors seeking appointment / re-appointment, as required in terms of Clause 49 of the Listing Agreement entered into with the Stock Exchanges, is annexed to this Notice.
8. The Register of Members and Share Transfer Books of the Company will remain closed from Friday 18<sup>th</sup> September 2015 to Thursday 24<sup>th</sup> September, 2015 (both days inclusive).
9. SEBI has mandated the submission of Permanent Account Number (PAN) for participating in the securities market, deletion of name of deceased holder, transmission / transposition of shares. Members are requested to submit the PAN details to their Depository Participant (DP) in case of holdings in dematerialised form or to Sharepro Services (India) Pvt. Ltd. 416-420, 4<sup>th</sup> Floor, Devnandan Mall, Opp. Sanyas Ashram, Ellisbridge, Ahmedabad – 380016, Gujarat in case of holdings in physical form, mentioning your correct reference folio number.
10. Members holding shares in physical form are requested to consider converting their holding to dematerialised form to eliminate all risks associated with physical shares and for ease in portfolio management. Members can



contact Sharepro Services (India) Pvt. Ltd.416-420, 4<sup>th</sup> Floor, Devnandan Mall, Opp. Sanyas Ashram, Ellisbridge, Ahmedabad – 380016, Gujarat for assistance in this regard.

11. The Annual Report 2014-15 of the Company circulated to the Members of the Company, will be made available on the Company's website at [www.gujarattoolroom.com](http://www.gujarattoolroom.com) and also on the website of the respective Stock Exchanges at [www.bseindia.com](http://www.bseindia.com).
12. Members desirous of getting any information about the Accounts of the Company are requested to write to the Company atleast seven days in advance of the Meeting, so that the information can be kept ready at the Meeting.
13. Process and manner for members opting for voting through Electronic means:
  - i. In compliance with the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to offer the facility of voting through electronic means and the business set out in the Notice above may be transacted through such electronic voting. The facility of voting through electronic means is provided through the e-voting platform of Central Depository Services (India) Limited ("remote e-voting").
  - ii. Members whose names are recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the Cut-off date i.e. September 17, 2015, shall be entitled to avail the facility of remote e-voting as well as voting at the AGM. Any recipient of the Notice, who has no voting rights as on the Cut-off date, shall treat this Notice as intimation only.
  - iii. A person who has acquired the shares and has become a member of the Company after the dispatch of the Notice of the AGM and prior to the Cut-off date i.e. September 17, 2015, shall be entitled to exercise his/her vote either electronically i.e. remote e-voting or through the Poll Paper at the AGM by following the procedure mentioned in this part.
  - iv. The remote e-voting will commence on Monday, Sept 21, 2015 at 10.00 a.m. and will end on Wednesday, September 23, 2015 at 5.00 p.m. During this period, the members of the Company holding shares either in physical form or in demat form as on the Cut-off date i.e. September 17, 2015, may cast their vote electronically. The members will not be able to cast their vote electronically beyond the date and time mentioned above and the remote e-voting module shall be disabled for voting by CDSL thereafter.
  - v. Once the vote on a resolution is cast by the member, he/she shall not be allowed to change it subsequently or cast the vote again.
  - vi. The facility for voting through Poll Paper would be made available at the AGM and the members attending the meeting who have not already cast their votes by remote e-voting shall be able to exercise their right at the meeting through Poll Paper. The members who have already cast 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.
  - vii. The voting rights of the members shall be in proportion to their share in the paid up equity share capital of the Company as on the Cut-off date i.e. September 17, 2015.
  - viii. The Company has appointed Mr. Devesh Khandelwal, Proprietor of Khandelwal Devesh & Associates, Practising Company Secretary (Membership No. FCS: 6897; CP No: 4202), to act as the Scrutinizer for conducting the remote e-voting process in a fair and transparent manner.
  - ix. The procedure and instructions for remote e-voting are, as follows:
    - Step 1 : Open your web browser during the voting period and log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com)
    - Step 2 : Now click on "Shareholders" to cast your votes.
    - Step 3 : Now, fill up the following details in the appropriate boxes:

|         |   |
|---------|---|
| 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 the Folio Number registered with the Company. |
    - Step 4 : Next, enter the Image Verification as displayed and Click on Login.

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

Step 5 : If you are a first time user follow the steps given below:

|                               |  |
|-------------------------------|--|
|                               | For members holding shares in demat form and physical form:  |
| <b>PAN</b>                    | Enter your 10 digit alpha-numeric PAN issued by Income Tax Department. Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field. |
| <b>DOB#</b>                   | Enter the Date of Birth as recorded in dd/mm/yyyy format.  |
| <b>Dividend Bank Details*</b> | Enter the Dividend Bank Details as recorded in your demat account or the Company records for the said folio. If the details are not recorded with the Depository or Company, please enter the number of Shares held by you in the bank account column.   |

#Please enter the DOB or dividend bank details in order to login.

Step 6 : After entering these details appropriately, click on "SUBMIT" tab.

Step 7 : Members holding shares in physical form will then directly reach the Company selection screen. However, first time user holding shares in demat form will now reach 'Password Creation' menu where in they are required to mandatorily enter their login password in the new password field. Kindly note that this password can also be used by the Demat holders for voting for resolution of any other Company on which they are eligible to vote, provided that the 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

If Demat account holder has forgotten the changed password then Enter the user ID and the image verification code and click on Forgot Password and enter the details as prompted by the system.

Step 8 : For members holding shares in physical form, the details can be used only for remote e-voting on the resolutions contained in this Notice.

Step 9 : Click on the EVSN for the relevant <Company Name> on which you choose to vote.

Step 10: On the voting page, you will see Resolution Description and against the same, the option "YES/ NO" for voting. Select the relevant option as desired YES or NO and click to submit.

Step 11: Click on the resolution file link if you wish to view the entire Notice.

Step 12: 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. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

Step 13: You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.

Step 14: Note for Non – Individual Members and Custodians:

- Non-Individual Members (i.e. other than Individuals, HUF, NRI, etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.
- 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).

## GUJARAT TOOLROOM LIMITED

- After receiving the login details, a compliance user should be created using the admin login and password. The compliance user would be able to link the account(s) for which they wish to vote on.
- The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts, they would be able to cast their vote.
- A scan 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.

The results declared along with the Scrutinizer's Report shall be placed on the Company's website www.gujarattoolroom.com and on the website of CDSL i.e. www.cdslindia.com within three days after the conclusion of the Annual General Meeting of the Company and shall also be communicated to Stock Exchanges where the shares of the Company are listed.

### Brief resume of the Directors seeking appointment/re-appointment at the 31<sup>st</sup> Annual General Meeting

| NAME OF DIRECTORS   | Vishal M. Shah   | Kunjan Vora   | Viral N. Shah  | Falguni Trivedi   |
|---|--|---|--|---|
| Age /Date of Birth  | 13/09/1987   | 20/11/1986  | 24/12/1977   | 09/12/1991  |
| Date of Appointment   | 30/06/2011   | 12/08/2011  | 12/08/2011   |   |
| Qualification and experience in specific functional area          | 11th and having more than 5 years of experience of general administration and accounts | Qualified Chartered Accountant engaged in the business of Electronics and Communication | Graduation in Commerce, L.L.B., having 10 years of experience in relevant matters as an Advocate | Master in Commerce having 3 years of experience in accounts |
| Directorship held in other companies*                             | NIL  | NIL   | NIL  | NIL   |
| Membership / Chairmanships of Committee in other Public Companies | NIL  | NIL   | NIL  | NIL   |

\*Pvt. Companies excluded

**ANNEXURE TO THE NOTICE:  
EXPLANATORY STATEMENT AS REQUIRED UNDER SECTION 102 OF THE COMPANIES ACT, 2013.**

In conformity with the provisions of Section 102 of the Companies Act, 2013, following Explanatory Statement sets out all material facts relating to the Special Business mentioned at Item No. 4 to 11 of the accompanying notice dated 14<sup>th</sup> August, 2015 should be taken as forming part of Notice.

**Item No. 4 and 5** Reduction of capital between Gujarat Toolroom Limited and its shareholders under section 100 to 104 of the Companies Act, 1956

**REDUCTION OF CAPITAL OF GUJARAT TOOLROOM LIMITED  
(UNDER SECTION 100 TO 104 OF THE COMPANIES ACT, 1956)**

**PREAMBLE**

This Scheme provides for undertaking capital reduction of Gujarat Toolroom Ltd. (hereinafter referred as "GTL or "the Company"), whereby the paid-up share capital of the Gujarat Toolroom Ltd. shall be reduced from Rs.3,47,68,000/- divided into 34,76,800 equity shares of Rs.10/- each fully paid-up to Rs.69,53,600/- divided into 34,76,800 equity shares of Rs.2/- each fully paid-up and that such reduction be effected by cancelling the capital which has lost or is unrepresented by available tangible assets, to the extent of Rs.8/- per share upon each of the 34,76,800 equity shares which have been issued by reducing the paid-up value of all the shares in the capital of the Company from Rs.10/- per share to Rs.2/- per share and thereafter consolidation of face value of Rs.2/- per share to Rs.10/- per share by issuing 1 equity share of Rs.10/- each fully paid-up against 5 equity shares of Rs.2/- per share, as detailed in the Scheme as detailed below:

**BENEFITS OF THE SCHEME**

The background and circumstances which justify the said scheme are inter- alia as follows.

- a. The Company has accumulated loss of Rs.2,78,74,830/- as on 30<sup>th</sup> September, 2014. The Continues losses have substantially wiped off the value represented by the Share Capital thus the financial statements do not reflect the correct picture of the health of the Company.
- b. For ensuring that the financial statements of the Company reflects the real picture and the Capital which is lost is not continued to be shown on the face of balance sheet, it is necessary to carry out reduction of capital of the Company.
- c. Since writing off of losses has become inevitable for growth of the Company and its shareholders, the Company is now proposing to undertake a scheme of capital reduction exercise whereby the Company would create a "Capital Restructuring Account" from its paid up Equity Share Capital.
- d. The reduction of Capital in the manner proposed would enable the Company to have a rational structure which is commensurate with its remaining business and assets.
- e. Hence, the proposed reduction will be for the benefit of the Company and its shareholder, creditors and all concerned as a whole.

**SALIENT FEATURES OF THE SCHEME**

1. The Scheme provides for the reduction of equity share capital of Gujarat Toolroom Ltd. pursuant to section 100 to 104 and other relevant provisions of the Companies Act, 1956.
2. The Scheme provides for the reconstruction of capital of Gujarat Toolroom Ltd. pursuant to relevant provisions of the Companies Act, 1956.
3. The Scheme also provides for various other matters consequential, supplemental and/or otherwise integrally connected herewith.

**SECTION OF THE SCHEME**

The Scheme is divided into the following parts:

- a. **SECTION 1** which deals with the Definitions and Date of taking effect of the Scheme.
- b. **SECTION 2** deals with reduction of capital and consolidation of face value of Gujarat Toolroom Ltd.
- c. **SECTION 3** deals with Other Terms and Conditions.

**SECTION 1  
DEFINITIONS AND DATE OF TAKING EFFECT OF THE SCHEME**

**1. DEFINITIONS**

In this Scheme (as defined hereinafter), unless inconsistent with the subject or context, the following expressions shall have the following meaning:

- 1.1 "Accumulated Losses" means and includes the total amount shown under the head "Profit and Loss Account" as appearing in the audited Half yearly Financials of the Company as at 30<sup>th</sup> September, 2014.
- 1.2 "Act" means the Companies Act, 1956, or as applicable, the Companies act, 2013 and shall include any statutory modifications, re-enactment or amendments thereof for the time being in force.
- 1.3 "Appointed Date" means 01/04/2015 or such other date as may be fixed or approved by the Hon'ble High Court of Judicature at Gujarat.
- 1.4 "Effective Date" means the dates on which certified copies of the Orders of the High Court of Judicature at Gujarat or any other appropriate authority sanctioning the Scheme are filed with Registrar of Companies, Gujarat at Ahmedabad.
- 1.5 "High Court" means the High Court of Judicature at Gujarat having jurisdiction in the matter.
- 1.6 "GTL" or "the Company" means Gujarat Toolroom Ltd., a Company incorporated under provisions of the Companies Act, 1956 and having Registered Office at 402, Sheel Complex, Nr. Mithakhali Under Bridge, Navrangpura, Ahmedabad -380 009, Gujarat. The Company is engaged in the business of construction.
- 1.7 "Record Date"(For Reduction of Capital / Reorganization) means the date to be fixed by the Board of Directors of the GTL for the purpose of reckoning name of the Equity Shareholders, who shall be entitled to new share certificate, upon coming into effect, the financial restructuring (reduction of capital / arrangement), of this Scheme.
- 1.8 "Scheme" or "the scheme" or "this scheme" means this Scheme Of Capital Reduction Of Gujarat Toolroom Limited in its present form submitted to High Court or any other appropriate authority or with any modification(s) made under Clause 11 of this Scheme.
- 1.9 "Para" means paragraph of this Scheme.
- 1.10 "The Board" means the Board of Directors of Gujarat Toolroom Ltd. and shall include a duly constituted committee thereof.

**2. DATE OF TAKING EFFECT AND OPERATIVE DATE**

The Scheme set out herein in its present form or with any modification(s) approved or imposed or directed by the High Court or any other appropriate authority shall be effective from the Appointed Date.

**3. SHARE CAPITAL**

The Authorized, Issued, Subscribed and Paid up Share Capital of GUJARAT TOOLROOM LIMITED as per the latest audited half yearly financial as at 30<sup>th</sup> September, 2014 is as under:-

| Particulars                                  | (Amount in Rs.)    |
|--|--------------------|
| <b>Authorised Share Capital</b>              |                    |
| 60,00,000 Equity Shares of Rs. 10/- each     | 6,00,00,000        |
|  | <b>6,00,00,000</b> |
| <b>Total Issued &amp; Subscribed Capital</b> |                    |
| 34,76,800 Equity Shares of Rs. 10/- each     | 3,47,68,000        |
|  | 3,47,68,000        |
| <b>Total Paid-up Share Capital</b>           |                    |
| 34,76,800 Equity shares of Rs.10/- each      | 3,47,68,000        |
| <b>Total</b>                                 | <b>3,47,68,000</b> |

There is no change in the share capital of the Company since 30<sup>th</sup> September, 2014.

**Section 2**

**Capital Reduction and Consolidation of Face Value of Gujarat Toolroom Limited**

4. Applicability of the Scheme of Capital Reduction of Gujarat Toolroom Limited:  
The rationale for reduction of Capital is as under.
- 4.1. The Board of Directors of the Company has considered necessary to undertake a scheme of capital reduction so as to show a true and fair view of the Balance Sheet and operate with a leaner base Balance Sheet.
  - 4.2. The balance in Profit & Loss Account (debit) as at 30<sup>th</sup> September, 2014 was Rs.2,78,74,830/- and presently the Company is engaged in the business of construction and real estate.
  - 4.3. The company has been incurring continuous losses and the chances of recovery are remote. Hence it is prudent to write off part of the debit balance in Profit & Loss account to the extent of Rs.2,78,14,400/- by cancelling the capital which has lost or is unrepresented by available tangible assets, to the extent of Rs.8/- per share upon each of the 34,76,800 equity shares which have been issued by reducing the paid-up value of all the shares in the capital of the Company from Rs.10/- per share to Rs.2/- per share, in accordance with the provisions of Sections 100 to 104 and other applicable provisions of the Companies Act, 1956 (hereinafter referred to as "the act"). The resultant paid-up capital of the Company will be Rs.69,53,600/- divided into 34,76,800 equity shares of Rs.2/- each fully paid-up.
  - 4.4. After reduction of capital, to consolidate face value of equity shares, the Company will issue 1 equity shares of Rs.10/- each fully paid-up against every 5 equity shares of Rs.2/- each fully paid-up and after such consolidation of face value, the paid up capital of the Company will be Rs. 69,53,600/- divided into 6,95,360 equity shares of Rs.10/- each fully paid up.
  - 4.5. The financial restructuring will help the Company to reflect better its operational efficiency, improvements in the future years and reflect the true share value.
  - 4.6. The restructuring will also not cause any prejudice to the creditors of the Company. For stake of clarity, it is specified that the reduction in Share Capital does not involve either the diminution of any liability in respect of any unpaid capital or the payment to any shareholder of any paid-up capital nor is any call being waived. The creditors of the Company are in no way affected by the proposed restructuring by way of the reduction of capital as there is no reduction in the amount payable to any of the creditors, no compromise or arrangement is contemplated with the creditors. There is no actual cash out flow. Further, the proposed adjustment would not in any way adversely affect the ordinary operations of the Company or the ability of the Company to honour its commitments or to pay its debts in the ordinary course of business.
5. This Scheme of Capital Reduction is between Gujarat Toolroom Limited and its shareholders, wherein;
- 5.1. The Company shall reduce the existing Paid-Up Equity Share Capital FROM **Rs.3,47,68,000/-** divided into 34,76,800 Equity Shares of Rs.10/- each fully paid up TO **Rs.69,53,600/-** divided into 34,76,800 Equity Shares of Rs.2/- each fully paid up and that such reduction be effected by reducing the paid up value of shares of the Company from Rs.10/- per share to Rs.2/- per share on 34,76,800 Equity Shares, aggregating to Rs.2,78,14,400/- in the existing paid up Equity Share Capital which is lost or un-represented by the available assets i.e. Debit balance in Profit & Loss Account.
  - 5.2. To effect such reduction in Issued, Subscribed and Paid-Up Equity Share Capital, the Company on the record date will reduce the face value of equity shares from Rs.10/- per share to Rs.2/- per shares fully paid up, and after such reduction in capital, the Company will consolidate the face value of Rs.2/- per shares to Rs.10/- per shares fully paid-up and to effect such consolidation the shareholders on record date will get 1 (One) equity shares of Rs.10/- each fully paid-up against 5 equity shares of Rs.2/- each fully paid up.
  - 5.3. **The Issued, Subscribed and Paid-up Share Capital, post reduction and consolidation will be Rs.69,53,600/- divided into 6,95,360 equity shares of Rs.10/- each fully paid-up.**
6. **TREATMENT OF FRACTIONAL SHARES**  
No New Equity Shares shall be issued by the Gujarat Toolroom Ltd. in respect of the fractional entitlements, if any, to which the shareholders of the Gujarat Toolroom Ltd. may be entitled to in terms of the Capital Reduction

and consolidation Ratio. The fractional entitlements of the relevant shareholders of the Gujarat Toolroom Ltd. shall be consolidated and thereupon New Equity Shares shall be issued and allotted in lieu of thereof to such Director(s), Officer(s) or other person(s) as shall be nominated by the Gujarat Toolroom Ltd. [“Trustee(s)"] who shall hold the shares in trust on behalf of the shareholders of the Gujarat Toolroom Ltd. entitled to the fractional entitlements on the express understanding that such Trustee(s), shall sell the same in the market at such time or times and at such price or prices, as deemed fit by such Trustee(s), and the net sale proceeds thereof shall be distributed, subject to deduction of tax as applicable and related expenses, to the shareholders of the Gujarat Toolroom Ltd. in proportion to their respective fractional entitlements.

**7. The pre reduction and post reduction and consolidation Capital Structure of the Company is as under:**

| Particulars                                   | Pre Reduction (Rs.) | Particulars  | Post Reduction (Rs.) |
|---|---------------------|--|----------------------|
| <b>Authorised Share Capital</b>               |                     | <b>Authorised Share Capital</b>                      |                      |
| 60,00,000 Equity Shares Of Rs.10/- each       | 6,00,00,000         | 60,00,000 Equity Shares Of Rs.10/- each              | 6,00,00,000          |
| <b>TOTAL</b>                                  | <b>6,00,00,000</b>  | <b>TOTAL</b>   | <b>6,00,00,000</b>   |
| <b>Issued Subscribed and Paid-up Capital:</b> |                     | <b>Issued, Subscribed and Paid-up Share Capital:</b> |                      |
| 34,76,800 Equity Share of Rs.10/- Each        | 3,47,76,800         | 6,95,360 equity shares of Rs.10/- each               | 69,53,600            |
| <b>TOTAL</b>                                  | <b>3,47,76,800</b>  | <b>TOTAL</b>   | <b>69,53,600</b>     |

**7.1 The pre reduction and post reduction share holding pattern is as under:**

| Category of Shareholder     | Number of Shares (pre reduction) of Rs. 10/- each | Pre Reduction% | Number of Shares (post reduction) of Rs.10/- each | Post Reduction% |
|-----------------------------|---|----------------|---|-----------------|
| Promoter And Promoter Group | 396100  | 11.39          | 79220   | 11.39           |
| Financial intitutions/Bank  | 77500   | 2.23           | 15500   | 2.23            |
| Bodies Corporate            | 83270   | 2.40           | 16654   | 2.40            |
| Individual                  | 2919930   | 83.98          | 583986  | 83.98           |
| Any Other (OCBs, NRI)       | -   | -              | -   | -               |
| <b>TOTAL</b>                | <b>3476800</b>                                    | <b>100</b>     | <b>695360</b>                                     | <b>100</b>      |

The Board of Directors, in consultation with the Stock Exchange where the shares of the Company are listed, will fix the record date.

**There is no change in the pre and post reduction shareholding pattern of the Company.**

**8. FINANCIAL RESTRUCTURING AND ACCOUNTING TREATMENT**

**8.1 CREATION AND UTILISATION OF CAPITAL RESTRUCTURING ACCOUNT**

Pursuant to this Scheme, the treatment in the books of accounts of the Company will be as follows:

**Upon the coming into Effect of this Scheme and with effect from the Appointed Date:**

8.1.1. The Company shall reduce the existing Paid-Up Equity Share Capital **FROM Rs.3,47,76,800/-** divided into 34,76,800 Equity Shares of Rs.10/- each fully paid up **TO Rs.69,53,600/-** divided

into 34,76,800 Equity Shares of Rs.2/- each fully paid and upon such reduction of capital a sum, aggregating to Rs.2,78,14,400/-, be transferred to "Capital Restructuring Account".

- 8.1.2. After such reduction in capital, the Company will consolidate the face value of Rs.2/- per shares to Rs.10/- per shares fully paid-up and to effect such consolidation the shareholders on record date will get 1 (One) equity shares of Rs.10/- each fully paid-up against 5 equity shares of Rs.2/- each fully paid up. As referred in Para 5, specifically in Para 5.3 of the scheme, regarding reorganization of the Equity share Capital, the paid up Equity Share Capital of the Company, post reduction and consolidation, will be Rs. 69,53,600/- divided into 6,95,360 Equity Shares of Rs.10/ each fully paid.
- 8.1.3. Part of the balance of Accumulated Losses of Rs.2,78,14,400/- as at 30<sup>th</sup> September, 2014, out of the total of Rs.2,78,74,830/- be transferred to "Capital Restructuring Account".
- 8.1.4. To the extent of the amount transferred to the Capital Restructuring Account under this Para 8.1.1 above, there shall be reduction of share capital of the Company, which shall be effected as an integral part of the Scheme in accordance with the provision of Section 100 to 104 and other applicable provisions of the Act, without involving either diminution of liability in respect of the unpaid share capital or payment to any shareholder of paid up share capital and without having to follow process under Section 100 to 104 of the Act, separately. However, the Order of the Court sanctioning the Scheme shall be deemed to be an order under Section 102 and other applicable provision of the Act.
- 8.1.5. The Company shall comply with all the Accounting Standards specified by the Central Government in Section 133 of the Companies Act, 2013 or any amendment thereof.
- 8.1.6. Notwithstanding the reduction as mentioned above, the Company shall not be required to add "and reduction" as suffix to its name and the Company shall continue with its existing name.

### **Section 3 OTHER TERMS AND CONDITIONS**

#### **9. BONUS/RIGHT SHARES**

After filing the Scheme and up to the Effective Date, the Company shall not issue or allot any shares or other financial instrument by the way of bonus shares, right shares or otherwise.

#### **10. APPLICATION TO THE HIGH COURT**

The Company shall, with all reasonable dispatch make applications to the High Court of Judicature at Gujarat, under whose jurisdiction the registered offices of the Company is situated, for sanctioning this Scheme under Section 100 to 104 of the Companies Act. 1956.

#### **11. MODIFICATION/AMENDMENTS TO THE SCHEME**

The Company through its Board of Directors may consent on behalf of all persons concerned to any modification or amendments of this Scheme or to any conditions which the Court and/or any other authorities under law may deem fit to approve of or impose or which may otherwise be considered necessary or desirable for setting any question or doubt or difficulty that may arise for carrying out the Scheme and do all acts, deeds and things as may be necessary, desirable or expedient for putting this Scheme into effect.

For the purpose of giving effect to this Scheme or to any modifications thereof, the Directors of the Company are authorized to give such directions and / or to take such steps as may be necessary or desirable including any directions for settling any question or doubt or difficulty whatsoever that may arise.

#### **12. CONDITIONALITY OF THE SCHEME**

The Scheme is and shall be conditional upon and subject to:

- 12.1 The consent, approval, sanction, etc., under any law, of the Central Government, or Stock Exchanges or any other agency, department or authorities concerned being obtained and granted in respect of any of the matters provided for in, or relating to, the Scheme for which such consent, approval, sanction, etc., is required;



- 12.2 The requisite resolutions under the applicable provisions of the said Act being passed by shareholders of the Company for any of the matter provided for or relating to the Scheme as may be necessary or desirable.
- 12.3 The sanctions of the High Court under sections 100 to 104 and other applicable provisions of the said Act in favour of the Company being obtained.
- 12.4 Certified or authenticated copies of the Order of the High Court sanctioning the Scheme being filed with the Registrar of Companies, Gujarat, at Ahmedabad by the Company.

**13. EFFECT OF NON RECEIPT OF APPROVALS / SANCTIONS**

In the event of any of the said sanctions and approvals not being obtained and / or the Scheme not being sanctioned by the High Court or such other competent authority by **30<sup>th</sup> September, 2016** or within such further period or periods as may be agreed upon by Boards of Directors of the Company (and which the Boards of Directors of the Company are hereby empowered and authorized to agree to and to extend the Scheme from time to time without any limitation) this Scheme shall stand revoked, cancelled and will be null and void, save and except in respect of any act or deed done prior thereto as it contemplated hereunder or as to any rights and / or liabilities which might have arisen or accrued pursuant thereto and which shall be governed and be preserved or worked out as is specifically provided in the Scheme or as may otherwise arise in law.

**Item No. 6**

Ms. Falguni Trivedi (DIN 07243113) is to be appointed as Director in terms of Section 149,152 and 160 of the Companies Act, 2013.

Pursuant to the provisions of Section 149, 152, 161 of the Companies Act, 2013 read with the Articles of Association of the Company, Ms. Falguni Trivedi is to be appointed in the ensuing Annual General Meeting of the Company. The Company has received notices in writing under the provisions of Section 160 of the Companies Act, 2013, along with a deposit of Rs. 1,00,000/- for the office of Director, to be appointed as such under the provisions of Section 160 and other applicable provision of the Companies Act, 2013. Ms. Falguni Trivedi is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013.

No director, key managerial personnel or their relatives, except Ms. Falguni Trivedi to whom the resolution relates, is interested or concerned in the resolution.

The Board recommends the resolution set forth in Item no. 6 for the approval of the members.

Brief particulars of Ms. Falguni Trivedi are forming part of this notice. Ms. Falguni Trivedi is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013.

**Item No. 7 and 8**

As per the provisions of Section 149(4) of the Companies Act, 2013 (the "Act") and Clause 49 of Listing Agreement entered into with the Stock Exchanges ("Clause 49"), every listed company shall have at least 1/3<sup>rd</sup> of its total number of directors as Independent Directors and Section 149(6) of the Act and Clause 49 II B (1) of Listing Agreement, lays down the criteria for independence.

Mr. Kunjan Vora (DIN: 03612667) and Mr. Viral Shah ( DIN: 03603173), Directors of the Company, have furnished declarations to the Company under Section 149(7) of the Act, confirming that they meet the criteria prescribed for independent directors under Section 149(6) of the Act as well as Clause 49. Keeping in view the vast experience and knowledge of the aforesaid directors, it will be in the interest of the Company to appoint them as Independent Directors.

In the opinion of the Board, the Independent Directors fulfil the conditions specified in Sections 149, 152 and Schedule IV of the Companies Act, 2013 read with Companies (Appointment and Qualifications of Directors) Rules, 2013 and Clause 49 of the Listing Agreement and such Independent Directors are independent of the management. Further, all the aforesaid Independent Directors have given a declaration to the Board of Directors to the effect that they meet the criteria of independence as provided in Section 149(6) of the Companies Act, 2013 and are not disqualified from being appointed as a Director in terms of Section 164 of the Act.

In terms of Section 149(11) of the Act, an independent director can hold office for two terms of up to 5 consecutive years each on the board of the company. Whereas, explanation to Section 149(10) and (11) further provides that any tenure of an independent director before commencement of the Act shall not be reckoned while calculating maximum terms of office of Independent Directors under the Act.

Accordingly, it is proposed to appoint Mr. Kunjan Vora and Mr. Viral Shah as Independent Directors of the Company for a period of 5 (Five) consecutive years with effect from the date of this Annual General Meeting, as set out at Item Nos. 7 and 8 of this Notice. Notices, as required under Section 160 of the Act along with the requisite deposit of 1.00 lac, have been received from them proposing their respective candidature as Independent Directors of the Company.

Upon the approval of the Members of the Company on the said resolutions, the appointment shall be formalized by way of issuance of the letter of appointment by the Company to the said Independent Directors.

Copy of the draft letter of appointment of all aforesaid directors as Independent Director setting out the terms and conditions is available for inspection by members at the Registered Office of the Company.

Brief profile of the said Directors, in terms of Clause 49 of the Listing Agreement is provided at the end of this Notice.

The Board accordingly recommends the resolutions at Item Nos. 7 and 8 of this Notice for the approval of the Members.

None of the said Directors are related to any of the Director of the Company. Other than the Independent Directors themselves and their relatives in the respective resolution, none of the Directors, Key Managerial Personnel or their relatives are concerned or interested in the proposed Ordinary Resolutions as set out in Item Nos. 7 and 8 of this Notice. This explanatory statement may also be regarded as disclosure under Clause 49 of the Listing Agreement.

#### **Item No. 9**

Pursuant to the provisions of Section 188 of the Companies Act, 2013 read with rules made thereunder and in terms of applicable provisions of Listing Agreement executed with the Stock Exchanges, consent of members by way of Special Resolution is required for ratification/ approval of material related party transactions entered into by the Company with related parties.

The Company has entered into following material related party transactions with the related parties during the year under review:

(Amount in lacs)

| <b>Name of Related Parties</b> | <b>Nature of Relationship</b>   | <b>Nature of Transaction</b> | <b>Transaction during the year</b> | <b>Outstanding as at 31<sup>st</sup> March, 2015</b> |
|--------------------------------|---|------------------------------|------------------------------------|--|
| Mr. Bhavik S. Parikh           | Director's Relative<br>(Son of Mr. Suryakant H. Parikh,<br>Managing Director) | Services                     | 7.19                               | 6.47   |

#### **Item No. 10**

As per the provisions of Section 180 (1) (c) of the Companies Act, 2013, and all other applicable provisions, if any, the Board of Directors of a Company cannot borrow money (apart from temporary loans obtained from the company's bankers in the ordinary course of business) in excess of the Company's Paid-up Capital and Free Reserves without the consent of the shareholders by a special resolution in the General Meeting.

The sanction of the shareholder is sought to permit the Board to borrow money in excess of the Company's capital and free reserves. This is permissible under section 180 (1) (c), if the shareholders approve it. To enable the Board to borrow in excess of their limit, your Board thinks it necessary to acquire this power and commends passing of this resolution.

The Resolution set out at item No. 10 of the notice is put forth for consideration of the members as a Special resolution pursuant to section 180 (1) (c) of the Companies Act, 2013, authorizing the Board of Directors to borrow upto a sum of Rs.10.00 Crores.

Your Directors recommend the above Resolution for your approval.

None of the Directors of the Company are in any way concerned or interested in the said resolution.

**Item No. 11**

As per the provisions of Section 186 of the Act read with the rules made thereunder, the Company is required to obtain the prior approval of the members by way of a Special Resolution for acquisition by way of subscription, purchase or otherwise, the securities of any other body corporate exceeding sixty percent of the aggregate of the paid up capital, free reserves and securities premium account or hundred percent of its free reserves and securities premium account whichever is more.

The increasing business operations and future growth plans of the Company may necessitate making further investments into other body corporates.

It is, therefore, necessary to authorise the Board to acquire by way of subscription, purchase or otherwise the securities of other bodies corporate upto the limits provided in the proposed Special Resolution. Hence, prior approval of the members of the Company is sought for exercising these powers by the Board.

The Board of Directors recommends the said resolution for your approval.

None of the Directors or key managerial personnel of the Company are in any way concerned or interested in the said resolution. The Board of Directors recommends the resolution for approval of shareholders.

**Regtd. Office**

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

**Date : 14/08/2015****Place : Ahmedabad**

By order of Board of Directors  
For, **Gujarat Toolroom Limited**

**Suryakant H. Parikh**  
*Chairman cum Managing Director*  
**(DIN: 00038136)**

**DIRECTORS' REPORT**

To,  
**THE MEMBERS,**  
 Your Directors have the pleasure of presenting their 31<sup>st</sup> Annual Report on the business and operations of the Company and the accounts for the financial year ended March 31, 2015.

|                                  | (Amount In Rs.) |                |
|----------------------------------|-----------------|----------------|
| <b>I. Financial Particular :</b> | <b>2014-15</b>  | <b>2013-14</b> |
| Total Income (Net)               | 0               | 349784         |
| Total Expenditure                | 1867726         | 2991775        |
| Gross Profit/(Loss)              | (1867726)       | (2641991)      |
| <b>Less:</b>                     |                 |                |
| Depreciation                     | 0               | -              |
| Provision For Taxation           | 0               | -              |
| Extra Ordinary Items             | 0               | (25,40,279)    |
| <b>Tax Expense:</b>              |                 |                |
| Adjustment of earlier years      | 0               | 39,381         |
| Profit/(Loss) After Tax          | (1867726)       | (52,21,651)    |

**II. FINANCIAL PERFORMANCE:-**

The year 2014-15 has been a very challenging year for your Company. But considering the Company's future expansions plans/projects, your Directors look forward to improve the financial position of the Company.

**III. DIVIDEND:**

Since the Company has not earned sufficient profits in the Financial Year ended 31.03.2015.Hence no dividend is declared by the Company.

**IV. Draft Scheme of Capital Reconstruction:**

The Board of Directors of the Company proposed the draft scheme of Capital Reconstruction under Section 100 to 104 of the Companies Act, 1956 by proposing to reduce the paid up share capital from Rs. 3,47,68,000/- divided into 34,76,800 equity shares equity shares of Rs. 10/- each fully paid up to Rs.69,53,600/- divided into 34,76,800 equity shares of Rs.2/- each fully paid-up and that such reduction be effected by cancelling the capital which has lost or is unrepresented by available tangible assets, to the extent of Rs.8/- per share upon each of the 34,76,800 equity shares which have been issued by reducing the paid-up value of all the shares in the capital of the Company from Rs.10/- per share to Rs.2/- per share and thereafter consolidation of face value of Rs.2/- per share to Rs.10/- per share by issuing 1 equity share of Rs.10/- each fully paid-up against 5 equity shares of Rs.2/- per share.

**V. DEPOSITS**

The Company has not accepted or renewed any amount falling within the purview of provisions of Section 73 of the Companies Act, 2013 ("the Act") read with the Companies (Acceptance of Deposit) Rules, 2014 during the period under review. Hence, the requirement for furnishing the details of deposits which are not in compliance with Chapter V of the Act is not applicable.

**VI. MATERIAL CHANGES AND COMMITMENT IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY OCCURRED BETWEEN THE ENDS OF THE FINANCIAL YEAR TO WHICH THESE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT**

No material changes and commitments affecting the financial position of the Company occurred between the end of the financial year to which this financial statements relate on the date of this report.

**VII. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES**

The Company does not have any Subsidiary, Joint venture or Associate Company.

**VIII. DISCLOSURE OF INTERNAL FINANCIAL CONTROLS**

The Internal Financial Controls with reference to financial statements as designed and implemented by the Company are adequate. During the period under review, no material or serious observation has been received from the Internal Auditors of the Company for inefficiency or inadequacy of such controls.

**IX. DISCLOSURE OF ORDERS PASSED BY REGULATORS OR COURTS OR TRIBUNAL**

No 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.

**X. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:**

The company has not given any loans or guarantees covered under the provisions of section 186 of the Companies Act, 2013 during the financial period under review. The details of the investments made by company are given in the notes to the financial statements.

**XI. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES**

All related party transactions which were entered into during the financial year were on an arm's length basis and in the ordinary course of business. The particulars of Contracts or Arrangements made with related parties made pursuant to Section 188 are furnished in Annexure "A" and are attached to this report.

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.

**XII. PARTICULARS OF EMPLOYEES**

The information required under Section 197 of the Companies Act, 2013 read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is not provided in the Report as no remuneration is paid to any of the directors of the company nor any employee of the Company was in receipt of the remuneration exceeding the limits prescribed in the rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

**XIII. PARTICULARS OF ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUTGO:****A. CONSUMPTION OF ENERGY & TECHNOLOGY ABSORPTION:**

The details as required under Section 134 (3) (m) of the Companies Act, 2013, in respect of Conservation of Energy, Technology Absorption are not applicable.

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

Foreign Exchange Earning : NIL

Foreign Exchange Outgo : NIL

**XIV. DIRECTORS****i. Cessation**

During the year Mr. Tushar Shah (Din: 01748630) resigned from the Board of directors of the Company w.e.f. 28th October, 2014. The Board has noted his contribution as Director of the Company during his tenure on the Board of the Company.

**ii. Retirement by rotation:**

In accordance with the provisions of section 152[6] of the Act and in terms of Articles of Association of the Company, Mr. Vishal M. Shah (DIN:03279724) retires at this Annual General Meeting and being eligible offer themselves for re- appointment. The Board recommends his reappointment.

**iii. Independent Directors:**

Mr. Kunjan Vora (DIN: 03612667) and Mr. Viral Shah (DIN: 03603173) are the existing Independent Directors. The Company proposes to appoint them as Independent Directors under Section 149 of the Companies Act, 2013, for a period of five consecutive years from the date of this Annual General Meeting. In accordance with the provisions of the Act, none of the Independent Directors are liable to retire by rotation.

The Independent Directors have submitted their disclosures to the Board that they fulfill all the requirements as stipulated in Section 149(6) of the Companies Act, 2013 so as to qualify themselves to be appointed as Independent Directors under the provisions of the Companies Act, 2013 and the relevant rules.

**iv. Number of Board Meetings conducted during the year under review**

The Company had 5 Board meetings on 29/05/2014, 13/08/2014, 28/10/2014, 06/01/2015 and 11/02/2015 during the financial year under review.

**v. Board Evaluation**

Pursuant to the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement, the Board has carried out an annual performance evaluation of its own performance, the directors individually as well as the evaluation of the working of its Audit, Nomination & Remuneration and Stakeholders Relationship Committees. The manner in which the evaluation has been carried out has been explained in the Corporate Governance Report.

**XV. DIRECTOR'S RESPONSIBILITY STATEMENT:**

In accordance with the provisions of Section 134 (5) of the Companies Act, 2013, the Board hereby submits its responsibility Statement:—

- i. In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- ii. 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 the financial year and of the profit or loss of the Company for the year under review.
- iii. The directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- iv. The directors had prepared the annual accounts on a going concern basis.
- v. The directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- vi. The directors had devised proper system to ensure compliance with the provisions of all applicable laws and that such system were adequate and operating effectively.

**XVI. DISCLOSURE OF COMPOSITION OF AUDIT COMMITTEE**

The Audit Committee of Directors was constituted pursuant to the provisions of Section 177 of the Companies Act, 2013. The composition of the Audit Committee is in conformity with the provisions of the said section.

The Audit Committee of Company was reconstituted with effect from 28.10.2014 and reconstituted w.e.f. 14/08/2015 (due to resignation of Mrs. Archanaben Shinde, member of the committee) and as on the date of this Report, the Audit Committee comprises:-

- A. Mr. Kunjan Vora
- B. Mr. Bhavin Parikh
- C. Mr. Viral Shah

The above composition of the Audit Committee consists of independent Directors viz., Mr. Kunjan Vora and Mr. Viral Shah who form the majority.

The scope and terms of reference of the Audit Committee have been amended in accordance with the Act and the Listing Agreement entered into with the Stock Exchanges. During the period under review, the Board of Directors of the Company had accepted all the recommendations of the Committee.

**XVII. ANNUAL RETURN**

The extracts of Annual Return pursuant to the provisions of Section 92 read with Rule 12 of the Companies (Management and administration) Rules, 2014 is furnished in Annexure "B" and is attached to this Report.

**XVIII. AUDITORS****A. Statutory Auditors**

M/s Dharmesh Parikh & Co., Chartered Accountants, was appointed as Statutory Auditors for a period of 4 year(s) in the Annual General Meeting held on 26<sup>th</sup> September, 2014. Their continuance of appointment and payment of remuneration are to be confirmed and approved in the ensuing Annual General Meeting. The Company has received a certificate from the above Auditors to the effect that if they are reappointed, it would be in accordance with the provisions of Section 141 of the Companies Act, 2013.

The notes and remarks of Auditors' are self-explanatory and therefore do not require any further clarification.

**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. Secretarial Auditors**

Provisions of Section 204 read with Section 134(3) of the Companies Act, 2013, mandates to obtain Secretarial Audit Report from Practicing Company Secretary. M/s Khandelwal Devesh & Associates, Company Secretaries had been appointed to issue Secretarial Audit Report for the period ended on 31<sup>st</sup> March 2015.

Secretarial Audit Report issued by M/s Khandelwal Devesh & Associates, Company Secretaries in Form MR-3, attached and marked as Annexure "C", for the period under review forms part of this report. The said report contains observation or qualification relating to the appointment of Company Secretary and CFO.

The Board of Directors of your Company would like to explain on the said observation that your Company took all reasonable steps to do such appointments, but as your Company is not doing well in its present line of business activity, it failed to attract right candidates for such post. The Board of your Company has appointed Mr. Viren G. Gurjar as its CFO w.e.f. 01/05/2015 and continues its efforts to search right candidate for the post of Company Secretary and will appoint the Company Secretary as soon as possible.

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

The Company has established vigil mechanism and framed whistle blower policy for Directors and employees to report concerns about unethical behaviour, actual or suspected fraud or violation of Company's Code of Conduct or Ethics Policy. Whistle Blower Policy is disclosed on the website of the Company at [www.gujarattoolroom.com](http://www.gujarattoolroom.com).

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

The Company does not have any Risk Management Policy as the elements of risk threatening the Company's existence are very minimal.

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

The Company has not developed and implemented any Corporate Social Responsibility initiatives as the said provisions are not applicable.

**XXII. COMPANY'S POLICY RELATING TO DIRECTORS APPOINTMENT, PAYMENT OF REMUNERATION AND DISCHARGE OF THEIR DUTIES**

The Company's Policy relating to appointment of Directors, payment of Managerial remuneration, Directors' qualifications, positive attributes, independence of Directors and other related matters as provided under Section 178(3) of the Companies Act, 2013 is furnished in Corporate Governance Report forming part of the Annual Report.

**XXIII. CORPORATE GOVERNANCE:**

The Company has complied with the Corporate Governance requirements under the Act and as stipulated under clause 49 of the Listing Agreement. A separate section on detailed report on the Corporate Governance practices followed by the Company under the Listing Agreement along with a certificate from M/s. Dharmesh Parikh & Co., Auditor of the Company confirming the compliance, is part of the Annual Report.

**ACKNOWLEDGEMENTS**

Your Directors place on record their sincere thanks to bankers, business associates, consultants, and various Government Authorities for their continued support extended to your Companies activities during the year under review. Your Directors also acknowledges gratefully the shareholders for their support and confidence reposed on your Company.

**For and on behalf of the Board**

Date : 14/08/2015

Place : Ahmedabad

Suryakant H. Parikh  
Chairman cum Managing Director  
(DIN: 00038136)

**Annexure- "A"  
FORM NO. AOC -2  
(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and  
Rule 8(2) of the Companies (Accounts) Rules, 2014.**

Form for Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arms length transaction under third proviso thereto.

1. Details of contracts or arrangements or transactions not at Arm's length basis.

| <b>SL. No.</b> | <b>Particulars</b>  | <b>Details</b> |
|----------------|---|----------------|
| a)             | Name (s) of the related party & nature of relationship  | Nil            |
| b)             | Nature of contracts/arrangements/transaction  | Nil            |
| c)             | Duration of the contracts/arrangements/transaction  | Nil            |
| d)             | Salient terms of the contracts or arrangements or transaction including the value, if any                         | Nil            |
| e)             | Justification for entering into such contracts or arrangements or transactions'                                   | Nil            |
| f)             | Date of approval by the Board   | Nil            |
| g)             | Amount paid as advances, if any   | Nil            |
| h)             | Date on which the special resolution was passed in General meeting as required under first proviso to section 188 | Nil            |

2. Details of contracts or arrangements or transactions at Arm's length basis.

| <b>SL. No.</b> | <b>Particulars</b>  | <b>Details</b>                    |
|----------------|---|-----------------------------------|
| a)             | Name (s) of the related party & nature of relationship                                    | Bhavik S Parikh (Relative of KMP) |
| b)             | Nature of contracts/arrangements/transaction  | Consulting Service Contract       |
| c)             | Duration of the contracts/arrangements/transaction  | 2014-2015                         |
| d)             | Salient terms of the contracts or arrangements or transaction including the value, if any | N.A                               |
| e)             | Date of approval by the Board   | 13/08/2014                        |
| f)             | Amount paid as advances, if any   | Nil                               |

**For and on behalf of Board of Directors**

Date : **14/08/2015**  
Place : **Ahmedabad**

**Suryakant H. Parikh**  
Chairman cum Managing Director  
(DIN: 00038136)



**Form No. MGT-9  
EXTRACT OF ANNUAL RETURN**

**as on the financial year ended on 31/03/2015**

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

**I. REGISTRATION AND OTHER DETAILS:**

|      |   |  |
|------|---|--|
| i)   | CIN   | L45208GJ1983PLC006056  |
| ii)  | Registration Date   | 25/03/1983   |
| iii) | Name of the Company   | GUJARAT TOOLROOM LIMITED   |
| iv)  | Category/Sub-Category of the Company                                      | Limited by shares  |
| v)   | Address of the Registered office and contact details                      | 402, Sheel Complex, Nr. Mithakhali Under Bridge, Navrangpura, Ahmedabad-380009   |
| vi)  | Whether listed company  | Yes  |
| vii) | Name, Address and Contact details of Registrar and Transfer Agent, if any | Sharepro Services (India) Pvt Ltd.<br>416-420, 4th.Floor, Devnandan Mall,Opp. Sanyash Ashram, Ellisbridge,Ahmedabad-380006 |

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-

| SN | Name and Description of main products / services   | NIC Code of the Product/service | % to total turnover of the company     |
|----|--|---------------------------------|--|
| 1  | General construction (including alteration, addition, repair and maintenance) of residential buildings, carried -out on own-account basis or on a fee or contract basis. | 41001<br>41002                  | N.A.<br>(Nil Turnover During the year) |

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES**

| Sr. No. | NAME AND ADDRESS OF THE COMPANY | CIN/GLN | HOLDING/ SUBSIDIARY / ASSOCIATE |
|---------|---------------------------------|---------|---------------------------------|
|         |                                 | N.A.    |                                 |

**IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)**

**i) Category-wise Share Holding**

|           | Category of Shareholders          | No. of Shares held at the beginning of the year |          |               |                   | No. of Shares held at the end of the year |          |               |                   | % Change during the year |
|-----------|-----------------------------------|---|----------|---------------|-------------------|---|----------|---------------|-------------------|--------------------------|
|           |                                   | Demat   | Physical | Total         | % of Total Shares | Demat                                     | Physical | Total         | % of Total Shares |                          |
| <b>A.</b> | <b>Promoter s</b>                 |   |          |               |                   |   |          |               |                   |                          |
|           | <b>(1) Indian</b>                 |   |          |               |                   |   |          |               |                   |                          |
|           | a) Individual/ HUF                | 394600  | -        | 394600        | 11.35             | 394601                                    | -        | 394601        | 11.35             | 0.000%                   |
|           | b) Central Govt                   | -   | -        | -             | -                 | -   | -        | -             | -                 | -                        |
|           | c) State Govt(s)                  | -   | -        | -             | -                 | -   | -        | -             | -                 | -                        |
|           | d) Bodies Corp.                   | -   | -        | -             | -                 | -   | -        | -             | -                 | -                        |
|           | e) Banks / FI                     | -   | -        | -             | -                 | -   | -        | -             | -                 | -                        |
|           | f) Any other Directors/ Relatives | 1500  | -        | 1500          | 0.04              | 1500                                      | -        | 1500          | 0.04              |                          |
|           | <b>Sub-total (A) (1):-</b>        | <b>396100</b>                                   | <b>-</b> | <b>396100</b> | <b>11.39</b>      | <b>396101</b>                             | <b>-</b> | <b>396101</b> | <b>11.39</b>      |                          |

**GUJARAT TOOLROOM LIMITED**

|           | Category of Shareholders   | No. of Shares held at the beginning of the year |          |         |                   | No. of Shares held at the end of the year |          |         |                   | % Change during the year |
|-----------|--|---|----------|---------|-------------------|---|----------|---------|-------------------|--------------------------|
|           |  | Demat   | Physical | Total   | % of Total Shares | Demat                                     | Physical | Total   | % of Total Shares |                          |
|           | <b>(2) Foreign</b>   |   |          |         |                   |   |          |         |                   |                          |
|           | a) NRIs-Individuals  | -   | -        | -       | -                 | -   | -        | -       | -                 |                          |
|           | b) Other-Individuals   | -   | -        | -       | -                 | -   | -        | -       | -                 |                          |
|           | c) Bodies Corp.  | -   | -        | -       | -                 | -   | -        | -       | -                 |                          |
|           | d) Bank/FI   | -   | -        | -       | -                 | -   | -        | -       | -                 |                          |
|           | e) Any   | -   | -        | -       | -                 | -   | -        | -       | -                 |                          |
|           | Other. . .   | -   | -        | -       | -                 | -   | -        | -       | -                 |                          |
|           | <b>Sub-total (A)(2):-</b>  | -   | -        | -       | -                 | -   | -        | -       | -                 |                          |
|           | <b>Total Shareholding of Promoter (A)=(A)(1)+(A)(2)</b>                          | 396100  | -        | 396100  | 11.39             | 396101                                    | -        | 396101  | 11.39             |                          |
| <b>B.</b> | <b>Public Shareholding</b>   |   |          |         |                   |   |          |         |                   |                          |
|           | <b>1. Institutions</b>   |   |          |         |                   |   |          |         |                   |                          |
|           | a) Mutual Funds  | -   | 77500    | 77500   | 2.23              | -   | 77500    | 77500   | 2.23              |                          |
|           | b) Banks / FI  | -   | -        | -       | -                 | -   | -        | -       | -                 |                          |
|           | c) Central Govt  | -   | -        | -       | -                 | -   | -        | -       | -                 |                          |
|           | d) State Govt(s)   | -   | -        | -       | -                 | -   | -        | -       | -                 |                          |
|           | e) Venture Capital Funds   | -   | -        | -       | -                 | -   | -        | -       | -                 |                          |
|           | f) Insurance Companies   | -   | -        | -       | -                 | -   | -        | -       | -                 |                          |
|           | g) FIIs  | -   | -        | -       | -                 | -   | -        | -       | -                 |                          |
|           | h) Foreign Venture Capital Funds   | -   | -        | -       | -                 | -   | -        | -       | -                 |                          |
|           | i) Others (specify)  | -   | -        | -       | -                 | -   | -        | -       | -                 |                          |
|           | <b>Sub-total (B)(1):-</b>  | -   | 77500    | 77500   | 2.23              | -   | 77500    | 77500   | 2.23              |                          |
|           | <b>2. Non-Institutions</b>   |   |          |         |                   |   |          |         |                   |                          |
|           | a) Bodies Corp.  | 63412   | 25300    | 88712   | 2.55              | 58167                                     | 25200    | 83367   | 2.40              | (0.15)                   |
|           | i) Indian  | -   | -        | -       | -                 | -   | -        | -       | -                 |                          |
|           | ii) Overseas   | -   | -        | -       | -                 | -   | -        | -       | -                 |                          |
|           | b) Individuals   |   |          |         |                   |   |          |         |                   |                          |
|           | i) Individual shareholders holding nominal share capital upto Rs. 1 lakh         | 620677  | 1932500  | 2553177 | 73.43             | 640383                                    | 1917900  | 2558283 | 73.58             | 0.15                     |
|           | ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh | 350311  | 11000    | 361311  | 10.39             | 350549                                    | 11000    | 361549  | 10.40             | 0.01                     |
|           | c) Others (specify)  | -   | -        | -       | -                 | -   | -        | -       | -                 |                          |
|           | <b>Sub-total (B)(2):-</b>  | 1034400   | 1968800  | 3003200 | 86.37             | 1049099                                   | 1954100  | 3003199 | 86.38             | 0.01                     |
|           | Total Public Shareholding (B)=(B)(1)+(B)(2)                                      | 1034400   | 2046300  | 3080700 | 88.61             | 1049099                                   | 2031600  | 3080699 | 88.61             |                          |
| <b>C.</b> | <b>Shares held by Custodian for GDRs &amp; ADRs</b>                              | -   | -        | -       | -                 | -   | -        | -       | -                 |                          |
|           | <b>Grand Total (A+B+C)</b>   | 1430500   | 2046300  | 3476800 | 100               | 1445200                                   | 2031600  | 3476800 | 100               |                          |

(ii) *Shareholding of Promoters*

| SN | Shareholder's Name  | Shareholding at the beginning of the year |                                  |  | Share holding at the end of the year |                                  |  | % change in share holding during the year |
|----|---------------------|---|----------------------------------|--|--------------------------------------|----------------------------------|--|---|
|    |                     | No. of Shares                             | % of total Shares of the company | % of Shares Pledged / encumbered to total shares | No. of Shares                        | % of total Shares of the company | % of Shares Pledged / encumbered to total shares |   |
| 1. | Vishal M. Shah      | 172300                                    | 4.96                             | -  | 172301                               | 4.96                             | -  | 0.0000%                                   |
| 2. | Mittal M. Shah      | 172300                                    | 4.96                             | -  | 172300                               | 4.96                             | -  | -   |
| 3. | Bhavik Parikh(HUF)  | 25000                                     | 0.72                             | -  | 25000                                | 0.72                             | -  | -   |
| 4. | Bhavin Parikh (HUF) | 25000                                     | 0.72                             | -  | 25000                                | 0.72                             | -  | -   |
| 5. | Purvi B. Parikh     | 1500                                      | 0.04                             | -  | 1500                                 | 0.04                             | -  | -   |

(iii) *Change in Promoters' Shareholding (please specify, if there is no change)*

| Sr. No. |                              | Reason for increase /decrease | Shareholding at the beginning of the year |                                  | Cumulative shareholding during the year |                                  |
|---------|------------------------------|-------------------------------|---|----------------------------------|---|----------------------------------|
|         |                              |                               | No. of Shares                             | % of total Shares of the Company | No. of Shares                           | % of total Shares of the Company |
|         | At the beginning of the year |                               | 396100                                    | 11.39                            | 396100                                  | 11.39                            |
|         | 22/08/2014(Increase)         | Buy                           | 1   | 0.0000%                          | 396101                                  | 11.39                            |
|         | At the end of the year       |                               | 396101                                    | 11.39                            | 396101                                  | 11.39                            |

(iv) *Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):*

| Sr. No. | For each of the Top 10 Shareholders   | Reason for increase /decrease | Shareholding at the beginning of the year |                                  | Cumulative shareholding during the year |                                  |
|---------|---|-------------------------------|---|----------------------------------|---|----------------------------------|
|         |   |                               | No. of Shares                             | % of total Shares of the Company | No. of Shares                           | % of total Shares of the Company |
| 1.      | <b>KAVITA P. SHARMA</b>   |                               |   |                                  |   |                                  |
|         | At the beginning of the year  |                               | 100200                                    | 2.88                             | 100200                                  | 2.88                             |
|         | Date wise Increase / Decrease in Share holding during the year                      |                               | -   | -                                | -                                       | -                                |
|         | At the End of the year (or on the date of separation, if separated during the year) |                               | 100200                                    | 2.88                             | 100200                                  | 2.88                             |

**GUJARAT TOOLROOM LIMITED**

| Sr. No. | For each of the Top 10 Shareholders   | Reason for increase /decrease | Shareholding at the beginning of the year |                                  | Cumulative shareholding during the year |                                  |
|---------|---|-------------------------------|---|----------------------------------|---|----------------------------------|
|         |   |                               | No. of Shares                             | % of total Shares of the Company | No. of Shares                           | % of total Shares of the Company |
| 2.      | <b>PRAKASH G. SHARMA</b>  |                               |   |                                  |   |                                  |
|         | At the beginning of the year  |                               | 100000                                    | 2.87                             | 100000                                  | 2.87                             |
|         | Date wise Increase / Decrease in Share holding during the year                      |                               | -   | -                                | -                                       | -                                |
|         | At the End of the year (or on the date of separation, if separated during the year) |                               | 100000                                    | 2.87                             | 100000                                  | 2.87                             |
| 3.      | <b>CANARA BANK TRUSTEE<br/>CANBANK MUTUAL</b>                                       |                               |   |                                  |   |                                  |
|         | At the beginning of the year  |                               | 77500                                     | 2.23                             | 77500                                   | 2.23                             |
|         | Date wise Increase / Decrease in Share holding during the year                      |                               | -   | -                                | -                                       | -                                |
|         | At the End of the year (or on the date of separation, if separated during the year) |                               | 77500                                     | 2.23                             | 77500                                   | 2.23                             |
| 4.      | <b>RAJNIKANT C. ADANI</b>   |                               |   |                                  |   |                                  |
|         | At the beginning of the year  |                               | 24000                                     | 0.69                             | 24000                                   | 0.69                             |
|         | Date wise Increase / Decrease in Share holding during the year                      |                               | -   | -                                | -                                       | -                                |
|         | At the End of the year (or on the date of separation, if separated during the year) |                               | 24000                                     | 0.69                             | 24000                                   | 0.69                             |
| 5.      | <b>ACK CAPITAL MANAGEMENT<br/>PVT LTD</b>   |                               |   |                                  |   |                                  |
|         | At the beginning of the year  |                               | 21000                                     | 0.60                             | 21000                                   | 0.60                             |
|         | Date wise Increase / Decrease in Share holding during the year                      |                               | -   | -                                | -                                       | -                                |
|         | At the End of the year (or on the date of separation, if separated during the year) |                               | 21000                                     | 0.60                             | 21000                                   | 0.60                             |
| 6.      | <b>L S DAVAR &amp; COMPANY<br/>HOLDINGS PVT LTD</b>                                 |                               |   |                                  |   |                                  |
|         | At the beginning of the year  |                               | 19900                                     | 0.57                             | 19900                                   | 0.57                             |
|         | Date wise Increase / Decrease in Share holding during the year                      |                               | -   | -                                | -                                       | -                                |
|         | At the End of the year (or on the date of separation, if separated during the year) |                               | 19900                                     | 0.57                             | 19900                                   | 0.57                             |

**GUJARAT TOOLROOM LIMITED**

| Sr. No. | For each of the Top 10 Shareholders  | Reason for increase /decrease | Shareholding at the beginning of the year |                                  | Cumulative shareholding during the year |                                  |
|---------|--|-------------------------------|---|----------------------------------|---|----------------------------------|
|         |  |                               | No. of Shares                             | % of total Shares of the Company | No. of Shares                           | % of total Shares of the Company |
| 7.      | <b>SHREEDEVIBEN B. KOTHARI</b>   |                               |   |                                  |   |                                  |
|         | At the beginning of the year   |                               | 17499                                     | 0.50                             | 17499                                   | 0.50                             |
|         | Date wise Increase / Decrease in Share holding during the year                       |                               | -   | -                                | -                                       | -                                |
|         | At the End of the year ( or on the date of separation, if separated during the year) |                               | 17499                                     | 0.50                             | 17499                                   | 0.50                             |
| 8.      | <b>RAI VIMAL KRISHNA</b>   |                               |   |                                  |   |                                  |
|         | At the beginning of the year   |                               | 16000                                     | 0.46                             | 16000                                   | 0.46                             |
|         | Date wise Increase / Decrease in Share holding during the year                       |                               | -   | -                                | -                                       | -                                |
|         | At the End of the year (or on the date of separation, if separated during the year)  |                               | 16000                                     | 0.46                             | 16000                                   | 0.46                             |
| 9.      | <b>SURAJ K. KASAT</b>  |                               |   |                                  |   |                                  |
|         | At the beginning of the year   |                               | 15200                                     | 0.44                             | 15200                                   | 0.44                             |
|         | Date wise Increase / Decrease in Share holding during the year                       |                               | -   | -                                | -                                       | -                                |
|         | At the End of the year (or on the date of separation, if separated during the year)  |                               | 15200                                     | 0.44                             | 15200                                   | 0.44                             |
| 10.     | <b>OM PRAKASH MISRA</b>  |                               |   |                                  |   |                                  |
|         | At the beginning of the year   |                               | 12000                                     | 0.34                             | 12000                                   | 0.34                             |
|         | 24/10/2014   | Buy                           | 238                                       | 0.006                            | 12238                                   | 0.35                             |
|         | At the End of the year (or on the date of separation, if separated during the year)  |                               | 12238                                     | 0.35                             | 12238                                   | 0.35                             |

(v) Shareholding of Directors and Key Managerial Personnel:

| Sl. No. | Shareholding of each Directors and each Key Managerial Personnel  | Shareholding at the beginning of the year |                                  | Cumulative Shareholding during the year |                                  |
|---------|---|---|----------------------------------|---|----------------------------------|
|         |   | No. of shares                             | % of total shares of the company | No. of shares                           | % of total shares of the company |
|         | <b>Mr. Suryakant H. Parikh</b>  | -   | -                                | -                                       | -                                |
|         | At the beginning of the year  | -   | -                                | -                                       | -                                |
|         | Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc): | -   | -                                | -                                       | -                                |
|         | At the end of the year  | -   | -                                | -                                       | -                                |
|         | <b>Mr. Bhavin S. Parikh</b>   |   |                                  |   |                                  |
|         | At the beginning of the year  | 25000                                     | 0.72                             | 25000                                   | 0.72                             |
|         | Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc): | -   | -                                | -                                       | -                                |
|         | At the end of the year  | 25000                                     | 0.72                             | 25000                                   | 0.72                             |
|         | <b>Mr. Vishal M. Shah</b>   |   |                                  |   |                                  |
|         | At the beginning of the year  | 172300                                    | 4.96                             | 172300                                  | 4.96                             |
|         | 22/08/2014 (Increase)   | 1   | 0.0000                           | 172301                                  | 4.96                             |
|         | At the end of the year  | 172301                                    | 4.96                             | 172301                                  | 4.96                             |
|         | <b>Mr. Viral N. Shah</b>  |   |                                  |   |                                  |
|         | At the beginning of the year  | -   | -                                | -                                       | -                                |
|         | Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc): | -   | -                                | -                                       | -                                |
|         | At the end of the year  | -   | -                                | -                                       | -                                |
|         | <b>Mr. Kunjan N. Vora</b>   |   |                                  |   |                                  |
|         | At the beginning of the year  | -   | -                                | -                                       | -                                |
|         | Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc): | -   | -                                | -                                       | -                                |
|         | At the end of the year  | -   | -                                | -                                       | -                                |
|         | <b>Mrs Archanaben Shinde*</b>   |   |                                  |   |                                  |
|         | At the beginning of the year  | -   | -                                | -                                       | -                                |
|         | Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc): | -   | -                                | -                                       | -                                |
|         | At the end of the year  | -   | -                                | -                                       | -                                |

\*Mrs. Archanaben Shinde ceased to be the director w.e.f 14/08/2015.

**V. INDEBTEDNESS**

**Indebtedness of the Company including interest outstanding/accrued but not due for payment**

|  | Secured Loans<br>excluding deposits | Unsecured<br>Loans | Deposits | Total<br>Indebtedness |
|--|-------------------------------------|--------------------|----------|-----------------------|
| <b>Indebtedness at the beginning<br/>of the financial year</b> |                                     |                    |          |                       |
| i) Principal Amount  | -                                   | -                  | -        | -                     |
| ii) Interest due but not paid                                  | -                                   | -                  | -        | -                     |
| iii) Interest accrued but not due                              | -                                   | -                  | -        | -                     |
| <b>Total (i+ii+iii)</b>  | -                                   | -                  | -        | -                     |
| <b>Change in Indebtedness<br/>during the financial year</b>    | -                                   | -                  | -        | -                     |
| * Addition   | -                                   | -                  | -        | -                     |
| * Reduction  | -                                   | -                  | -        | -                     |
| <b>Net Change</b>  | -                                   | -                  | -        | -                     |
| <b>Indebtedness at the end of the<br/>financial year</b>       | -                                   | -                  | -        | -                     |
| i) Principal Amount  | -                                   | -                  | -        | -                     |
| ii) Interest due but not paid                                  | -                                   | -                  | -        | -                     |
| iii) Interest accrued but not due                              | -                                   | -                  | -        | -                     |
| <b>Total (i+ii+iii)</b>  | -                                   | -                  | -        | -                     |

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**

A. *Remuneration to Managing Director, Whole-time Directors and/or Manager:*

| SN. | Particulars of Remuneration   | Name of MD/WTD/ Manager     | Total<br>Amount |
|-----|---|-----------------------------|-----------------|
|     |   | <b>Mr. Suryakant Parikh</b> |                 |
| 1   | Gross salary  |                             | NIL             |
|     | (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 |                             | -               |
|     | (b) Value of perquisites u/s 17(2) Income-tax Act, 1961                             |                             | -               |
|     | (c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961             |                             | -               |
| 2   | Stock Option  |                             | -               |
| 3   | Sweat Equity  |                             | -               |
| 4   | Commission- as % of profit- others, specify...                                      |                             | -               |
| 5   | Others, please specify  |                             |                 |
|     | Total (A)   |                             | NIL             |
|     | Ceiling as per the Act  |                             | 30,00,000/-     |

**B. Remuneration to other directors:**

| SN. | Particulars of Remuneration                | Name of Directors       |                         |                         |                         |                           | Total Amount |
|-----|--|-------------------------|-------------------------|-------------------------|-------------------------|---------------------------|--------------|
|     |  | Mr. Bhavin Parikh       | Mr. Vishal M. Shah      | Mr. Viral N. Shah       | Mr. Kunjan N. Vora      | Mrs. Archanaben G. Shinde |              |
| 1   | Independent Directors                      | -                       | -                       | ✓                       | ✓                       | ✓                         |              |
|     | Fee for attending board committee meetings | -                       | -                       | NIL                     | NIL                     | NIL                       | NIL          |
|     | Commission                                 | -                       | -                       | NIL                     | NIL                     | NIL                       | NIL          |
|     | Others, please specify                     | -                       | -                       | NIL                     | NIL                     | NIL                       | NIL          |
|     | Total (1)                                  | NIL                     | NIL                     | NIL                     | NIL                     |                           |              |
| 2   | Other Non-Executive Directors              | ✓                       | ✓                       | -                       | -                       | -                         | -            |
|     | Fee for attending board committee meetings | NIL                     | NIL                     | -                       | -                       | -                         | -            |
|     | Commission                                 | NIL                     | NIL                     | -                       | -                       | -                         | -            |
|     | Others, please specify                     | NIL                     | NIL                     | -                       | -                       | -                         | -            |
|     | Total (2)                                  | NIL                     | NIL                     | -                       | -                       | -                         | -            |
|     | Total (B)=(1+2)                            | NIL                     | NIL                     | NIL                     | NIL                     | NIL                       |              |
|     | Total Managerial Remuneration              | NIL                     | NIL                     | NIL                     | NIL                     | NIL                       | -            |
|     | Overall Ceiling as per the Act             | 100000/-<br>per meeting | 100000/-<br>per meeting | 100000/-<br>per meeting | 100000/-<br>per meeting | 100000/-<br>per meeting   | -            |

**C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD**

| SN. | Particulars of Remuneration   | Key Managerial Personnel |     |     |       |
|-----|---|--------------------------|-----|-----|-------|
|     |   | CEO                      | CS  | CFO | Total |
| 1   | Gross salary  | NIL                      | NIL | NIL | NIL   |
|     | (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 |                          |     |     |       |
|     | (b) Value of perquisites u/s 17(2) Income-tax Act, 1961                             |                          |     |     |       |
|     | (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961              |                          |     |     |       |
| 2   | Stock Option  | NIL                      | NIL | NIL | NIL   |
| 3   | Sweat Equity  | NIL                      | NIL | NIL | NIL   |
| 4   | Commission  | NIL                      | NIL | NIL | NIL   |
|     | - as % of profit  | NIL                      | NIL | NIL | NIL   |
|     | others, specify...  | NIL                      | NIL | NIL | NIL   |
| 5   | Others, please specify  | NIL                      | NIL | NIL | NIL   |
|     | Total   | NIL                      | NIL | NIL | NIL   |



**VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:**

| Type                                | Section of the Companies Act | Brief Description | Details of Penalty / Punishment/ Compounding fees imposed | Authority [RD / NCLT / COURT] | Appeal made,if any (give Details) |
|-------------------------------------|------------------------------|-------------------|---|-------------------------------|-----------------------------------|
| <b>A. COMPANY</b>                   |                              |                   |   |                               |                                   |
| Penalty                             |                              |                   | N.A.  |                               |                                   |
| Punishment                          |                              |                   |   |                               |                                   |
| Compounding                         |                              |                   |   |                               |                                   |
| <b>B. DIRECTORS</b>                 |                              |                   |   |                               |                                   |
| Penalty                             |                              |                   | N.A.  |                               |                                   |
| Punishment                          |                              |                   |   |                               |                                   |
| Compounding                         |                              |                   |   |                               |                                   |
| <b>C. OTHER OFFICERS IN DEFAULT</b> |                              |                   |   |                               |                                   |
| Penalty                             |                              |                   | N.A.  |                               |                                   |
| Punishment                          |                              |                   |   |                               |                                   |
| Compounding                         |                              |                   |   |                               |                                   |

**Annexure-“C”****Form No. MR-3****SECRETARIAL AUDIT REPORT**FOR THE FINANCIAL YEAR ENDED 31<sup>st</sup> March, 2015[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  
Ahmedabad, Gujarat.

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, 2015 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, 2015 according to the provisions of:

- i. The Companies Act, 2013 (**the Act**) and the rules made thereunder;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv. 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, 1992;
  - c) 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;

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

- i. Secretarial Standards issued by The Institute of Company Secretaries of India (Not notified hence not applicable to the Company during Audit Period).
- ii. Listing Agreement Clauses.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above except relating to the appointment of Company Secretary (CS) and Chief Financial Officer (CFO).

**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. 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 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.

There were no dissenting views on any matter. 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.

For, **Khandelwal Devesh & Associates**

Company Secretaries

**Devesh B. Khandelwal**

Proprietor

FCS: 6897

COP: 4202

Place : Ahmedabad

Date : 14/08/2015

**MANAGEMENT DISCUSSION AND ANALYSIS****a. Industry Structure and Developments:**

The real estate sector in the country is one of great importance. India leads the pack of top real estate investment markets in Asia..The sector as a whole has been performing very well over the past decade, especially given the property prices rally experienced in most developed economies. Real Estate sector is not only the biggest contributor to Gross Domestic Product ('GDP') of the country but is also the fourth largest sector in terms of Foreign Direct Investment ('FDI') inflows in the country.

**b. Opportunities and Threats:**

Our Company's core business area of operation is in the state of Gujarat. Gujarat is one of the emerging state of India where Real estate development is on high and it is attracting the focus of the industry towards construction. The Company's registered office is situated in Ahmedabad. Ahmedabad's real estate market is booming because of to the huge growth of its industrial sector and overall high rate of development, both in commercial and residential terms. It is the largest city of Gujarat, and also its commercial capital. Hence Our Company expects high growth in the upcoming years.

Long term market instability and uncertainty may damage the opportunities and prevent the expansion of training and development facilities. The current economic situation may have an adverse impact on construction industry. Infrastructure safety is a challenging task in construction industry. Natural abnormal casualties such as earth quake and floods are uncertain and can prevent the construction boom.

**c. Segment wise Performance:**

During the year the Company has not achieved a notable progress in its operations but due to its future expansion plans, projects and emerging opportunities your directors expect increase in its revenue and income. Our Company's operations belong to a single segment and therefore no segment wise performance given.

**d. Recent Trend and Future Outlook:**

The real estate market in which the Company has been operating is developing faster and provides ample growth opportunities. Further due to rise in foreign direct investment in the sector, Company will be able to develop projects at fast pace and looking forward for better development and high investment returns.

**e. Internal Control Systems and their Adequacy:**

The Company has adequate systems of internal Controls commensurate with its size and operations to ensure orderly and efficient conduct of business.

**f. Financial Performance with respect to operational performance:**

The Financial performance of the Company for the year **2014-15** is described in the Directors' Report under the head operations.

**g. Cautionary Statement:**

Statement in this Management Discussion and Analysis Report, Describing the Company's objectives, estimates and expectations may constitute Forward Looking Statements within the meaning of applicable laws or regulations. Actual results might differ materially from those either expressed or implied.

**For and on behalf of the Board**

**Suryakant H. Parikh**  
**Chairman cum Managing Director**  
**(DIN: 00038136)**

**Date : 14/08/2015**  
**Place : Ahmedabad**

**REPORT ON CORPORATE GOVERNANCE**

➤ **COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE**

As a part of Company's growth strategy, the company believes in adopting the best practices that are followed in the area of Corporate Governance. The Company emphasizes full transparency and accountability in all areas of its operations, in order to protect the interests of all stakeholders. The Company has complied with the mandatory provisions of clause 49 of the Listing Agreement with the Stock Exchanges.

➤ **BOARD OF DIRECTORS**

**a) Composition and category of Directors**

| NAME OF DIRECTORS DESIGNATION                                   | CATEGORY                                     | NO OF BOARD MEETINGS ATTENDED |          | ATTENDANCE AT THE LAST ANNUAL GENERAL MEETING | NO OF OTHER BOARD COMMITTEES |              |
|---|--|-------------------------------|----------|---|------------------------------|--------------|
|   |  | HELD                          | ATTENDED |   | MEMBERSHIP                   | CHAIRMANSHIP |
| Mr. Suryakant H. Parikh<br>Managing Director<br>DIN: 00038136   | Promoter<br>Executive<br>Director            | 5                             | 5        | YES   | NIL                          | NIL          |
| Mr. Bhavin S. Parikh<br>Director<br>DIN: 00034258               | Non-Executive<br>Non-Independent<br>Director | 5                             | 5        | YES   | NIL                          | NIL          |
| Mr. Vishal M. Shah<br>Director<br>DIN: 03279724                 | Non-Executive<br>Non-Independent<br>Director | 5                             | 5        | YES   | NIL                          | NIL          |
| Mr. Tushar S. Shah*<br>Director<br>DIN: 01748630                | Independent<br>Non-Executive<br>Director     | 5                             | 4        | YES   | 2                            | NIL          |
| Mr. Viral N. Shah<br>Director<br>DIN: 03603173                  | Independent<br>Non-executive<br>Director     | 5                             | 5        | YES   | NIL                          | NIL          |
| Mr. Kunjan N. Vora<br>Director<br>DIN: 03612667                 | Independent<br>Non-executive<br>Director     | 5                             | 5        | YES   | NIL                          | NIL          |
| Mrs. Archanaben Shinde#<br>Additional Director<br>DIN: 06719570 | Independent<br>Non-Executive<br>Director     | 5                             | 1        | NO  | 3                            | NIL          |

\* Mr. Tushar Shah ceased to be the director of the Company with effect from 28/10/2014.

# Mrs. Archanaben Shinde was appointed as an additional director on 28/10/2014 and ceased to be the director of the Company with effect from 14/08/2015

**b) BOARD PROCEDURE**

The Board of Directors meets at least once a quarter to review the performance and Financial Results. A detailed agenda file is sent to all Directors well in time of the Board Meetings. The Chairman/Director briefs the Directors at every Board Meeting about the overall performance of the Company. All major decisions/ Approvals are taken at the Meeting of the Board of Directors such as policy formation, Business plans, budgets,

Investment opportunities, Statutory Compliance etc. The meeting of the Board of Directors during the financial year 2014-15 was held on 29/05/2014, 13/08/2014, 28/10/2014, 06/01/2015 and 11/02/2015.

**c) BOARD EVALUATION**

Pursuant to the provisions of the Act and Rules made there under and as provided under Schedule IV of the Act and clause 49 of the Listing Agreement, the Board has carried out the evaluation of its own performance, individual Directors, its Committees, including the Chairman of the Board.

The annual evaluation framework for assessing the performance of Directors comprises of the following key areas:

- a) Attendance for the meetings, participation and independence during the meetings;
- b) Interaction with Management;
- c) Knowledge and proficiency;
- d) Strategic perspectives or inputs

The Board has evaluated the composition of Board, its committees, experience and expertise, performance of specific duties and obligations, governance issues, etc. and the Directors expressed their satisfaction with the evaluation process.

**d) MEETINGS OF INDEPENDENT DIRECTORS**

Separate meetings of Independent Directors in compliance with Schedule IV of the Companies Act, 2013 were held during the year and all independent directors were present at the said meetings.

**e) TRAINING TO DIRECTORS**

The Company had arranged familiarization programmes for all the Directors during the year. The programmes were aimed to familiarize the Directors with processes, business and actual functioning of the Company so as to enable them to carry out their role effectively.

**f) CODE OF CONDUCT**

The Board has prescribed the Code of Conduct for all its Board Members and Senior Management. The Code of Conduct has been posted on Company's Website at www.gujarattoolroom.com The Managing Director has confirmed to the Board that the Company has obtained from all the members of the Board and Senior Management, affirmation that they have complied with the Code of Conduct for Directors and Senior Management in respect of the financial year ended on 31 March, 2015. A declaration to this effect signed by Managing Director is forming part of the Annual Report.

**➤ AUDIT COMMITTEE**

**a) Composition of Audit Committee**

The Audit Committee of the Company was re-constituted as per the provisions of Clause 49 of the Listing Agreement with Stock Exchanges read with Section 177 of the Companies Act, 2013 with effect from 28.10.2014.

Further the Committee was re-constituted w.e.f 14.08.2015 due to resignation of Mrs. Archanaben Shinde, member of the Committee.

During the Year, five meetings of the Committee were held on 29/05/2014, 13/08/2014, 28/10/2014, 05/01/2015 and 11/02/2015. The necessary quorum was present at the Meetings.

The details of composition of Audit Committee are as follows:

| NAME OF THE DIRECTORS      | CATEGORY OF DIRECTORSHIP      | REMARKS  | NUMBER OF MEETINGS HELD | NUMBER OF MEETINGS ATTENDED |
|----------------------------|-------------------------------|----------|-------------------------|-----------------------------|
| Mr. Kunjan N. Vora         | Independent Non Executive     | Chairman | 5                       | 5                           |
| Mr. Bhavin S. Parikh       | Non-Independent Non Executive | Member   | 5                       | 5                           |
| Mr. Viral N. Shah          | Independent Non Executive     | Member   | 5                       | 2                           |
| Mrs. Archanaben G. Shinde# | Independent Non Executive     | Member   | 5                       | 3                           |

# Mrs. Archanaben G. Shinde was member of the committee upto 14.08.2015.

**b) Terms of reference**

- To investigate into any matter in relation to the items specified under Clause 49 of the listing Agreement.
- 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.

➤ **NOMINATION AND REMUNERATION COMMITTEE**

**a) Composition of Nomination and Remuneration Committee**

The Remuneration Committee was reconstituted and renamed as Nomination and Remuneration Committee on 28<sup>th</sup> October 2014 in accordance with the provisions of Section 178 of the Companies Act, 2013 and Clause 49 of the listing Agreement.

The Committee was reconstituted due to resignation of Mrs. Archanaben Shinde, member of the Committee w.e.f 14.08.2015 and after reconstitution the Committee comprises of the following members:

| NAME OF DIRECTOR     | CATEGORY OF DIRECTORSHIP      | REMARKS  |
|----------------------|-------------------------------|----------|
| Mr. Kunjan N. Vora   | Independent Non Executive     | Chairman |
| Mr. Bhavin S. Parikh | Non-Independent Non Executive | Member   |
| Mr. Viral N. Shah    | Independent Non Executive     | Member   |

During the year, a Meeting was held on 28th October, 2014 and were attended by the majority of the members of the Committee.

**b) Terms of Reference**

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

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

**c) Remuneration Policy**

The Board determines the remuneration payable to the Executive Directors taking into account their qualification, expertise and contribution and based on recommendations of the Nomination and Remuneration Committee. Non-Executive Directors are eligible to receive sitting fees for attending Board / Committee Meetings as decided by the Board within the limits prescribed under the Companies Act, 2013.

The Remuneration policy of the Company is as under:

**i. Remuneration to Non-Executive Directors:**

- A Non-Executive Director is eligible to receive sitting fees for each meeting of the Board or Committee of the Board attended by him/her, of such sum as may be approved by the Board of Directors within the overall limits prescribed under the Act and the Companies [Appointment and Remuneration of Managerial Personnel] Rules, 2014.

**ii. Remuneration to Executive Directors:**

- The Board in consultation with the Nomination & Remuneration Committee decides the remuneration structure for Executive Directors. On the recommendation of the Nomination & Remuneration Committee the Remuneration paid/payable is approved by the Board of Directors and by the members in the General Meeting in terms of provisions applicable from time to time.

**d) Details of remuneration paid / payable to Directors during the year 2014-15:**

No remuneration to any directors was being paid during the year. No sitting fee has been given to any of the director during the year under report.

➤ **STAKEHOLDERS RELATIONSHIP COMMITTEE**

**a) Composition of Stakeholders Relationship Committee**

The Shareholders'/Investors' Grievance/ Transfer Committee was reconstituted and renamed as Stakeholders Relationship Committee on 28<sup>th</sup> October 2014 in accordance with the provisions of Section 178(5) of the Companies Act, 2013 and Clause 49 of the listing Agreement and after reconstitution the Committee comprises of the following members:

| NAME OF DIRECTOR     | CATEGORY OF DIRECTORSHIP      | REMARKS  |
|----------------------|-------------------------------|----------|
| Mr. Bhavin S. Parikh | Non-Executive Non-Independent | Chairman |
| Mr. Viral N. Shah    | Independent Non Executive     | Member   |
| Mr. Kunjan N. Vora   | Independent Non-Executive     | Member   |

**b) Details of Investor's grievances/ Complaints**

The Company has not received any complaints during the year. The pending complaints of the Shareholders/ Investors registered with SEBI at the end of the current financial year ended on 31st March, 2015 are NIL.

**c) Compliance Officer**

The Company has appointed Ms. Megha Chitre as the Compliance officer in place of Mr. Viren G. Gurjar w.e.f 1st May, 2015 for the above purpose

➤ **GENERAL BODY MEETING**

The location and time of the last three Annual General Meetings are as under.

| AGM              | DATE       | TIME       | VENUE   | NO. OF SPECIAL RESOLUTIONS APPROVED |
|------------------|------------|------------|---|-------------------------------------|
| 30 <sup>th</sup> | 26/09/2014 | 3.30 P. M. | 402, Sheel Complex, Nr. Mithakhali Under Bridge, Navrangpura, Ahmedabad-380 009 | 0                                   |
| 29 <sup>th</sup> | 30/09/2013 | 3.30 P. M. | 402, Sheel Complex, Nr. Mithakhali Under Bridge, Navrangpura, Ahmedabad-380 009 | 0                                   |
| 28 <sup>th</sup> | 24/09/2012 | 11.00 A.M  | Ground Floor, Aditi Flats, Ellisbridge, Ahmedabad-380 006                       | 1                                   |

There was no special resolution passed by the Company at the previous AGM. Pursuant to the provisions of section 110 of the Companies Act, 2013, there was no matter during the year 2014-2015, required to be dealt by the company to be passed through postal ballot.

During the year, one Extra-Ordinary General Meeting of the members of the Company was held on 18th April, 2014 to appoint M/s Dharmesh Parikh & Co., Chartered Accountants, Ahmedabad as the statutory auditors of the Company for the financial year 2013-14 to fill the vacancy caused by the resignation of M/s Shyam Sunder & Associates, Chartered Accountants, Ahmedabad.

➤ **DISCLOSURES**

**a)** There was no transaction of material nature with Management or with the Directors of the Company during the year.

**b)** There was no instance of Non-compliance of any matter related to the capital markets during the last three years.

**c) Whistle Blower Policy**

Pursuant to Section 177(9) and (10) of the Companies Act, 2013 and the revised Clause 49 of the Listing Agreement, the Company has a Whistle- Blower Policy for establishing a vigil mechanism for Directors and employees 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. During the year, no personnel were denied access to the Audit Committee. The said policy has been uploaded on the website of the Company at [www.gujarattoolroom.com](http://www.gujarattoolroom.com)

**d)** The Company has complied with all mandatory requirements of Clause 49 of the Listing Agreement.

➤ **MEANS OF COMMUNICATION**

During the year, Quarterly and Annual Financial results (Audited & Unaudited) of the company were submitted to the Stock Exchanges immediately after the Board meeting approved the same in Free Press Gujarat (English) and Lokmitra Gujarati Daily (Gujarati). The same are displayed on the website of the Company. i.e www.gujarattoolroom.com

➤ **GENERAL SHAREHOLDER INFORMATION**

**i. Annual General Meeting**

|              |  |
|--------------|--|
| <b>Date</b>  | <b>24<sup>th</sup> September, 2015</b>   |
| <b>Venue</b> | <b>402, Sheel Complex, Nr. Mithakhali Under Bridge, Navrangpura, Ahmedabad – 380 009</b> |
| <b>Time</b>  | <b>3.30 P.M</b>  |

**ii. Financial Calendar For Financial Year 2015-16**

|  |  |
|--|--|
| Financial year   | <b>1<sup>st</sup> April, 2015 to 31<sup>st</sup> March, 2016</b>                         |
| Results for the First quarter ending <b>30<sup>th</sup> June, 2015</b>       | <b>2<sup>nd</sup> Week of August, 2015</b>   |
| Results for the Second quarter ending <b>30<sup>th</sup> September, 2015</b> | <b>2<sup>nd</sup> Week of November, 2015</b>   |
| Results for the Third quarter ending <b>31<sup>st</sup> December, 2015</b>   | <b>2<sup>nd</sup> Week of February, 2016</b>   |
| Result for the year ending <b>31<sup>st</sup> March, 2016</b>                | <b>End of May, 2016</b>  |
| Annual General Meeting   | <b>End of September, 2016</b>  |
| Annual General Meeting for the year <b>2014-15</b>                           | <b>24<sup>th</sup> September, 2015</b>   |
| Place of 31 <sup>st</sup> AGM  | <b>402, Sheel Complex, Nr. Mithakhali Under Bridge, Navrangpura, Ahmedabad – 380 009</b> |

**iii. Date of Book-Closure**

**Friday, 18<sup>th</sup> September, 2015 to Thursday, 24<sup>th</sup> September, 2015 (both days inclusive)**

**iv. Dividend Payment date**

**Not Applicable**

**v. Listing on Stock Exchange**

|                |            |
|----------------|------------|
| Stock Exchange | Stock Code |
| BSE            | 513337     |
| ASE            | 22800      |

➤ **MARKET PRICE DATA**

Market price data of Bombay Stock Exchange Limited, Mumbai for the year **2014-15** is given below:

| MONTH           | HIGH | LOW  | VOLUME |
|-----------------|------|------|--------|
| April, 2014     | 2.88 | 2.74 | 441    |
| May, 2014       | 2.87 | 2.50 | 6850   |
| June, 2014      | 2.74 | 2.16 | 1631   |
| July, 2014      | 2.09 | 1.75 | 2119   |
| August, 2014    | 2.54 | 1.74 | 9830   |
| September, 2014 | 3.36 | 2.19 | 1744   |
| October, 2014   | 3.36 | 3.36 | 100    |
| November, 2014  | 3.52 | 3.20 | 12731  |
| December, 2014  | 4.37 | 3.69 | 696    |
| January, 2015   | 4.95 | 4.15 | 1100   |
| February, 2015  | 5.95 | 5.19 | 4      |
| March, 2015     | 6.55 | 5.64 | 104    |



➤ **DISTRIBUTION OF SHAREHOLDINGS AS ON 31<sup>ST</sup> MARCH, 2015**

| No. of Equity Shares held | No. of Shareholders | % of Shareholders | No. of shares held | % of shareholdings |
|---------------------------|---------------------|-------------------|--------------------|--------------------|
| Less than 500             | 12131               | 95.302            | 1670209            | 48.038             |
| 500-1000                  | 357                 | 2.804             | 296340             | 8.523              |
| 1001-2000                 | 132                 | 1.037             | 209556             | 6.027              |
| 2001-3000                 | 25                  | 0.196             | 64490              | 1.854              |
| 3001-4000                 | 18                  | 0.141             | 64424              | 1.852              |
| 4001-5000                 | 21                  | 0.164             | 100608             | 2.893              |
| 5001-10,000               | 24                  | 0.188             | 185523             | 5.336              |
| Above 10,000              | 21                  | 0.165             | 885650             | 25.473             |
| <b>TOTAL</b>              | <b>12729</b>        | <b>100.00</b>     | <b>3476800</b>     | <b>100.000</b>     |

➤ **CATEGORIES OF SHAREHOLDERS AS ON 31<sup>ST</sup> MARCH 2015.**

| Category                      | No. of Shares held | % of Shareholding |
|-------------------------------|--------------------|-------------------|
| Promoters & PAC               | 396101             | 11.39             |
| Financial Institutions/ Banks | Nil                | Nil               |
| Mutual Fund                   | 77500              | 2.23              |
| Bodies Corporate              | 83367              | 2.40              |
| NRIs                          | Nil                | Nil               |
| Public                        | 2919832            | 83.98             |
| <b>Grand Total</b>            | <b>3476800</b>     | <b>100.00</b>     |

➤ **SHARE TRANSFER SYSTEM**

The Company has appointed the below mentioned agency as Registrar and Share Transfer Agent (RTA) for both physical and Demat segment of equity shares of the Company.

SHAREPRO SERVICES (INDIA) PVT LTD.

416-420, 4<sup>th</sup> Floor, Devnandan Mall, Opp. Sanyash Ashram, Ellisbridge, Ahmedabd-380006.

Tel Nos.079 26582381/82/83/ 84 Fax No. 079 26582385 *Email Id:* sharepro.ahmedabad@shareproservices.com

➤ **DEMATERIALISATION OF SHARES**

The company has entered into Agreement with NSDL/CDSL for Dematerialization of Shares. Those Shareholders who wish to hold shares in electronic form may approach their Depository Participant. As on **31<sup>st</sup> March, 2015**, a total of 1445200 Shares of the Company which is 41.56% of the share Capital of the Company stands dematerialized. **The ISIN No. of the Company is INE145J01016.**

➤ **REGISTERED OFFICE LOCATION:**

The Registered Office of the Company is located at;

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

*Email :-* info@gujarattoolroom.com, gujtoolroom@gmail.com

➤ **ADDRESS FOR CORRESPONDENCE**

For both Physical and Electronic Form:

**SHAREPRO SERVICES (INDIA) PVT LTD.**

416-420, 4<sup>th</sup> Floor, Devnandan Mall, Opp. Sanyash Ashram, Ellisbridge, Ahmedabd-380006.

Tel Nos.079 26582381/82/83/ 84 Fax No. 079 26582385 *Email Id:* sharepro.ahmedabad@shareproservices.com

## GUJARAT TOOLROOM LIMITED

For any assistance regarding correspondence dematerialization of shares, share transfers, transactions, change of address, non-receipt of dividend or any other query, relation to shares, Registered Office:

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

Email: - info@gujarattoolroom.com, gujtoolroom@gmail.com

**Compliance Officer: Ms. Megha Chitre**

**For and on behalf of the Board**

**Suryakant H. Parikh**  
**Chairman cum Managing Director**  
**(DIN: 00038136)**

**Date : 14/08/2015**

**Place : Ahmedabad**

### DECLARATION REGARDING AFFIRMATION OF CODE OF CONDUCT

I, Suryakant H. Parikh, Managing Director of Gujarat Toolroom Limited hereby declare that all the Board Members and Senior Management Personnel have affirmed compliance with the Code of Conduct laid down by the Company.

**For and on behalf of the Board**

**Suryakant H. Parikh**  
**Managing Director**  
**(DIN: 00038136)**

**Date : 14/08/2015**

**Place : Ahmedabad**

### CORPORATE GOVERNANCE CERTIFICATE

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

We have examined the compliance of conditions of corporate governance by **GUJARAT TOOLROOM LIMITED** for the year ended on **31<sup>st</sup> March, 2015**, as stipulated in clause 49 of the Listing Agreement of the said Company with the Stock Exchanges.

The compliance of condition of corporate governance is the responsibility of the management. Our examination was limited to a review of the procedures and implementation thereof, adopted by the Company for ensuring the compliance with the conditions of the corporate governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us the representations made by the Directors and the management, we certify that the Company has complied with the conditions of corporate governance as stipulated in Clause 49 of Listing Agreement.

We further state that such compliance is neither an assurance as to the further viability of the Company nor the efficiency of effectiveness with which the management has conducted the affairs of the Company.

For, **Dharmesh Parikh & Co.**  
Chartered Accountant

**PLACE : Ahmedabad**  
**DATE : 14/08/2015**

**Kanti Gothi**  
Partner  
Membership No. 127664

**CEO/CFO CERTIFICATION**

We, **Mr. Suryakant H. Parikh**, Managing Director and **Mr. Virenkumar G. Gurjar**, Chief Financial Officer of **Gujarat Toolroom Limited** certify to the Board that:

- A. We have reviewed the financial statements for the year ended **March 31, 2015** and that to the best of our knowledge and belief:
- (i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that may be misleading;
  - (ii) These statements present a true and fair view of the Company's affairs and are in compliance with current accounting standards, applicable laws and regulations.
- B. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or in violation of the Company's code of conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, which we were aware and the steps have been taken to rectify these deficiencies.
- D. We have indicated to the auditors and the Audit committee
- (i) that there were no significant changes in internal control over financial reporting during the year;
  - (ii) there were no significant changes in accounting policies during the year; and
  - (iii) We are not aware of any instance of significant fraud and involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

**Date : 14/08/2015**  
**Place : Ahmedabad**

**Suryakant H. Parikh**  
**Managing Director**  
**(DIN: 00038136)**

**Viren Gurjar**  
**Chief Financial Officer**

**INDEPENDENT AUDITOR'S REPORT****To the Members of GUJARAT TOOLROOM LIMITED****Report on the Financial Statements**

We have audited the accompanying financial statements of GUJARAT TOOLROOM LIMITED ("the Company"), which comprise the Balance Sheet as at March 31, 2015, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

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

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

**Auditor's Responsibility**

Our responsibility is to express an opinion on these standalone financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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.

**Opinion**

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 Matter of Emphasis paragraph given below give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2015 and its losses and its cash flows for the year ended on that date.

**Emphasis of Matter**

We draw attention to Note 19(b) of the Financial Statements which indicates that the Company has accumulated losses and its net worth has been fully eroded, the company has incurred net cash loss during the current as well as

previous financial year and the company also has a negative net current assets position. 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 mitigating factors stated therein.

Our opinion is not modified in respect of this matter.

**Other Matter**

Attention invited to Note 19(c) in respect of the scheme of Capital Reduction filed by the company pursuant to Sections 100 to 104 read with Section 391 and other relevant provisions of the Companies Act, 1956, whereby after the scheme becoming effective, the Equity Capital of the company would be reduced by 80%.

**Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure a 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, Statement of Profit and Loss, and Cash Flow Statement 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 Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
  - e) The going concern matter described in the Emphasis of matter paragraph above, in our opinion, may have an adverse impact on the functioning of the company,
  - f) on the basis of the written representations received from the directors as on 31 March 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2015 from being appointed as a director in terms of Section 164 (2) of the Act; and
  - g) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company does not have any pending litigations which would impact its financial position;
    - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
    - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For, **DHARMESH PARIKH & CO.**  
Chartered Accountants  
Firm Reg. No. 112054W

**Kanti Gothi**  
Partner

Membership No. 127664

Place : Ahmedabad  
Date : 30-May-2015

**ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT****RE: GUJARAT TOOLROOM LIMITED**

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

- (i) The company does not have any Fixed Assets. Accordingly, the provisions of paragraph 3 (i) (a) & (b) of the Order are not applicable.
- (ii) The Company has not carried out any commercial activities during the year ended on 31<sup>st</sup> March, 2015 and hence it does not carry any Inventory. Accordingly the provisions of paragraph 3 (ii) of the Order are not applicable.
- (iii) According to the information and explanation given to us and the records produced to us for our verification, the company has not granted any loans to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly the provisions of paragraph 3 (iii) (a) & (b) of the Order are not applicable.
- (iv) There has been neither any purchase of inventory nor any sale of goods and services by the company. However, according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business. During the course of our audit, no major weakness has been noticed in the internal controls.
- (v) The Company has not accepted any deposits from the public.
- (vi) The company has not done any commercial activity during the year under review. Accordingly, the maintenance of cost records under section 148(1) of the Act as prescribed by the Central Government is not applicable to the company.
- (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 during the year in respect of undisputed statutory dues including income tax and other material statutory dues have not 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 employees' state insurance, provident fund, sales tax, service tax, duty of customs, value added tax, cess and duty of excise during the year. According to the information and explanations given to us, no undisputed amounts payable in respect of income tax and other material statutory dues were in arrears as at 31 March 2015 for a period of more than six months from the date they became payable.  
(b) According to the records of the Company and representations made by the Management, there are no statutory dues as mentioned in paragraph 3(vii)(a) which have not been deposited on account of any dispute.  
(c) According to the information and explanations given to us, there are no amounts which were required to be transferred to the investor education and protection fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules there under.
- (viii) The Company's accumulated losses at the end of the year exceed 50% of its Net Worth. Further, the company had also incurred cash losses during the current as well as immediately preceding financial year.
- (ix) The Company did not have any outstanding dues to financial institutions, banks or debenture holders during the year.
- (x) In our opinion and according to the information and the explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions.
- (xi) According to the information & explanations given to us, the Company has not taken any term loan during the year covered by our audit report. Accordingly the provisions of paragraph 3(xi) of the Order are not applicable.
- (xii) 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 fraud on or by the company, noticed or reported during the year, nor have we been informed of any such case by the management.

For, **DHARMESH PARIKH & CO.**  
Chartered Accountants  
Firm Reg. No. 112054W

**Kanti Gothi**  
Partner

Membership No. 127664

Place : Ahmedabad  
Date : 30-May-2015

**GUJARAT TOOLROOM LIMITED**

**BALANCE SHEET AS AT 31ST MARCH, 2015**

|   | Notes | Amt in Rupees<br>31/Mar/2015 | Amt in Rupees<br>31/Mar/2014 |
|---|-------|------------------------------|------------------------------|
| <b>I. EQUITY AND LIABILITIES</b>                    |       |                              |                              |
| <b>a) Shareholders' Funds</b>                       |       |                              |                              |
| Share Capital                                       | 3     | 34,768,000                   | 34,768,000                   |
| Reserves and Surplus                                | 4     | (28,207,611)                 | (26,339,885)                 |
|   |       | <b>6,560,389</b>             | <b>8,428,115</b>             |
| <b>b) Share Application Money Pending Allotment</b> |       |                              |                              |
|   |       | -                            | -                            |
| <b>c) Non-Current Liabilities</b>                   |       |                              |                              |
|   |       | -                            | -                            |
| <b>d) Current Liabilities</b>                       |       |                              |                              |
| Trade Payables                                      | 5     | 1,369,803                    | 171,055                      |
| Other Current Liabilities                           | 6     | 181,268                      | 28,090                       |
|   |       | <b>1,551,071</b>             | <b>199,145</b>               |
| <b>Total</b>  |       | <b>8,111,460</b>             | <b>8,627,260</b>             |
| <b>II. ASSETS</b>                                   |       |                              |                              |
| <b>a) Non-Current Assets</b>                        |       |                              |                              |
| Fixed Assets  |       |                              |                              |
| Tangible Assets                                     | 7     | -                            | -                            |
| Intangible Assets                                   |       | -                            | -                            |
| Capital Work-In-Progress                            |       | -                            | -                            |
| Non-Current Investments                             |       | -                            | -                            |
| Long Term Loans & Advances                          |       | -                            | -                            |
| Capital Advance                                     |       | 8,083,500                    | -                            |
| Other Non-Current Assets                            |       | -                            | -                            |
|   |       | <b>8,083,500</b>             | <b>-</b>                     |
| <b>b) Current Assets</b>                            |       |                              |                              |
| Trade Receivables                                   | 8     | -                            | 61,788                       |
| Cash and Cash Equivalents                           | 9     | 27,960                       | 187,472                      |
| Short Term Loans & Advances                         | 10    | -                            | 8,378,000                    |
| Other Current Assets                                |       | -                            | -                            |
|   |       | <b>27,960</b>                | <b>8,627,260</b>             |
| <b>Total</b>  |       | <b>8,111,460</b>             | <b>8,627,260</b>             |

Summary of significant accounting policies 2

The accompanying notes are an integral part of the financial statements.

As per our report of even date  
For **Dharmesh Parikh & Co.**  
Chartered Accountants  
Firm Registration Number : 112054W  
**Kanti Gothi**  
Partner  
Membership No. 127664  
Place : Ahmedabad  
Date : 30-May-2015

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

**Suryakant H. Parikh** **Vishal M Shah**  
Managing Director Director  
**Viren Gurjar**  
CFO  
Place : Ahmedabad  
Date : 30-May-2015

**PROFIT & LOSS STATEMENT FOR THE YEAR ENDED ON 31ST MARCH, 2015**

|   | Notes | Amt in Rupees<br>For the year<br>ended<br>31/Mar/2015 | Amt in Rupees<br>For the year<br>ended<br>31/Mar/2014 |
|---|-------|---|---|
| <b>a) Income</b>  |       |   |   |
| Revenue from Operations (Gross)   |       | -   | 200,788   |
| Less : Excise Duty  |       | -   | -   |
| Revenue from Operations (Net)   |       | -   | 200,788   |
| Other Income  |       |   |   |
| Excess Provisions Written back  |       | -   | 148,996   |
| <b>Total Revenue</b>  |       | -   | <b>349,784</b>  |
| <b>b) Expenses</b>  |       |   |   |
| Cost of Materials Consumed  |       | -   | -   |
| Purchases of Stock-In-Trade   |       | -   | -   |
| Changes in Inventories  | 11    | -   | 2,480,972   |
| Employee Benefits Expense   | 12    | 156,000   | 156,000   |
| Finance Costs (Bank Charges)  |       | -   | -   |
| Depreciation and Amortisation Expense   |       | -   | -   |
| Other Expenses  | 13    | 1,711,726   | 354,803   |
| <b>Total Expenses</b>   |       | <b>1,867,726</b>                                      | <b>2,991,775</b>                                      |
| <b>c) Profit / (Loss) Before Exceptional &amp; Extra-Ordinary Items and Tax</b> |       |   |   |
| Exceptional Items   | 14    | (1,867,726)   | (2,641,991)   |
| <b>d) Profit / (Loss) Before Tax</b>  |       |   |   |
|   |       | <b>(1,867,726)</b>                                    | <b>(5,182,270)</b>                                    |
| <b>e) Tax Expense</b>   |       |   |   |
| Current Tax   |       | -   | -   |
| Deferred Tax  |       | -   | -   |
| Adjustment of earlier years   |       | -   | 39,381  |
| <b>Total Tax Expenses</b>   |       | -   | <b>39,381</b>   |
| <b>f) Profit / (Loss) For The Year</b>  |       |   |   |
|   |       | <b>(1,867,726)</b>                                    | <b>(5,221,651)</b>                                    |
| <b>g) Earning per Equity Share (Face Value of Rs.10 each)</b>                   |       |   |   |
| Basic   | 18    | (0.54)  | (1.50)  |
| Diluted   |       | (0.54)  | (1.50)  |

Summary of significant accounting policies

2

The accompanying notes are an integral part of the financial statements.

As per our report of even date  
For **Dharmesh Parikh & Co.**  
Chartered Accountants  
Firm Registration Number : 112054W  
**Kanti Gothi**  
Partner  
Membership No. 127664  
Place : Ahmedabad  
Date : 30-May-2015

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

|   |  |
|---|--|
| <p><b>Suryakant H. Parikh</b><br/>Managing Director</p> | <p><b>Vishal M Shah</b><br/>Director</p> |
| <p><b>Viren Gurjar</b><br/>CFO</p>                      |  |
| <p>Place : Ahmedabad<br/>Date : 30-May-2015</p>         |  |



**CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2015**

|   | Amt in Rupees<br>For the<br>year ended<br>31/Mar/2015 | Amt in Rupees<br>For the<br>year ended<br>31/Mar/2014 |
|---|---|---|
| <b>I. CASH FLOW FROM OPERATING ACTIVITIES</b>                         |   |   |
| Profit / (Loss) Before Tax  | (1,867,726)   | (5,182,270)   |
| <b>Adjustment on account of :</b>                                     |   |   |
| Non-Cash Items to Reconcile Net Cash Flows                            |   |   |
| Loss on Sale of Fixed Assets  | -   | 337,956   |
| Bad Debts   | -   | 2,202,323   |
| Operating Profit / (Loss) Before Working Capital Changes              | <b>(1,867,726)</b>                                    | <b>(2,641,991)</b>                                    |
| <b>Movements in Working Capital :</b>                                 |   |   |
| <b>Adjustments for Decrease / (Increase) in Operating Assets</b>      |   |   |
| Inventories   | -   | 2,480,972   |
| Trade Receivables   | 61,788  | (61,788)  |
| Short Term Loans & Advances (Refer Note 1)                            | 294,500   | -   |
| <b>Adjustments for Increase / (Decrease) in Operating Liabilities</b> |   |   |
| Trade Payables  | 1,198,748   | 127,465   |
| Other Current Liabilities   | 153,178   | (120,906)   |
| <b>Cash Flow from Operations</b>                                      | <b>(159,512)</b>                                      | <b>(216,248)</b>                                      |
| Less : Direct Taxes Paid  | -   | -   |
| <b>Net Cash Flow From Operating Activities</b>                        | <b>(159,512)</b>                                      | <b>(216,248)</b>                                      |
| <b>II. CASH FLOW FROM INVESTING ACTIVITIES</b>                        |   |   |
| Sale/ (Purchase) of Fixed Assets                                      | -   | 25,000  |
| Paid towards Capital Advance (Refer Note 1)                           | -   | -   |
| <b>Net Cash Flow From Investing Activities</b>                        | <b>-</b>  | <b>25,000</b>   |
| <b>III. CASH FLOW FROM FINANCING ACTIVITIES</b>                       |   |   |
| Proceeds From Long Term Borrowings                                    | -   | -   |
| <b>Net Cash Flow From Financing Activities</b>                        | <b>-</b>  | <b>-</b>  |
| <b>Net Increase / (Decrease) in Cash &amp; Cash Equivalents</b>       | <b>(159,512)</b>                                      | <b>(191,248)</b>                                      |
| Cash & Cash Equivalents at the beginning of the year                  | 187,472   | 378,720   |
| <b>Cash &amp; Cash Equivalents at the end of the year</b>             | <b>27,960</b>   | <b>187,472</b>  |

Note 1 - Short Term Loans and Advances as reflected in the previous year has been transferred to Capital Advances during the year in terms of the MOU between the parties. Since there is no movement of funds, the same is not reflected here.

The accompanying notes are an integral part of the financial statements.

As per our report of even date  
For **Dharmesh Parikh & Co.**  
Chartered Accountants  
Firm Registration Number : 112054W  
**Kanti Gothi**  
Partner  
Membership No. 127664  
Place : Ahmedabad  
Date : 30-May-2015

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

**Suryakant H. Parikh**                      **Vishal M Shah**  
Managing Director                      Director

**Viren Gurjar**  
CFO

Place : Ahmedabad  
Date : 30-May-2015

**Notes to Financial Statements for the year ended 31 March 2015****1 Corporate Information**

Gujarat Tool Room 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 adopted by the Company :****a) Basis of Preparation**

The financial statements of the company have been prepared in accordance with the generally accepted accounting principles in India (Indian GAAP) to comply with the accounting standards notified under section 211(3C) of the Companies Act, 1956 ("the 1956 Act"), which are deemed to be applicable as per section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules 2014 and the relevant provisions of the 1956 Act/ 2013 Act, as applicable. The financial statements have been prepared on an accrual basis and under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

**b) Use of Estimates**

The preparation of financial statements in conformity with Indian GAAP requires management to make 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 / materialised.

**c) 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 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.

**d) 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.

**e) 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.

**f) Inventories**

Traded goods are valued at Lower of cost and Net realisable value. Cost includes the purchase price and other associated cost directly incurred in bringing the inventory to its present location.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated cost of completion and estimated costs necessary to make the sale.

**g) Prior Period Items**

All identifiable items of Income and Expenditure pertaining to prior period are accounted through "Prior Period items".

**h) Revenue Recognition**

Revenue is recognized to the extent that probable economic benefits will flow to the company and the revenue can be reliably measured.

- i) Interest income is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.
- ii) Other income is recognised when the Company's right to receive payment is established.

**i) Employee Benefits**

Employee benefits includes gratuity, compensated absences and contribution to provident fund, employees' state insurance, superannuation fund.

No provision for employee's benefits viz. Gratuity, Leave encashment, retrenchment etc for the employees is being made as the same are presently not applicable to the company as the number of employees are below the applicable limits.

**j) Segment Accounting**

Accounting Standard 17 "Segment Reporting" as prescribed under Companies (Accounting Standards) Rules, 2006 (as amended) are not applicable to the company as the company has not done any business activity during the year.

**k) Related Party Transactions**

Disclosure of transactions with Related Parties, as required by Accounting Standard 18 "Related Party disclosures" prescribed under The Companies (Accounting Standards) Rules, 2006 (as amended) has been set out in a separate note forming part of this schedule. Related Parties as defined under clause 3 of the Accounting Standard 18 have been identified on the basis of representation made by key managerial personnel and information available with the Company.

**l) Earnings Per Share**

The Company reports basic and diluted earnings per share (EPS) in accordance with the Accounting Standard 20 prescribed under The Companies (Accounting Standards) Rules, 2006 (as amended). 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****I) Deferred Taxation**

In accordance with the Accounting Standard 22 – Accounting for Taxes on Income, prescribed under The Companies (Accounting Standards) Rules, 2006 (as amended), the deferred tax for timing differences between the book and tax profits for the year is accounted for by using the tax rates and laws that have been enacted or substantively enacted as of the Balance Sheet Date.

Deferred tax assets arising from timing differences are recognised to the extent there is virtual certainty that the assets can be realised in future.

Net outstanding balance in Deferred Tax account is recognized as deferred tax liability/asset. The deferred tax account is used solely for reversing timing difference as and when crystallized.

**II) Current Taxation**

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

**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 neither recognised nor disclosed in the financial statements.

**o) Applicability of other Accounting Standards**

Though other Accounting Standards also apply to the company by virtue of the Companies (Accounting Standards) Rules 2006 (as amended), no disclosure for the same is being made as the company has not done any transaction to which the said Accounting Standard apply.

**3 Share Capital**

|  | Amt in Rs.<br>31/Mar/2015 | Amt in Rs.<br>31/Mar/2014 |
|--|---------------------------|---------------------------|
| <b>Authorised shares</b>   |                           |                           |
| 60,00,000 Eq. Shares of Rs.10/- each.  | 60,000,000                | 60,000,000                |
| <b>Issued, subscribed fully paid-up shares</b>                                     |                           |                           |
| 34,76,800 (Previous Year : 34,76,800) Equity shares of Rs. 10/- each fully paid up | 34,768,000                | 34,768,000                |
| <b>Total issued, subscribed and fully paid-up share capital</b>                    | <b>34,768,000</b>         | <b>34,768,000</b>         |

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

|   | 31/Mar/2015      |                   | 31/Mar/2014      |                   |
|---|------------------|-------------------|------------------|-------------------|
|   | Numbers          | Amt in Rs.        | Numbers          | Amt in Rs.        |
| Equity Shares                               |                  |                   |                  |                   |
| At the beginning of the period              | 3,476,800        | 34,768,000        | 3,476,800        | 34,768,000        |
| Issued during the period                    | -                | -                 | -                | -                 |
| <b>Outstanding at the end of the period</b> | <b>3,476,800</b> | <b>34,768,000</b> | <b>3,476,800</b> | <b>34,768,000</b> |

**b. Terms / rights attached to equity shares**

The company has only one class of Equity Shares having a par value of Rs.10 per share. Each Shareholder is entitled to one per share. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining asset of the company, after distributors of all preferential amounts. The distribution will be in proportion to the number of equity share held by the shareholders.

**c. Details of shareholders holding more than 5% shares in the company**

|               | 31/Mar/2015 |                        | 31/Mar/2014 |                        |
|---------------|-------------|------------------------|-------------|------------------------|
|               | Numbers     | % holding in the class | Numbers     | % holding in the class |
| Equity Shares |             |                        |             |                        |
| NA            | -           | -                      | -           | -                      |

As per the information available with the management, non of the shareholders hold more than 5% share in the company as on 31st March 2014

**4 Reserves and Surplus**

|   | Amt in Rs.<br>31/Mar/2015 | Amt in Rs.<br>31/Mar/2014 |
|---|---------------------------|---------------------------|
| <b>General Reserve</b>  |                           |                           |
| Opening Balance b/f   | 46,952                    | 46,952                    |
| Add : Transferred During the year                                 | -                         | -                         |
| Closing Balance   | <b>46,952</b>             | <b>46,952</b>             |
| <b>Surplus / (deficit) in the statement of profit and loss</b>    |                           |                           |
| Balance as per last financial statements                          | (26,386,837)              | (21,165,186)              |
| Profit/ (Loss) for the year                                       | (1,867,726)               | (5,221,651)               |
| <b>Net surplus/ (deficit) in the statement of profit and loss</b> | <b>(28,254,563)</b>       | <b>(26,386,837)</b>       |
| <b>Total Reserves and Surplus</b>                                 | <b>(28,207,611)</b>       | <b>(26,339,885)</b>       |

**5 Trade Payables**

|                                     | Amt in Rs.<br>31/Mar/2015 | Amt in Rs.<br>31/Mar/2014 |
|-------------------------------------|---------------------------|---------------------------|
| Sundry Creditors                    |                           |                           |
| Micro, Small and Medium Enterprises | -                         | -                         |
| Others                              | 1,369,803                 | 171,055                   |
|                                     | <b>1,369,803</b>          | <b>171,055</b>            |

The amount payable to Micro and Small Medium Enterprises as on the Balance Sheet date is not determined as such parties are not identified as no information is available with the company. The creditors balance for whom confirmation has not been received are subject to confirmation and reconciliation.

**6 Other Current Liabilities**

|                        | Amt in Rs.<br>31/Mar/2015 | Amt in Rs.<br>31/Mar/2014 |
|------------------------|---------------------------|---------------------------|
| Duties & Taxes Payable | 141,368                   | -                         |
| Expenses Payable       | 39,900                    | 28,090                    |
|                        | <b>181,268</b>            | <b>28,090</b>             |

**7 Fixed Assets**

| PARTICULARS       | GROSS BLOCK       |                                 |                                  | DEPRECIATION      |                  |                             |                                  | NET BLOCK                         |                                   |                   |
|-------------------|-------------------|---------------------------------|----------------------------------|-------------------|------------------|-----------------------------|----------------------------------|-----------------------------------|-----------------------------------|-------------------|
|                   | As At<br>01.04.14 | Additions<br>during<br>the year | Deductions<br>during<br>the year | As At<br>31.03.15 | Upto<br>31.03.14 | Provided<br>for<br>the year | Deductions<br>during<br>the year | As At<br>31.03.15                 | As At<br>31.03.15                 | As At<br>31.03.14 |
| Plant & Machinery | -                 | -                               | -                                | -                 | -                | -                           | -                                | -                                 | -                                 | -                 |
| <b>Total</b>      | -                 | -                               | -                                | -                 | -                | -                           | -                                | -                                 | -                                 | -                 |
| Previous Year     | 948,864           | -                               | 948,864                          | -                 | 585,908          | -                           | 585,908                          | -                                 | -                                 | -                 |
|                   |                   |                                 |                                  |                   |                  |                             |                                  | <b>Amt in Rs.<br/>31/Mar/2015</b> | <b>Amt in Rs.<br/>31/Mar/2014</b> |                   |

**8 Trade Receivables**

**Receivables outstanding for a period exceeding six months from the date they are due for payment**

|                            |          |               |
|----------------------------|----------|---------------|
| Unsecured, Considered Good | -        | -             |
| <b>Others</b>              |          |               |
| Unsecured, Considered Good | -        | 61,788        |
|                            | <b>-</b> | <b>61,788</b> |

**9 Cash & Cash Equivalents**

|                           |               |                |
|---------------------------|---------------|----------------|
| Cash-In-Hand              | 8,946         | 174,748        |
| <b>Balance with banks</b> |               |                |
| In current accounts       | 19,014        | 12,724         |
|                           | <b>27,960</b> | <b>187,472</b> |

**GUJARAT TOOLROOM LIMITED**

|   | Amt in Rs.<br>31/Mar/2015 | Amt in Rs.<br>31/Mar/2014 |
|---|---------------------------|---------------------------|
| <b>10 Short Term Loans &amp; Advances</b> |                           |                           |
| <b>Others</b>                             |                           |                           |
| UnSecured Considered Good                 | -                         | 8,378,000                 |
|   | -                         | <b>8,378,000</b>          |
|   |                           |                           |
|   | Amt in Rs.<br>2014-15     | Amt in Rs.<br>2013-14     |
| <b>11 Changes in Inventories</b>          |                           |                           |
| Opening Stock.                            | -                         | 2,480,972                 |
| Closing Stock                             | -                         | -                         |
|   | -                         | <b>2,480,972</b>          |
| <b>12 Employee Benefits Expense</b>       |                           |                           |
| Salaries & Bonus                          | 156,000                   | 156,000                   |
|   | <b>156,000</b>            | <b>156,000</b>            |
| <b>15 Other Expenses</b>                  |                           |                           |
| Advertisement Expenses                    | 28,950                    | 23,320                    |
| Payment to Auditors                       |                           |                           |
| - Statutory Audit Fees                    | 34,200                    | 28,090                    |
| - Certification Fees                      | 9,550                     | -                         |
| Bank charges                              | 4,270                     | 6,823                     |
| Professional & Consultancy Charges        | 1,394,478                 | 4,000                     |
| Legal & Filing Fees                       | 126,131                   | 78,267                    |
| Membership Fees                           | -                         | 16,854                    |
| Office Expenses                           | 18,500                    | 31,700                    |
| Postage Expenses                          | 50,976                    | 70,000                    |
| Printing & Stationery                     | 16,800                    | -                         |
| RTA Fees                                  | 23,871                    | 22,120                    |
| Miscellaneous Exps                        | 4,000                     | 3,801                     |
| Prior Period Items                        |                           |                           |
| RTA Fees                                  | -                         | 14,828                    |
| ROC Expenses                              | -                         | 55,000                    |
|   | <b>1,711,726</b>          | <b>354,803</b>            |
| <b>14 Exceptional Items</b>               |                           |                           |
| Loss on Sale of Fixed Assets              | -                         | 337,956                   |
| Bad Debts                                 | -                         | 2,202,323                 |
|   | -                         | <b>2,540,279</b>          |

| 15 Deferred Tax Liability / Asset (net) | Amt in Rs.           |                      |
|---|----------------------|----------------------|
|   | As at<br>31/Mar/2015 | As at<br>31/Mar/2014 |
| <b>Deferred Tax Liabilities</b>         | -                    | -                    |
| <b>Deferred Tax Assets</b>              |                      |                      |
| Carried Forward Losses                  | 4,904,591            | 4,327,464            |
| <b>Net Deferred Tax Assets</b>          | <b>4,904,591</b>     | <b>4,327,464</b>     |

In accordance with the Accounting Standard 22, the net deferred tax assets of Rs. 49,04,591/- (Previous Year Rs. 43,27,464/-) has not been recognised because there is no reasonable certainty as to when the assets can be realised.

| 16 Contingent Liabilities & Commitments  | Amt in Rs.           |                      |
|--|----------------------|----------------------|
|  | As at<br>31/Mar/2015 | As at<br>31/Mar/2014 |
| Contingent Liabilities, to the extent not provided for                                       | -                    | -                    |
| Commitments  | -                    | -                    |
| Estimated amount of contracts remaining to be executed on capital accounts (net of advances) | -                    | -                    |

**17 Related Parties**

- > Holding Company : Nil
- > Subsidiary Company : Nil
- > Associates : Nil  
(with transactions during the year)
- > Key Management Personnel : Mr. Suryakant H Parikh  
Mr. Bhavin Suryakant Parikh
- > Relative of Key Management : Mr. Bhavik S Parikh  
(with transactions during the year)

**Information in respect of Related Parties**

|  | Amt in Rs.<br>31/Mar/2015 | Amt in Rs.<br>31/Mar/2014 |
|--|---------------------------|---------------------------|
| Services Received                        |                           |                           |
| Bhavik Parikh                            | 719,000                   | -                         |
| Dues payable outstanding at the year end |                           |                           |
| Bhavik Parikh                            | 647,100                   | -                         |



**18 Earning Per Share (EPS)**

Amt in Rs.

|  | For the<br>year ended<br>31/Mar/2015 | For the<br>year ended<br>31/Mar/2014 |
|--|--------------------------------------|--------------------------------------|
| Profit / (Loss) for calculation of basic and diluted EPS             | (1,867,726)                          | (5,221,651)                          |
| Weighted average number of equity shares for calculating Basic EPS   | 3,476,800                            | 3,476,800                            |
| Weighted average number of equity shares for calculating Diluted EPS | 3,476,800                            | 3,476,800                            |
| Face value of equity shares  | 10                                   | 10                                   |
| Basic Earning Per Share (in Rupees)                                  | (0.54)                               | (1.50)                               |
| Diluted Earning Per Share (in Rupees)                                | (0.54)                               | (1.50)                               |

**19 Other Disclosures**

- (a) In the opinion of the management and to the best of their knowledge and belief, the value under the head of Current and Non-Current Assets (other than Fixed Assets and Non-Current Investments) are approximately of the value stated, if realised in ordinary course of business, except unless stated otherwise. The provision for all the known liabilities is adequate and not in excess of amount considered reasonably necessary.
- (b) The company has accumulated losses of Rs. 2,75,08,303/- (PY Rs. 2,63,86,837/-) as at the balance sheet date. Additionally, the management has disposed off all the fixed assets and inventories of the company. Considering the change in the object clause done by the company by passing a special resolution dt. 30th June 2011, the management is working on other avenues of business in the field of real estate. Accordingly, these financial statements have been prepared assuming that the Company will continue as a going concern.
- (c) In accordance with the provisions of Sections 100 to 104 read with Section 391 and other relevant provisions of the Companies Act, 1956 (hereinafter referred to as "the act"), a scheme of capital reduction has been filed by the company with the regulatory authorities whereby the paid-up value of all the shares in the capital of the Company would be reduced from Rs. 10/- per share to Rs. 2/- per share. After reduction of capital, the Company will issue 1 equity shares of Rs.10/- each fully paid-up against every 5 equity shares of Rs. 2/- per shares fully paid-up. Hence once the scheme is approved, the Share Capital of the company would be reduced to the extent of Rs. 8 per share.
- (d) The company is in the process of appointing Company Secretary as required under section 203 of the Companies Act, 2013. Hence the financial statements have not been signed by a Company Secretary as required by the Act.
- (e) Other Statutory Information :

Amt in Rs.

|  | For the<br>year ended<br>31/Mar/2015 | For the<br>year ended<br>31/Mar/2014 |
|--|--------------------------------------|--------------------------------------|
| Value of imports calculated on CIF basis | Nil                                  | Nil                                  |
| Expenditure in Foreign Currency          | Nil                                  | Nil                                  |
| Earnings in Foreign Currency             | Nil                                  | Nil                                  |

**20 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.

As per our report of even date  
For **Dharmesh Parikh & Co.**  
Chartered Accountants  
Firm Registration Number : 112054W  
**Kanti Gothi**  
Partner  
Membership No. 127664  
Place : Ahmedabad  
Date : 30-May-2015

For and on behalf of the board of directors of  
**GUJARAT TOOLROOM LIMITED**  
  
**Suryakant H. Parikh**                      **Vishal M Shah**  
Managing Director                              Director  
  
**Viren Gurjar**  
CFO  
Place : Ahmedabad  
Date : 30-May-2015

**GUJARAT TOOLROOM LIMITED**

CIN : L45208GJ1983PLC006056

**Regd. Office :** 402, Sheel Complex, Nr. Mithakhali Under Bridge, Navrangpura, Ahmedabad – 380 009.

**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]

**31<sup>st</sup> Annual General Meeting – 24<sup>th</sup> day of September, 2015 at 03.30 p.m.**

CIN : L45208GJ1983PLC006056  
Name of the company : GUJARAT TOOLROOM LIMITED  
Registered office : 402, Sheel Complex, Nr. Mithakhali Under Bridge, Navrangpura, Ahmedabad-380 009  
Name of the Member(s) : \_\_\_\_\_  
Registered Address : \_\_\_\_\_  
Email : \_\_\_\_\_  
DP ID : \_\_\_\_\_  
Folio No. / Client ID No. : \_\_\_\_\_

I/We, being the member(s) of \_\_\_\_\_ shares of the above named Company, hereby appoint:

- 1) Name : \_\_\_\_\_ Address : \_\_\_\_\_  
 \_\_\_\_\_ E-mail Id : \_\_\_\_\_  
 Signature: \_\_\_\_\_ Or falling him/her
- 2) Name : \_\_\_\_\_ Address : \_\_\_\_\_  
 \_\_\_\_\_ E-mail Id : \_\_\_\_\_  
 Signature: \_\_\_\_\_ Or falling him/her
- 3) Name : \_\_\_\_\_ Address : \_\_\_\_\_  
 \_\_\_\_\_ E-mail Id : \_\_\_\_\_  
 Signature: \_\_\_\_\_

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**GUJARAT TOOLROOM LIMITED**

CIN : L45208GJ1983PLC006056

**Regd. Office :** 402, Sheel Complex, Nr. Mithakhali Under Bridge, Navrangpura, Ahmedabad – 380 009.

**ATTENDANCE SLIP**

Full name of the Member attending : \_\_\_\_\_

Name of Proxy : \_\_\_\_\_

I hereby record my presence at the Annual General Meeting being held on Thursday 24<sup>th</sup> day of September, 2015 at 3.30 p.m. at the registered office of the Company situated at 402, Sheel Complex, Nr. Mithakhali Under Bridge, Navrangpura, Ahmedabad-380 009

Regd. Folio No. \_\_\_\_\_

DP Id\* \_\_\_\_\_

Client Id\* \_\_\_\_\_

No. of Share held \_\_\_\_\_

\_\_\_\_\_  
Member's/Proxy's Signature  
(To be signed at the time of handing over the slip)

\* Applicable for members holding shares in dematerialised form.

Note : Persons attending the Annual General Meeting are requested to bring their copies of Annual Report.

31<sup>st</sup> Annual general meeting/ Extraordinary general meeting of the company, to be held on the 24<sup>th</sup> day of September, 2015 at 3.30 p.m. at the registered office of the Company situated at 402, Sheel Complex, Nr. Mithakhali Under Bridge, Navrangpura, Ahmedabad-380 009 and at any adjournment thereof in respect of such resolutions as are indicated below:

**Resolution No. Particulars**

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2015 Statement of Profits & Loss and together with Cash Flow Statement and Notes forming part thereto ("Financial Statement") for the year ended on 31st March, 2015 and Report of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Shri Vishal M. Shah who retires by rotation and being eligible, offers himself for re-appointment.
3. To ratify the appointment of the Auditors and fix their remuneration.
4. To consider the Reduction of Capital and consolidation of face value of the shares of the Company
5. To consider with or without modification to deal with fractional share and implementation of reduction of capital of the company
6. To Appoint Ms. Falguni Trivedi (DIN: 07243113) as a Director of the company
7. To appoint Mr. Kunjan Vora (DIN: 03612667) as an Independent Director of the Company
8. To appoint Mr. Viral Shah (DIN: 03603173) as an Independent Director of the Company
9. To approve material related party transactions entered into by the Company with related parties
10. To increase the Borrowing power Limit of the Board of Directors on behalf of the Company
11. To Make Investments in other Body Corporate

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2015

Signature of Member \_\_\_\_\_

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

|                           |
|---------------------------|
| Affix<br>Revenue<br>Stamp |
|---------------------------|

**Note: 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.**

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*If undelivered*

Please return to :

**GUJARAT TOOLROOM LIMITED**

Regd. Office : 402, Sheel Complex,  
Nr. Mithakhali Under Bridge,  
Navrangpura, Ahmedabad – 380 009.