

**32<sup>nd</sup>**  
**ANNUAL REPORT**  
**2015-2016**

**GUJARAT TOOLROOM LIMITED**



**32<sup>nd</sup> ANNUAL REPORT 2015-16****KEY MANAGERIAL PERSONNEL & BOARD OF DIRECTORS**

Shri Viral N. Shah	Chairman & Director (DIN : 03603173)
Shri Suryakant H. Parikh	Managing Director (DIN : 00038136)
Shri Bhavin S. Parikh	Director (DIN : 00034258)
Shri Vishal M. Shah	Director (DIN : 03279724)
Shri Kunjan N. Vora	Director (DIN : 03612667)
Smt. Falguni J. Trivedi	Director (w.e.f. 24/09/2015) (DIN: 07243113)
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 : [gujtoolroom@gmail.com](mailto:gujtoolroom@gmail.com)

**REGISTRAR FOR TRANSFER**

Bigshare Services Pvt Ltd  
A-802, Samudra Complex,  
Near Klassic Gold Hotel,  
Off C G Road, Navrangpura,  
Ahmedabad, Gujarat - 380 009  
Phone : 0 7 9 4 0 0 2 4 1 3 5  
Website: [www.bigshareonline.com](http://www.bigshareonline.com)  
E-Mail : [bssahd@bigshareonline.com](mailto:bssahd@bigshareonline.com)

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**NOTICE**

[CIN : L45208GJ1983PLC006056]

**NOTICE** is hereby given that the **32<sup>nd</sup> ANNUAL GENERAL MEETING** of the Members of **GUJARAT TOOLROOM LIMITED** will be held on **Monday, 19<sup>th</sup> September, 2016 at 11.30 A.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, 2016** 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, 2016** and Report of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of **Shri Bhavin S. Parikh (DIN: 00034258)** who retires by rotation and being eligible, offers himself for re-appointment.
3. To ratify the appointment of Statutory Auditors of the Company and fix their remuneration.

**SPECIAL BUSINESS:**

4. **To re-appoint Mr. Suryakant H. Parikh (Din: 00038136) as the Managing Director for the period of Three (3) year w.e.f. 24<sup>th</sup> May, 2016**

To consider and, if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:

“**RESOLVED THAT** pursuant to recommendation of the Nomination and Remuneration Committee and in accordance with the provision of Section 196, 197 and 203 and other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification or re-enactment thereof) read with Schedule- V of the Companies Act, 2013 and the Articles of Association of the Company, the consent of Members of the Company be and is hereby accorded to the re-appointment of Mr. Suryakant Hiralal Parikh (DIN: 00038136) as Managing Director of the Company with effect from May 24, 2016 for the period of three(3) year, as well as the payment of salary and perquisites (hereinafter referred to as “remuneration”), upon the terms and conditions as detailed as detailed in the explanatory statement attached herewith, which is hereby approved and sanctioned with authority to the Board of Directors to alter and vary the terms and conditions of the said re-appointment and / or agreement in such manner as may be agreed to between the Board of Directors and Mr. Suryakant Hiralal Parikh.

**RESOLVED FURTHER THAT** the remuneration payable to Mr. Suryakant Hiralal Parikh (DIN: 00038136), shall not exceed the overall ceiling of the total managerial remuneration as provided under Schedule V and Section 197 of the Companies Act, 2013 or such other limits as may be prescribed from time to time.

**RESOLVED FURTHER THAT Mr. Vishal M. Shah (Din: 03279724)** Director of the Company, be and is hereby authorized to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required and to delegate all or any of its powers herein conferred to any Committee of Directors or Director(s) to give effect to the aforesaid resolution.”

**Regd. Office**

402, Sheel Complex,  
Nr. Mithakhali Under Bridge,  
Navrangpura,  
Ahmedabad – 380009

**Date : 11/08/2016****Place : Ahmedabad**

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

**Viral N. Shah**  
Chairman  
(DIN: 03603173)

**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 and Sundays, during business hours up to the date of the Meeting.
7. Profile of the Directors seeking appointment / re-appointment, as required in terms of Regulation 36 of the SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015 is annexed to this Notice.
8. Pursuant to the provisions of Section 91 of the Companies Act, 2013, the Register of Members and Share Transfer Books of the Company will remain closed from **Monday 12<sup>th</sup> September, 2016 to Monday 19<sup>th</sup> September, 2016** (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 M/s. Bigshare Services Pvt. Ltd. A-802 Samudra Complex, Near Klassic Gold Hotel, Off C G Road Navrangpura, Ahmedabad-380 009 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 **Bigshare Services Private Limited**. A-802 Samudra Complex, Near Klassic Gold Hotel, Off C G Road Navrangpura, Ahmedabad – 380 009, Gujarat for assistance in this regard.
11. The Annual Report 2015-16 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 at least seven days in advance of the Meeting, so that the information can be kept ready at the Meeting.

**Process and manner for members opting for voting through Electronic means:**

- (i) Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide to its members facility to exercise their right to vote on resolutions proposed to be passed in the Meeting by electronic means. The members may cast their votes using an electronic voting system through remote e-voting services provided by Central Depository Services Limited (CDSL) from a place other than the venue of the Meeting.
- (ii) The Members whose names appear in the Register of Members / List of Beneficial Owners as on **12<sup>th</sup> September, 2016** (cut – off date) are 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. **12<sup>th</sup> September, 2016**, 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 **Friday, September, 16, 2016 at 9.00 a.m. and will end on Sunday, September 18, 2016 at 5.00 p.m.** During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date **Monday 12<sup>th</sup> September, 2016**, 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. The e-voting module shall be disabled by CDSL for voting 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. **12<sup>th</sup> September, 2016**.
- (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.

**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:

<b>For Members holding shares in Demat Form and Physical Form</b>	
<b>PAN</b>	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> <li>• Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number in the PAN field. The Sequence Number will be intimated to such member by way of a letter.</li> <li>• 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.</li> </ul>
<b>DOB</b>	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
<b>Dividend Bank Details</b>	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.

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 reach directly the Company selection screen. However, members holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- Step 8 : For Members holding shares in physical form, the details can be used only for 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 option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- Step 11 : Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- 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 Shareholders and Custodians
- Non-Individual shareholders (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).
  - 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](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

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

The results declared along with the Scrutinizer’s Report shall be placed on the Company’s website [www.gujarattoolroom.com](http://www.gujarattoolroom.com) and on the website of CDSL i.e. [www.cdslindia.com](http://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 32<sup>nd</sup> Annual General Meeting (Pursuant to Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)**

<b>NAME OF DIRECTORS</b>	<b>Mr. Suryakant H.Parikh</b>	<b>Mr. Bhavin S. Parikh</b>
<b>DIN</b>	00038136	00034258
<b>Age /Date of Birth</b>	69 Years 05/11/1946	37 Years 12/09/1978
<b>Date of Appointment</b>	12/08/2011	30/06/2011
<b>Qualification and experience in specific functional area</b>	Graduation in Science having more than 45 years of Experience of Textile, Real Estate, Finance and Administration	BBA and having 13 years of experience in Finance and Management
<b>Directorship held in other companies*</b>	NIL	NIL
<b>Membership / Chairmanships of Committee in other Public Companies</b>	NIL	NIL
<b>Number of shares held in the company</b>	NIL	NIL
<b>Relationship with any Director(s) of the Company</b>	Mr. Bhavin S. Parikh (Son)	Mr. Suryakant H.Parikh (Father)

\*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 of the accompanying notice dated 11<sup>th</sup> August, 2016 should be taken as forming part of Notice.

**ITEM NO.4:**

The Board of Directors of the Company (the 'Board') at its meeting held on **24<sup>th</sup> May, 2016** has re-appointed **Mr. Suryakant Hiralal Parikh (Din: 00038136)** as Managing Director for a period of 3 (three) years w.e.f. 24<sup>th</sup> May, 2016 and his re-appointment was subject to the approval of shareholders at ensuing General Meeting of the Company.

Keeping in view that Mr. Suryakant Hiralal Parikh has rich and varied experience in the Industry and has been involved in the operations of the Company over a long period of time, it would be in the interest of the Company to continue the employment of Mr. Suryakant Hiralal Parikh as Managing Director of the Company.

Further, Mr. Suryakant Hiralal Parikh, who was re-appointed as Managing Director by the Board of Directors w.e.f. 24<sup>th</sup> May, 2016 will attain the age of 70 years on November 05, 2016 and hence continuation of his employment as Managing Director requires the approval of members by way of a special resolution.

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

The details of remuneration payable to Mr. Suryakant Hiralal Parikh (DIN: 00038136) and the terms and conditions of the re-appointment are given below:

**I. Period:**

For a period of 3 years from 24<sup>th</sup> May, 2016

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

**III. Perquisites:** The Managing Director shall be entitled to all the perquisites listed herein below in addition to the salary mentioned above;

**i. Medical Re-imburement:** Reimbursement of medical expenses incurred, including premium paid on health insurance policies, whether in India or abroad, for self and family including hospitalisation, surgical charges, nursing charges and domiciliary charges for self and for family.



- ii. **Leave Travel Concession:** For self and family every year incurred in accordance with the rules of the Company.
- iii. **Club Fees:** Fees of clubs, subject to a maximum of three clubs.
- iv. **Personal Accident Insurance/Group Life Insurance:** Premium not to exceed Rs.6500/- per annum.
- v. **Provident Fund/Pension:** Contribution to Provident Fund and Pension Fund to the extent such contributions, either singly or put together are exempt under the Income Tax Act, 1961. Contribution to Pension Fund will be paid on basic salary and commission.
- vi. **Gratuity:** Gratuity payable shall be in accordance with the provisions of the Payment of Gratuity Act and to the extent not taxable under the Income Tax law.
- vii. **Use of Car with Driver:** The Company shall provide a car with driver for business and personal use. In addition, the Company shall also reimburse running and maintenance expenses of another car owned by, or leased/ rented to, the Managing Director for business and personal use.
- viii. **Telephone facility at residence:** Telephone facility shall be provided at the residence. All personal long distance calls shall be billed by the Company to the Managing Director.

**IV. Duties:**

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

**V. TERMINATION:**

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

**VI. COMPENSATION:**

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

**VII. Other terms and conditions:**

- a) In the event of absence or inadequacy of profits in any financial year during the tenure of the Managing Director, salary and perquisites subject to the limits stipulated under Schedule V read with Section 196 and 197 of the Companies Act, 2013, are payable.
- b) "Family" means the spouse and dependent children of Mr. Suryakant Hiralal Parikh.
- c) Leave with full pay and allowances shall be allowed as per the Company's rules.
- d) Reimbursement of entertainment expenses actually and properly incurred in the course of business of the Company shall be allowed.
- e) No sitting fees shall be paid to the Managing Director for attending the meetings of the Board of Directors or Committees thereof.
- f) The perquisites as listed in para (III) above shall be valued as per the Income Tax Rules, 1962, as may be applicable.

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

None of the Directors and Key Managerial Personnel of the Company and their relatives except Mr. Suryakant Hiralal Parikh to whom the resolution relates and Mr. Bhavin S. Parikh are concerned or interested in this resolution set out at item no. 4

**Regd. Office**

402, Sheel Complex,  
Nr. Mithakhali Under Bridge,  
Navrangpura,  
Ahmedabad – 380009

**Date : 11/08/2016**

**Place : Ahmedabad**

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

**Viral N. Shah**  
Chairman  
(DIN: 03603173)

**DIRECTORS' REPORT**

To,  
**THE MEMBERS,**

Your Directors have the pleasure of presenting their **32<sup>nd</sup> Annual Report** on the business and operations of the Company and the accounts for the financial year ended **March 31, 2016**.

**I. Financial RESULTS:**

The financial performance of the Company for the year ended 31st March, 2016 is summarized below:

<b>Financial Particular</b>	<b>Year ending on 31<sup>st</sup> March, 2016</b>	<b>(Amount In Rs.) Year ending on 31<sup>st</sup> March, 2015</b>
Total Income (Net)	<u>0</u>	<u>0</u>
Total Expenditure	<u>1,115,562</u>	<u>1,867,726</u>
Gross Profit/(Loss)	<u>(1,115,562)</u>	<u>(1,867,726)</u>
<b>Less:</b>		
Depreciation	0	0
Provision For Taxation	0	0
Extra Ordinary Items	0	0
<b>Tax Expense:</b>		
Adjustment of earlier years	<u>0</u>	<u>0</u>
Profit/(Loss) After Tax	<u><u>(1,115,562)</u></u>	<u><u>(1,867,726)</u></u>

**II. PERFORMANCE REVIEW:-**

During the year under review, the Company has incurred loss and not done any commercial operations. However, your directors are optimistic about the future growth and performance of the Company.

**III. TRANSFER TO RESERVES :**

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

**IV. DIVIDEND:**

Since the Company has incurred loss in the Financial Year ended 31.03.2016. Hence no dividend is declared by the Company.

**V. PUBLIC 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. CHANGE IN THE NATURE OF THE BUSINESS:**

During the year, there is no change in the nature of the business of the Company.

**VII. TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND:**

Since there was no unpaid/unclaimed Dividend declared and paid last year, the provisions of Section 125 of the Companies Act, 2013 do not apply.

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

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

**IX. SCHEME OF CAPITAL REDUCTION**

During the year under review, the scheme of capital reduction of the Company was confirmed/approved by the Hon'ble High Court of Gujarat vide its order no. 0/1410/2016 dated 11th January, 2016 and pursuant to the same, the Board filed the said order with the office of Registrar of Companies, Gujarat on 25/01/2016 and the scheme became effective w.e.f. 01/04/2015 (Appointed date).

On the scheme being effective, the Board in its meeting held on Monday 29<sup>th</sup> February, 2016 issued and allotted 6,95,360 Equity Share of Rs.10/- (Rupees Ten Only) each fully paid up in pursuant to the scheme of capital reduction of the company as approved by the Hon'ble High Court of Gujarat to the Shareholders whose name appears on the register of members as on the record date i.e. 16<sup>th</sup> February, 2016.

The Board would like to inform you that the corporate action for effecting the capital reduction in NSDL as well as CDSL has been executed and the shares have also been credited in the respective beneficiaries accounts. Further, the Physical share certificates to those shareholders who were holding shares in physical form as on the record date has also been dispatched to the shareholders by registered post.

**X. 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 ends of the financial year to which this financial statement relate on the date of this report.

**XI. ADEQUACY OF INTERNAL FINANCIAL CONTROLS:**

The Company has in place adequate internal financial Controls with reference to Financial Statements. The Board has inter alia reviewed the adequacy and effectiveness of the Company's internal financial controls relating to its financial statements.

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

**XII. 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.

**XIII. 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.

**XIV. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:**

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

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

**XV. 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.

**XVI. 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

**XVII. MATTERS RELATED TO DIRECTORS AND KEY MANAGERIAL PERSONNEL:**

**i. Appointment:**

During the year Ms. Falguni Trivedi (Din: 07243113) has been appointed as Director of the Company w.e.f. 24<sup>th</sup> September, 2015.

Mr. Viral N.Shah (DIN: 03603173) and Mr. Kunjan N.Vora (DIN: 03612667) the existing Independent Directors of the Company were appointed for the consecutive term of 5 years respectively by the shareholders in their Annual general Meeting held on Thursday, 24th September, 2015.

**ii. Re-appointment of Managing Director:**

Pursuant to the recommendation of the Nomination and Remuneration Committee, Mr. Suryakant H. Parikh (DIN: 00038136), was re-appointed by the Board of Directors, subject to the approval of the shareholders, as the Managing Director of the Company for a further period of three years with effect from May 24, 2016 to May 23, 2019.

**iii. Retirement by rotation and subsequent re-appointment:**

**Mr. Bhavin S. Parikh (DIN: 00034258)** is liable to retire by rotation at the ensuing AGM pursuant to the provisions of Section 152 of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and the Articles of Association of Company and being eligible have offered himself for reappointment. Appropriate resolutions for the re-appointment are being placed for your approval at the ensuing AGM.

The brief resume of the Directors and other related information has been detailed in the Notice convening the 32th AGM of your Company.

**iv. Cessation:**

During the year Smt. Archanaben G. Shinde (Din: 06719570) resigned from the Board of directors of the Company w.e.f. 14th August, 2015. The Board has noted her contribution as Director of the Company during her tenure on the Board of the Company.

**v. Declaration of Independence:**

Mr. Kunjan Vora (DIN: 03612667) and Mr. Viral Shah (DIN: 03603173) are the existing Independent Directors the Company and the Company has received declarations from all the Independent Directors confirming that they meet the criteria of independence as prescribed under the provisions of the Companies Act, 2013 read with the Schedules and Rules issued thereunder as well as Regulation 16(1)(b) of Listing Regulations (including any statutory modification(s) or re-enactment(s) for the time being in force).

**vi. Evaluation of Board's Performance:**

Pursuant to the provisions of the Companies Act, 2013 read with the Rules issued thereunder and the Listing Regulations (including any statutory modification(s) or re-enactment(s) for the time being in force), the process for evaluation of the annual performance of the Directors/ Board/ Committees was carried out.

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

The Company had 5 Board meetings on 30/05/2015, 14/08/2015, 07/11/2015, 01/02/2016 and 29/02/2016 during the financial year under review.

**XVIII. 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.

**XIX. DISCLOSURE OF VARIOUS COMMITTEES OF BOARD OF DIRECTORS:**

**[A] 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.

Four meetings of the Audit Committee were held during the year viz. on May 30, 2015, August 14, 2015, November 7, 2015, and February 01, 2016 respectively.

The details of composition of Audit Committee and other relevant matters as under:

Name Of Director	Category of Directorship	Remarks	Number of meeting held	Number of meeting attended
Mr. Kunjan N. Vora	Independent Non Executive	<b>Chairman</b>	4	4
Mr. Bhavin S. Parikh	Non-Independent Non Executive	Member	4	4
Mr. Viral N. Shah	Independent Non Executive	Member	4	4

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

**[B] NOMINATION AND REMUNERATION COMMITTEE:**

The composition of the Committee is as under:

Name Of Director	Category of Directorship	Remarks	Number of meeting held	Number of meeting attended
Mr. Kunjan N. Vora	Independent Non Executive	<b>Chairman</b>	1	1
Mr. Bhavin S. Parikh	Non-Independent Non Executive	Member	1	1
Mr. Viral N. Shah	Independent Non Executive	Member	1	1

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

The said policy is furnished in "Annexure A" and is attached to this report.

During the financial year ended on 31st March 2016, the Nomination and Remuneration Committee met one time on August 14, 2015.

**[C] STAKEHOLDERS RELATIONSHIP COMMITTEE:**

The Stakeholder's Relationship Committee comprises of the following members:

Name Of Director	Category of Directorship	Designation
Mr. Kunjan N. Vora	Independent Non Executive	<b>Chairman</b>
Mr. Bhavin S. Parikh	Non-Independent Non Executive	Member
Mr. Viral N. Shah	Independent Non Executive	Member

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

All investor complaints received during the year were resolved. The pending complaints of the Shareholders/Investors registered with SEBI at the end of the current financial year ended on 31st March, 2016 are NIL.

There were no pending requests for share transfer/dematerialisation of shares as of 31<sup>st</sup> March 2016.

**Compliance Officer:**

The Compliance officer of the Company is Ms. Megha Chitre.

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

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

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

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

**XXI. AUDITORS:**

**A. Ratification of Statutory Auditors:**

The present Auditors of the Company M/s Dharmesh Parikh & Co., Chartered Accountants, Ahmedabad were appointed as Auditors for a period of 4 year(s) at the 30<sup>th</sup> Annual General Meeting held on 26<sup>th</sup> September, 2014 to hold office till the conclusion of 34<sup>th</sup> Annual General Meeting to be held in 2018.

Pursuant to the provisions of Section 139 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the Company shall place the matter relating to such appointment for ratification by members at every annual general meeting and therefore it is proposed to ratify the appointment of M/s Dharmesh Parikh & Co., Chartered Accountants, as the Statutory Auditors of the Company.

The consent of M/s Dharmesh Parikh & Co., Chartered Accountants along with certificate under Section 139 of the Act has been obtained to the effect that their appointment, if made, shall be in accordance with the prescribed conditions and that they are eligible to hold the office of Auditors of the Company.

**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 2016.

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

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 continues its efforts to search right candidate for the post of Company Secretary and will appoint the Company Secretary as soon as possible.

**XXII. CORPORATE GOVERNANCE:**

As per the provisions of SEBI (Listing Obligations and Disclosures requirement) Regulation, 2015, the annual report of the listed entity shall contain Corporate Governance Report and it is also further provided that if the Company is not having the paid up share capital exceeding Rs. 10 crores and Net worth exceeding Rs. 25 crores, the said provisions are not applicable. As our Company does not have the paid up share capital exceeding Rs. 10 crores and Net worth exceeding Rs. 25 crores, the Corporate Governance Report is not applicable and therefore not provided by the Board.

**XXIII. MANAGEMENT DISCUSSION AND ANALYSIS:**

The Management's Discussion and Analysis Report for the year under review, as stipulated under Regulation 34(2)(e) of the Listing Regulations is given as an annexure to this report

**XXIV. APPOINTMENT OF M/S. BIGSHARE SERVICES PVT. LTD. AS THE REGISTRAR & TRANSFER AGENT OF YOUR COMPANY:**

The SEBI vide its order No.WTM/RKA/MIRSD2/41/2016 dated 22nd March, 2016 has advised all the clients of the Sharepro Services (India) Private Limited (hereinafter referred to as "Sharepro") to carry out/switch over the activities related to Registrar and Share Transfer Agent due to certain irregularities and hence the Company has terminated its services with Sharepro.

The Board of Directors of the company at their meeting held on 24<sup>th</sup> May 2016 approved the appointment of M/S Bigshare Services Private Limited in place of Sharepro Services (India) Private Limited. The Bigshare Services Private Limited will act as Common Share Registry of the Company.

**XXV. 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.

**XXVI. 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.

**XXVII. LISTING:**

The Equity Shares of the Company are listed on Bombay Stock Exchange (BSE). The Company yet to pay annual listing fee for the F.Y. 2016-17, further the Company is regular in compliances of various clauses and regulations of the Listing Agreement and/or LODR

**XVIII. 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 "C"** and is attached to this Report.

**XIX. FINANCIAL CALENDAR:**

The Company expects to announce the unaudited/audited quarterly results for the year 2016-17 as per the following schedule:

First quarter	: 2 <sup>nd</sup> week of August, 2016
Half-yearly results	: 2nd week of November, 2016
Third quarter	: 2 <sup>nd</sup> Week of February, 2017
Yearly Results	: By end of May, 2017

**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**

Place : Ahmedabad  
Date : 11/08/2016

**Viral N. Shah**  
Chairman  
(DIN: 03603173)

**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. Risk and Concerns**

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.

**e. 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.

**f. 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.

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

The Financial performance of the Company for the year 2015-16 is described in the Directors' Report under the head operations.

**h. Material developments in Human Resources/Industrial Relations front, including the number of people employed.**

During the year under review, no such initiatives and/or developments in Human Resources/Industrial Relations front has been taken by the Company.

**i. 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**

Place : Ahmedabad  
Date : 11/08/2016

**Viral N. Shah**  
Chairman  
(DIN: 03603173)



**Annexure-“A”**  
**NOMINATION AND REMUNERATION POLICY**

**INTRODUCTION**

In pursuance to the Company’s policy to consider human resources as its invaluable assets, to pay equitable remuneration to all Directors, key managerial personnel and employees of the Company, to harmonise the aspirations of human resources consistent with the goals of the company and in terms of the provisions of the Companies Act, 2013, this policy on Nomination and Remuneration of directors, Key Managerial Personnel (KMP) and Senior Management has been formulated by the Nomination and Remuneration Committee (NRC”)and approved by the Board of Directors of the Company.

**CONSTITUTION OF COMMITTEE**

The Board of Directors of **Gujarat Toolroom Limited** (“the Company”) constituted the “Nomination and Remuneration Committee” consisting of three (3) Non-Executive Directors of which majority are Independent Directors in accordance with the provisions of Section 178 of the Companies Act, 2013.

**OBJECTIVE****The key objectives of the Committee would be:**

- a) To guide the Board in relation to appointment and removal of Directors, Key Managerial Personnel and Senior Management.
- b) Formulate the criteria for determining qualifications, positive attributes, independence of a Director and policy relating to remuneration for Directors, Key Managerial Personnel and other employees
- c) To recommend to the Board on Remuneration payable to the Directors, Key Managerial Personnel and Senior Management
- d) To evaluate the performance of the members of the Board and provide necessary report to the Board for further evaluation of the Board.
- e) To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage
- f) To provide to Key Managerial Personnel and Senior Management reward linked directly to their effort, performance, dedication and achievement relating to the Company’s operations.
- g) To develop a succession plan for the Board and to regularly review the plan.

**DEFINITIONS**

“Act” means the Companies Act, 2013 and Rules framed thereunder, as amended from time to time.

“Board” means Board of Directors of the Company.

“Directors” mean Directors of the Company.

“Key Managerial Personnel” means

- a) Chief Executive Officer or the Managing Director or the Manager;
- b) Whole-time director;
- c) Chief Financial Officer;
- d) Company Secretary; and
- e) Such other officer as may be prescribed.

“Senior Management” means personnel of the company who are members of its core management team excluding the Board of Directors including Functional Heads.

**Policy for appointment and removal of Director, KMP and Senior Management****A. Appointment criteria and qualifications**

- I. The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend to the Board his / her appointment.
- II. A person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the concerned position.
- III. The Company shall not appoint or continue the employment of any person as Whole-time Director who has attained the age of seventy years. Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution based on the explanatory statement annexed to the notice for such motion indicating the justification for extension of appointment beyond seventy years.

**B. Term / Tenure****➤ Managing Director/Whole-time Director:**

The Company shall appoint or re-appoint any person as its Executive Chairman, Managing Director or Executive Director for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term.

**➤ Independent Director:**

- An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.
- No Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director. Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly. However, if a person who has already served as an Independent Director for 5 years or more in the Company as on October 1, 2014 or such other date as may be determined by the Committee as per regulatory requirement; he/ she shall be eligible for appointment for one more term of 5 years only.
- At the time of appointment of Independent Director it should be ensured that number of Boards on which such Independent Director serves is restricted to seven listed companies as an Independent Director and three listed companies as an Independent Director in case such person is serving as a Whole-time Director of a listed company or such other number as may be prescribed under the Act.

**C. Evaluation**

The Committee shall carry out evaluation of performance of every Director, KMP and Senior Management Personnel at regular interval (yearly).

**D. Removal**

Due to reasons for any disqualification mentioned in the Act or under any other applicable Act, rules and regulations there under, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the said Act, rules and regulations.

**Retirement**

The Director, KMP and Senior Management Personnel shall retire as per the applicable provisions of the Act and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, Senior Management Personnel in the same position/ remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

**Policy relating to the Remuneration for the Whole-time Director, KMP and Senior Management Personnel**

The remuneration / compensation / commission etc. to the Whole-time Director, KMP and Senior Management Personnel will be determined by the Committee and recommended to the Board for approval. The remuneration / compensation / commission etc. shall be subject to the prior/post approval of the shareholders of the Company and Central Government, wherever required.

While determining the remuneration of Executive Directors and Key Managerial Personnel, the Committee shall consider following factors:

- i) Industry standards, if the data in this regard is available.
- ii) The job description.
- iii) Qualification and experience level of the candidate.

The remuneration payable to the Executive Directors, including the value of the perquisites, shall not exceed the permissible limits as are mentioned within the provisions of the Companies Act, 2013. They shall not be eligible for any sitting fees for attending any meetings.

The Non-Executive Directors shall not be eligible to receive any remuneration/ salary from the Company. However, the Non-Executive Directors shall be paid sitting fees for attending the meeting of the Board or committees thereof and commission, as may be decided by the Board/ Shareholders from time to time, presently the Company is not paying any sitting fee. They shall also be eligible for reimbursement of out of pocket expenses for attending Board/ Committee Meetings.

**DUTIES IN RELATION TO NOMINATION MATTERS**

The duties of the Committee in relation to nomination matters include:

- a) Ensuring that there is an appropriate induction in place for new Directors and members of Senior Management and reviewing its effectiveness;
- b) Ensuring that on appointment to the Board, Non-Executive Directors receive a formal letter of appointment in accordance with the Guidelines provided under the Act;
- c) Determining the appropriate size, diversity and composition of the Board;
- d) Evaluating the performance of the Board members and Senior Management in the context of the Company's performance from business and compliance perspective;
- e) Making recommendations to the Board concerning any matters relating to the continuation in office of any Director at any time including the suspension or termination of service of an Executive Director as an employee of the Company subject to the provision of the law and their service contract.
- f) Delegating any of its powers to one or more of its members or the Secretary of the Committee;
- g) Recommend any necessary changes to the Board; and

**DUTIES IN RELATION TO REMUNERATION MATTERS:**

The duties of the Committee in relation to remuneration matters include:

- To consider and determine the Remuneration Policy, based on the performance and also bearing in mind that the remuneration is reasonable and sufficient to attract retain and motivate members of the Board and such other factors as the Committee shall deem appropriate all elements of the remuneration of the members of the Board.

**REVIEW AND AMENDMENTS:**

- i. The NRC or the Board may review the Policy as and when it deems necessary.
- ii. The NRC may issue guidelines, procedures, formats, reporting mechanism and manual in supplement and better implementation to this policy, if it thinks necessary.
- iii. This Policy may be amended or substituted by the NRC or by the Board and as when required and also by the Compliance Officer where there is any statutory change necessitating the change in the policy.

**Annexure-“B”****Form No. MR-3****SECRETARIAL AUDIT REPORT**FOR THE FINANCIAL YEAR ENDED 31<sup>st</sup> March, 2016[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, 2016** ('Audit Period') **complied** with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on **31<sup>st</sup> March, 2016** according to the provisions of:

- i. The Companies Act, 2013 (**the Act**) and the rules made there under and Companies Act, 1956 and Rules made there under to the extent applicable.
- 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. Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowing. (**not applicable to the company during the audit period**)
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009. (**not applicable to the company during the audit period**)
  - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (**not applicable to the company during the audit period**)
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (**not applicable to the company during the audit period**);
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (**not applicable to the company during the audit period**);
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (**not applicable to the company during the audit period**);

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

(i) Income-Tax Act, 1961 and Indirect Tax Laws;

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

(i) Secretarial Standards issued by The Institute of Company Secretaries of India;

(ii) The Listing Agreements entered into by the Company with Stock Exchanges;

(iii) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (with effect from 1<sup>st</sup> December 2015)

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

(a) ***As per Section 203 of Companies Act, 2013 read with rule 8 of the Companies (Appointment and Remuneration of Managerial Personal) Rules, 2014, the Company has not appointed Company Secretary during the audit period.***

**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 the directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Board take decision by majority of directors while the dissenting directors' views are captured and recorded as part of the minutes.

**I further report that:**

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

**I further report that** during the audit period the Company has reduced its share capital through scheme of Capital Reduction from Rs.3,47,68,000/-divided into 34,76,800 equity shares of Rs.10/- each fully paid-up (bearing distinctive nos. from 1 to 3476800) to Rs.69,53,600/- divided into 34,76,800 equity shares of Rs.2/- each fully paid-up and thereafter Consolidation of face value of Rs.2/- per share to 10/-per share by issuing 1 (ONE) equity shares of Rs.10/-each Fully paid up against 5 (FIVE) equity shares of Rs.2/- per share, the said scheme of capital reduction was being approved by the shareholders of the Company in the meeting held on 24<sup>th</sup> September, 2015 and the same being confirmed/approved by the Hon'ble High Court of Gujarat vide its order no. 0/1410/2016 dated 11<sup>th</sup> January, 2016. The Company filed the Order of the Hon'ble High Court of Gujarat with the office of the Registrar of Companies, Gujarat on 25/01/2016 and on such filing the said scheme of capital reduction became effective w.e.f.01/04/2015 (the appointed date).

However there were no other instances of:

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

(ii) Redemption/buy-back of securities.

(iii) Merger/ amalgamation etc. except the scheme of capital reduction as detailed hereinabove.

(iv) Foreign technical collaborations.

For, **Khandelwal Devesh and Associates,**  
Company secretaries,

**Devesh Khandelwal**

Proprietor

FCS: 6897,

COP No.:4202

**Place : Ahmedabad**

**Date : 11/08/2016**

**Note: This report is to be read with our letter of even date which is annexed as Annexure herewith and forms**

and integral part of this report.

**Annexure to Secretarial Audit Report**

To,  
The Members,  
**Gujarat Toolroom Limited**  
Ahmedabad, Gujarat.

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

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

For, **Khandelwal Devesh and Associates,**  
Company secretaries,

**Devesh Khandelwal**  
Proprietor  
FCS: 6897,  
COP No.:4202

**Place : Ahmedabad**  
**Date : 11/08/2016**

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

**as on the financial year ended on 31/03/2016**

[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	<b>SHAREPRO SERVICES (INDIA) PVT LTD.</b> 416-420, 4 <sup>th</sup> Floor, Devnandan Mall, Opp. Sanyash Ashram, Ellisbridge, Ahmedabad-380006 sharepro.ahmedabad@shareproservices.com

**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, 41002	N.A. (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
Nil			

**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 (01/04/2015)				No. of Shares held at the end of the year (31/03/2016)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
(1) Indian									
a) Individual/ HUF	394601	-	394601	11.35	393901	-	393901	11.33	(0.02)
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	Nil
<b>Sub-total(A) (1):-</b>	<b>396101</b>	<b>-</b>	<b>396101</b>	<b>11.39</b>	<b>395401</b>	<b>-</b>	<b>395401</b>	<b>11.37</b>	<b>(0.02)</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) Banks/ FI	-	-	-	-	-	-	-	-	-
	e) Any Other....	-	-	-	-	-	-	-	-	-
	<b>Sub-total(A) (2):-</b>	-	-	-	-	-	-	-	-	-
	<b>Total shareholding of Promoter (A)=(A)(1)+(A)(2)</b>	<b>396101</b>	<b>-</b>	<b>396101</b>	<b>11.39</b>	<b>395401</b>	<b>-</b>	<b>395401</b>	<b>11.37</b>	<b>(0.02)</b>
<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 Fund	-	-	-	-	-	-	-	-	-
	f) Insurance Companies	-	-	-	-	-	-	-	-	-
	g) FIIS	-	-	-	-	-	-	-	-	-
	h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
	i) Others (specify)	-	-	-	-	-	-	-	-	-
	<b>Sub-total (B)(1):-</b>	<b>-</b>	<b>77500</b>	<b>77500</b>	<b>2.23</b>	<b>-</b>	<b>77500</b>	<b>77500</b>	<b>2.23</b>	<b>-</b>
	<b>2. Non-Institutions</b>									
	a) Bodies Corp.	58167	25200	83367	2.40	51277	25200	76477	2.20	(0.20)
	i) Indian	-	-	-	-	-	-	-	-	-
	ii) Overseas	-	-	-	-	-	-	-	-	-
	b) Individuals									
	i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	640383	1917900	2558283	73.58	664103	1903000	2567103	73.84	0.26
	ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	350549	11000	361549	10.40	348819	11000	359819	10.35	(0.05)
	c) Others (specify)	-	-	-	-	-	-	-	-	-
	i) Non Resident Repatriates	-	-	-	-	-	-	-	-	-
	ii) Non Resident Non Repatriates	-	-	-	-	500	-	500	0.01	0.01
	<b>Sub-total (B)(2):-</b>	<b>1049099</b>	<b>1954100</b>	<b>3003199</b>	<b>86.38</b>	<b>1064699</b>	<b>1939200</b>	<b>3003899</b>	<b>86.40</b>	<b>0.02</b>
	<b>Total Public Shareholding (B)=(B)(1)+ (B)(2)</b>	<b>1049099</b>	<b>2031600</b>	<b>3080699</b>	<b>88.61</b>	<b>1064699</b>	<b>2016700</b>	<b>3081399</b>	<b>88.63</b>	<b>0.02</b>
C.	Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
	<b>Grand Total (A+B+C)</b>	<b>1445200</b>	<b>2031600</b>	<b>3476800</b>	<b>100</b>	<b>1460100</b>	<b>2016700</b>	<b>3476800</b>	<b>100</b>	<b>-</b>



(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	172301	4.96	-	171601	4.94	-	-0.02
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	-	-
	<b>TOTAL</b>	<b>396101</b>	<b>11.39</b>	<b>-</b>	<b>395401</b>	<b>11.37</b>	<b>-</b>	<b>-0.02</b>

(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		396101	11.39	396101	11.39
	23/09/2015(Decrease)	Sell	700	0.02	700	0.02
	At the end of the year		395401	11.37	395401	11.37

(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	Shareholding at the beginning of the year		Increase/ Decrease in the share holding	Reason	Cumulative shareholding during the year	
		No. of Shares	% of total Shares of the Company			No. of Shares	% of total Shares of the Company
<b>1.</b>	<b>KAVITA PRAKASH SHARMA</b>						
	At the beginning of the year	100200	2.88			100200	2.88
	No Changes During The year	-	-	-	-	-	-
	At the end of the Year	100200	2.88			100200	2.88
<b>2.</b>	<b>PRAKASH GHISALAL SHARMA</b>						
	At the beginning of the year	100000	2.87			100000	2.87
	No Changes During The year	-	-	-	-	-	-
	At the end of the Year	100000	2.87			100000	2.87

**GUJARAT TOOLROOM LIMITED**

Sr. No.	For each of the Top 10 Shareholders	Shareholding at the beginning of the year		Increase/ Decrease in the share holding	Reason	Cumulative shareholding during the year	
		No. of Shares	% of total Shares of the Company			No. of Shares	% of total Shares of the Company
<b>3.</b>	<b>CANARA BANK TRUSTEE CANBANK MUTUAL</b>						
	At the beginning of the year	77500	2.23			77500	2.23
	No Changes During The year	-	-	-	-	-	-
	At the end of the Year	77500	2.23			77500	2.23
<b>4.</b>	<b>RAJNIKANT CHHOTALAL ADANI</b>						
	At the beginning of the year	24000	0.69			24000	0.69
	No Changes During The year	-	-	-	-	-	-
	At the end of the Year	24000	0.69			24000	0.69
<b>5.</b>	<b>ACK CAPITAL MANAGEMENT PVT LTD</b>						
	At the beginning of the year	21000	0.60			21000	0.60
	No Changes During The year	-	-	-	-	-	-
	At the end of the Year	21000	0.60			21000	0.60
<b>6.</b>	<b>L S DAVAR &amp; COMPANY HOLDINGS PVT LTD</b>						
	At the beginning of the year	19900	0.57			19900	0.57
	No Changes During The year	-	-	-	-	-	-
	At the end of the Year	19900	0.57			19900	0.57
<b>7.</b>	<b>SHREEDEVIBEN BHARATKUMAR KOTHARI</b>						
	At the beginning of the year	17499	0.50			17499	0.50
	No Changes During The year	-	-	-	-	-	-
	At the end of the Year	17499	0.50			17499	0.50
<b>8</b>	<b>RAI VIMAL KRISHNA</b>						
	At the beginning of the year	16000	0.46			16000	0.46
	No Changes During The year	-	-	-	-	-	-
	At the end of the Year	16000	0.46			16000	0.46
<b>9.</b>	<b>SURAJKANWARI RAMNIWAS KASAT</b>						
	At the beginning of the year	15200	0.44			15200	0.44
	No Changes During The year	-	-	-	-	-	-
	At the end of the Year	15200	0.44			15200	0.44
<b>10.</b>	<b>TARULATA LATIN SHAH</b>						
	At the beginning of the year	15000	0.43			15000	0.43
	No Changes During The year	-	-	-	-	-	-
	At the end of the Year	15000	0.43			15000	0.43
<b>11.</b>	<b>RAHUL ANANTRAI MEHTA</b>						
	At the beginning of the year	15137	0.44			15137	0.44
	30/06/2015	230	(0.01)	Decrease	Sale	14907	0.43
	10/07/2015	1800	(0.05)	Decrease	Sale	13107	0.38
	At the end of the Year	13107	0.38			13107	0.38

**(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>1.</b>	<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>2.</b>	<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>3.</b>	<b>Mr. Vishal M. Shah</b>				
	At the beginning of the year	172301	4.96	172301	4.96
	23/09/2015(Decrease)( Sell)	700	0.02	700	0.02
	At the end of the year	171601	4.94	171601	4.94
<b>4.</b>	<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>5.</b>	<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	-	-	-	-

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>6.</b>	<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	-	-	-	-
<b>7.</b>	<b>Mrs. Falguni J. Trivedi</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>8.</b>	<b>Mr. Viren G. Gurjar</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 excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning 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 during the financial year</b>	-	-	-	-
* Addition	-	-	-	-
* Reduction	-	-	-	-
<b>Net Change</b>	-	-	-	-
<b>Indebtedness at the end 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>	-	-	-	-

**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 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)	<b>NIL</b>	
	Ceiling as per the Act	<b>NIL</b>	30,00,000/-

**B. Remuneration to other directors:**

SN.	Particulars of Remuneration	Name of Directors						Total Amount
		Mr. Bhavin Parikh	Mrs. Falguni J. Trivedi	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	NIL	NIL	NIL
2	Other Non-Executive Directors	✓	✓	✓	-	-	-	-
	Fee for attending board committee meetings	NIL	NIL	NIL	-	-	-	-
	Commission	NIL	NIL	NIL	-	-	-	-
	Others, please specify	NIL	NIL	NIL	-	-	-	NIL
	Total (2)	NIL	NIL	NIL	-	-	-	NIL
	Total (B)=(1+2)	NIL	NIL	NIL	NIL	NIL	NIL	NIL
	Total Managerial Remuneration	NIL	NIL	NIL	NIL	NIL	NIL	NIL
	Overall Ceiling as per the Act	100000/- per meeting	100000/- per meeting	100000/ per meeting	100000/- per meeting	100000/- per meeting	100000/- per meeting	-

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

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

SN.	Particulars of Remuneration	Key Managerial Personnel		
		CS	CFO Viren G. Gurjar	Total
1	Gross salary	NIL	2,75,000	2,75,000
	(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
3	Sweat Equity	NIL	NIL	NIL
4	Commission	NIL	NIL	NIL
	- as % of profit	NIL	NIL	NIL
	others, specify...	NIL	NIL	NIL
5	Others, please specify	NIL	NIL	NIL
	Total (A)	NIL	2,75,000	2,75,000
	Ceiling as per the Act	-	-	-

**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					

**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 31<sup>st</sup> March, 2016, 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. 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 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<sup>st</sup> March, 2016 and its losses and its cash flows for the year ended on that date.

**Emphasis of Matter**

We draw attention to Note 16(b) & (c) of the Financial Statements regarding the accumulated losses and adjustment of accumulated losses against capital under a scheme of Capital Reduction filed by the company under the relevant provisions of the Companies Act. 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.

**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 "**Annexure A**", 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<sup>st</sup> March, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2016 from being appointed as a director in terms of Section 164 (2) of the Act;
  - g) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "**Annexure B**";
  - h) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company 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  
(FRN: 112054W)**

**Place : Ahmedabad  
Date : 24/05/2016**

**Kanti Gothi  
Partner  
M.No. 127664**

**ANNEXURE - A TO THE INDEPENDENT AUDITOR'S REPORT  
(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) & (c) of the Order are not applicable.
- (ii) The Company has not carried out any commercial activities during the year ended on 31st March, 2016 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) According to the information and explanations given to us and representations made by the Management, the Company has not done any transactions covered under section 185 and 186 in respect of loans, investments, guarantees and security. Accordingly the provisions of paragraph 3 (iv) of the Order are not applicable.
- (v) The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.
- (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 31st March, 2016 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.
- (viii) The Company has not taken any loan either from banks, financial institutions or from the government and has not issued any debentures. Accordingly the provisions of paragraph 3 (viii) of the Order are not applicable.
- (ix) Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments and term Loans. Accordingly, the provisions of clause 3 (ix) of the Order are not applicable.
- (x) During the course of our examination of the books and records of the company, carried out in accordance with the generally accepted auditing practice in India, and according to the information and explanation given to us, we have neither come across any instance of material fraud by the company or on the company by its officers or employees, noticed or reported during the period, nor have we been informed of any such case by the management.
- (xi) In our opinion, managerial remuneration for the year ended 31st March, 2016 has been paid and provided in accordance with the requisite approvals mandated by the provisions of section 197 of the Act, read with Schedule V to the Act.

- (xii) In our opinion, the Company is not a nidhi Company. Accordingly the provisions of Clauses 3 (xii) of the Order are not applicable.
- (xiii) As per information and explanation given to us and on the basis of our examination of the records of the Company, there are no transactions with related parties within section 177 and 188 of Companies Act 2013 and all the details have been disclosed in financial statements as required by the applicable Accounting Standards.
- (xiv) According to the information and explanations given to us and on the basis of our examination of the records, the Company has not made any preferential allotment or private placement or not issued any debenture during the year under review. Accordingly the provisions of paragraph 3(xiv) of the Order are not applicable.
- (xv) According to the information and explanations given to us and on the basis of our examination of the records, Company has not entered into any non-cash transactions with any director or any person connected with him. Accordingly the provisions of Clauses 3(xv) of the Order are not applicable to the Company.
- (xvi) In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3(xvi) of the Order are not applicable.

**For, DHARMESH PARIKH & CO.,  
Chartered Accountants  
(FRN: 112054W)**

**Place : Ahmedabad  
Date : 24/05/2016**

**Kanti Gothi  
Partner  
M.No. 127664**

**ANNEXURE - B TO THE INDEPENDENT AUDITOR'S REPORT****Report on the Internal Financial Controls under Clause i of sub-section 3 of section 143 of the Companies Act 2013 (the act).**

We have audited the internal financial controls over financial reporting of the Company as of 31st March, 2016 in conjunction with our audit of the financial statements of the company for the year ended on that date.

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

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

**Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the Guidance Note) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial

Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

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

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

- 1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- 2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and

- 3) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

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

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

**Opinion**

In our opinion, the company is not having any defined SOP to manage its operations. Accordingly there are some limitations in the control aspects of financial reporting. In our opinion, except for the possible effects of the this material weakness, the company has maintained in all material respects, an adequate internal financial controls over financial reporting and such internal financial controls over financial reporting were operating effectively as of 31st March 2016 based on the internal financial controls over financial reporting criteria established by the company considering the essential components of internal financial controls stated in the Guidance Note on audit of internal financial controls over financial reporting issued by the Institute of Chartered Accountants of India.

**For, DHARMESH PARIKH & CO.,  
Chartered Accountants  
(FRN: 112054W)**

**Place : Ahmedabad  
Date : 24/05/2016**

**Kanti Gothi  
Partner  
M.No. 127664**

**BALANCE SHEET AS AT 31ST MARCH, 2016**

	Notes	Amt in Rupees 31/Mar/2016	Amt in Rupees 31/Mar/2015
<b>I. EQUITY AND LIABILITIES</b>			
<b>a) Shareholders' Funds</b>			
Share Capital	3	6,953,600	34,768,000
Reserves and Surplus	4	(1,508,773)	(28,207,611)
		<b>5,444,827</b>	<b>6,560,389</b>
<b>b) Share Application Money Pending Allotment</b>			
		-	-
<b>c) Non-Current Liabilities</b>			
		-	-
<b>d) Current Liabilities</b>			
Trade Payables	5	52,226	1,369,803
Other Current Liabilities	6	8,264	181,268
		<b>60,490</b>	<b>1,551,071</b>
<b>Total</b>		<b>5,505,317</b>	<b>8,111,460</b>
<b>II. ASSETS</b>			
<b>a) Non-Current Assets</b>			
Fixed Assets			
Tangible Assets		-	-
Intangible Assets		-	-
Capital Work-In-Progress		-	-
Non-Current Investments		-	-
Long Term Loans & Advances			
Capital Advance		5,021,500	8,083,500
Other Non-Current Assets		-	-
		<b>5,021,500</b>	<b>8,083,500</b>
<b>b) Current Assets</b>			
Trade Receivables		-	-
Cash and Cash Equivalents	7	466,923	27,960
Short Term Loans & Advances	8	16,894	-
		<b>483,817</b>	<b>27,960</b>
<b>Total</b>		<b>5,505,317</b>	<b>8,111,460</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

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

<b>Suryakant H. Parikh</b> Managing Director DIN : 00038136	<b>Vishal M Shah</b> Director DIN : 03279724
<b>Viren Gurjar</b> CFO	

Place : Ahmedabad  
Date : 24/05/2016

Place : Ahmedabad  
Date : 24/05/2016

**PROFIT & LOSS STATEMENT FOR THE YEAR ENDED ON 31ST MARCH, 2016**

	Notes	Amt in Rupees For the year ended 31/Mar/2016	Amt in Rupees For the year ended 31/Mar/2015
<b>a) Income</b>			
Revenue from Operations		-	-
Other Income		-	-
<b>Total Revenue</b>		<u>-</u>	<u>-</u>
<b>b) Expenses</b>			
Cost of Materials Consumed		-	-
Purchases of Stock-In-Trade		-	-
Changes in Inventories		-	-
Employee Benefits Expense	9	571,000	156,000
Finance Costs	10	6,390	4,270
Depreciation and Amortisation Expense		-	-
Other Expenses	11	538,172	1,707,456
<b>Total Expenses</b>		<u><b>1,115,562</b></u>	<u><b>1,867,726</b></u>
<b>c) Profit / (Loss) Before Exceptional &amp; Extra-Ordinary Items and Tax</b>		<u>(1,115,562)</u>	<u>(1,867,726)</u>
Exceptional Items		-	-
<b>d) Profit / (Loss) Before Tax</b>		<u><b>(1,115,562)</b></u>	<u><b>(1,867,726)</b></u>
<b>e) Tax Expense</b>			
Current Tax		-	-
Deferred Tax		-	-
Adjustment of earlier years		-	-
<b>Total Tax Expenses</b>		<u>-</u>	<u>-</u>
<b>f) Profit / (Loss) For The Year</b>		<u><b>(1,115,562)</b></u>	<u><b>(1,867,726)</b></u>
<b>g) Earning per Equity Share (Face Value of Rs.10 each)</b>			
Basic	15	(1.60)	(0.54)
Diluted		(1.60)	(0.54)

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

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

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

**Vishal M Shah**  
Director  
DIN : 03279724

**Viren Gurjar**  
CFO

Place : Ahmedabad  
Date : 24/05/2016

Place : Ahmedabad  
Date : 24/05/2016

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2016**

	Amt in Rupees For the year ended 31/Mar/2016	Amt in Rupees For the year ended 31/Mar/2015
<b>I. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit / (Loss) Before Tax	(1,115,562)	(1,867,726)
<b>Adjustment on account of :</b>		
Non-Cash Items to Reconcile Net Cash Flows		
Operating Profit / (Loss) Before Working Capital Changes	<b>(1,115,562)</b>	<b>(1,867,726)</b>
<b>Movements in Working Capital :</b>		
<b>Adjustments for Decrease / (Increase) in Operating Assets</b>		
Trade Receivables	-	61,788
Long Term Loans & Advances	3,062,000	294,500
Short Term Loans & Advances	(16,894)	-
<b>Adjustments for Increase / (Decrease) in Operating Liabilities</b>		
Trade Payables	(1,317,577)	1,198,748
Other Current Liabilities	(173,004)	153,178
<b>Cash Flow from Operations</b>	<b>438,963</b>	<b>(159,512)</b>
Less : Direct Taxes Paid	-	-
<b>Net Cash Flow From Operating Activities</b>	<b>438,963</b>	<b>(159,512)</b>
<b>II. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Net Cash Flow From Investing Activities	-	-
<b>III. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Net Cash Flow From Financing Activities	-	-
<b>Net Increase / (Decrease) in Cash &amp; Cash Equivalents</b>	<b>438,963</b>	<b>(159,512)</b>
Cash & Cash Equivalents at the beginning of the year	27,960	187,472
<b>Cash &amp; Cash Equivalents at the end of the year</b>	<b>466,923</b>	<b>27,960</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 : 24/05/2016

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

<b>Suryakant H. Parikh</b> Managing Director DIN : 00038136	<b>Vishal M Shah</b> Director DIN : 03279724
<b>Viren Gurjar</b> CFO	

Place : Ahmedabad  
Date : 24/05/2016



**Notes to Financial Statements for the year ended 31 March 2016****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 specified under section 133 of the Companies Act, 2013 ("the 2013 Act") read with Rule 7 of the Companies (Accounts) Rules 2014. The financial statements have been prepared on accrual basis under historical cost convention and going concern basis. 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 the financial statements in conformity with Indian GAAP requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent liabilities on the date of the financial statements and reported amounts of revenues and expenses for the year. Although these estimates are based on Management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes different from the estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Any revision to accounting estimates is recognized prospectively in the current and future periods.

**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 regular revenue generating, financing and investing activities of the company are segregated.

**f) Prior Period Items**

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

**g) 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.

**h) 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.

**i) 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.

**j) 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.

**k) Earnings Per Share**

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

**l) 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.

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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 Act, 1961.

**m) Provisions, Contingent Liabilities and Contingent Assets**

Provision are recognised for when the company has at present, legal or contractual obligation as a result of past events, only if it is probable that an outflow of resources embodying economic outgo or loss will be required and if the amount involved can be measured reliably.

Contingent liabilities being a possible obligation as a result of past events, the existence of which will be confirmed only by the occurrence or non occurrence of one or more future events not wholly in control of the company are not recognised in the accounts. The nature of such liabilities and an estimate of its financial effect are disclosed in notes to the Financial Statements.

Contingent assets are neither recognised nor disclosed in the financial statements.

**n) 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. 31/Mar/2016	Amt in Rs. 31/Mar/2015
<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>		
6,95,360 (Previous Year : 34,76,800) Equity shares of Rs. 10/- each fully paid up (Refer Note 16(c))	6,953,600	34,768,000
<b>Total issued, subscribed and fully paid-up share capital</b>	<b>6,953,600</b>	<b>34,768,000</b>

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

Equity Shares	31/Mar/2016		31/Mar/2015	
	Numbers	Amt in Rs.	Numbers	Amt in Rs.
At the beginning of the period	3,476,800	34,768,000	3,476,800	34,768,000
Issued during the period	-	-	-	-
Reduced during the year (Refer Note 16 (c))	2,781,440	27,814,400	-	-
<b>Outstanding at the end of the period</b>	<b>695,360</b>	<b>6,953,600</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**

Equity Shares	31/Mar/2016		31/Mar/2015	
	Numbers	% holding in the class	Numbers	% holding in the class
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. 31/Mar/2016	Amt in Rs. 31/Mar/2015
<b>General Reserve</b>		
Opening Balance b/f	46,952	46,952
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	(28,254,563)	(26,386,837)
Adjusted pursuant to Capital Reduction Scheme (Refer Note 18 (c))	27,814,400	-
Profit/ (Loss) for the year	(1,115,562)	(1,867,726)
<b>Net surplus/ (deficit) in the statement of profit and loss</b>	<b>(1,555,725)</b>	<b>(28,254,563)</b>
<b>Total Reserves and Surplus</b>	<b>(1,508,773)</b>	<b>(28,207,611)</b>

**5 Trade Payables**

	Amt in Rs. 31/Mar/2016	Amt in Rs. 31/Mar/2015
Sundry Creditors		
Micro, Small and Medium Enterprises	-	-
Others	52,226	1,369,803
	<b>52,226</b>	<b>1,369,803</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. 31/Mar/2016	Amt in Rs. 31/Mar/2015
Duties & Taxes Payable	8,264	141,368
Expenses Payable	-	39,900
	<b>8,264</b>	<b>181,268</b>

**7 Cash & Cash Equivalents**

	Amt in Rs. 31/Mar/2016	Amt in Rs. 31/Mar/2015
Cash-In-Hand	452,946	8,946
<b>Balance with banks</b>		
In current accounts	13,977	19,014
	<b>466,923</b>	<b>27,960</b>

**8 Short Term Loans & Advances**

	Amt in Rs. 31/Mar/2016	Amt in Rs. 31/Mar/2015
Advance to Vendors (Unsecured Considered Good)	16,894	-
	<b>16,894</b>	<b>-</b>

**GUJARAT TOOLROOM LIMITED**

	Amt in Rs. 2015-16	Amt in Rs. 2014-15
<b>9 Employee Benefits Expense</b>		
Salaries & Bonus	571,000	156,000
	<b>571,000</b>	<b>156,000</b>
<b>10 Finance Costs</b>		
Bank charges	916	4,270
Interest on TDS	5,474	-
	<b>6,390</b>	<b>4,270</b>
<b>11 Other Expenses</b>		
Advertisement Expenses	37,908	28,950
Payment to Auditors		
- Statutory Audit Fees	34,350	34,200
- Certification Fees	-	9,550
Professional & Consultancy Charges	42,632	1,394,478
Legal & Filing Fees	375,069	126,131
Office Expenses	-	18,500
Postage Expenses	-	50,976
Printing & Stationery	14,700	16,800
RTA Fees	33,513	23,871
Miscellaneous Exps	-	4,000
	<b>538,172</b>	<b>1,707,456</b>
<b>12 Deferred Tax Liability / Asset (net)</b>		<b>Amt in Rs.</b>
	<b>As at 31/Mar/2016</b>	<b>As at 31/Mar/2015</b>
<b>Deferred Tax Liabilities</b>	-	-
<b>Deferred Tax Assets</b>		
Carried Forward Losses	4,075,467	4,904,591
<b>Net Deferred Tax Assets</b>	<b>4,075,467</b>	<b>4,904,591</b>

In accordance with the Accounting Standard 22, the net deferred tax assets of Rs. 40,75,467/- (Previous Year Rs. 49,04,591/-) has not been recognised because there is no reasonable certainty as to when the assets can be realised.

<b>13 Contingent Liabilities &amp; Commitments</b>	<b>Amt in Rs.</b>	
	<b>As at 31/Mar/2016</b>	<b>As at 31/Mar/2015</b>
Contingent Liabilities, to the extent not provided for	-	-
Commitments	-	-
Estimated amount of contracts remaining to be executed on capital accounts (net of advances)	-	-

**14 Related Parties**

- > Holding Company : Nil
- > Subsidiary Company : Nil
- > Associates : Nil  
*(with transactions during the year)*
- > Key Management Personnel : Mr. Suryakant H Parikh, Managing Director  
Mr. Viren Gurjar, CFO (w.e.f. 01.05.2015)
- > Relative of Key Management : Mr. Bhavik S Parikh  
*(with transactions during the year)*

**Information in respect of Related Parties**

	<b>Amt in Rs. 31/Mar/2016</b>	<b>Amt in Rs. 31/Mar/2015</b>
Services Received		
Bhavik Parikh	-	719,000
Remuneration		
Viren Gurjar	275,000	-
Dues payable outstanding at the year end		
Bhavik Parikh	-	647,100

<b>15 Earning Per Share (EPS)</b>	<b>Amt in Rs.</b>	
	<b>For the year ended 31/Mar/2016</b>	<b>For the year ended 31/Mar/2015</b>
Profit / (Loss) for calculation of basic and diluted EPS	(1,115,562)	(1,867,726)
Weighted average number of equity shares for calculating Basic EPS	695,360	3,476,800
Weighted average number of equity shares for calculating Diluted EPS	695,360	3,476,800
Face value of equity shares	10	10
Basic Earning Per Share (in Rupees)	(1.60)	(0.54)
Diluted Earning Per Share (in Rupees)	(1.60)	(0.54)

**16 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. 15,08,773/- (PY Rs. 2,82,07,611/-) 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 had been filed by the company with the regulatory authorities whereby the paid-up value of all the shares in the capital of the Company was reduced from Rs. 10/- per share to Rs. 2/- per share. After reduction of capital, the Company issued 1 equity shares of Rs.10/- each fully paid-up against every 5 equity shares of Rs. 2/- per shares fully paid-up. Hence based on the approved scheme, the Share Capital of the company has been 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.**

	<b>For the year ended 31/Mar/2016</b>	<b>For the year ended 31/Mar/2015</b>
Value of imports calculated on CIF basis	Nil	Nil
Expenditure in Foreign Currency	Nil	Nil
Earnings in Foreign Currency	Nil	Nil

**17 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 : 24/05/2016

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

<b>Suryakant H. Parikh</b> Managing Director DIN : 00038136	<b>Vishal M Shah</b> Director DIN : 03279724
<b>Viren Gurjar</b> CFO	

Place : Ahmedabad  
Date : 24/05/2016



**GUJARAT TOOLROOM LIMITED**

CIN : L45208GJ1983PLC006056

**Regd. Office :** 402, Sheel Complex, Nr. Mithakhali Under Bridge, Navrangpura, Ahmedabad – 380 009.  
**Contact No:** 079-26403311, 26401304 **Email:-** gujtoolroom@gmail.com **Web:-** www.gujarattoolroom.com

**Form-MGT-11**

**PROXY FORM**

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

**32<sup>nd</sup> Annual General Meeting – Monday, 19<sup>th</sup> September, 2016 at 11.30 a.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
- 1) Name : \_\_\_\_\_ Address : \_\_\_\_\_  
 \_\_\_\_\_ E-mail Id : \_\_\_\_\_  
 Signature: \_\_\_\_\_

[PTO]



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**GUJARAT TOOLROOM LIMITED**

CIN : L45208GJ1983PLC006056

**Regd. Office :** 402, Sheel Complex, Nr. Mithakhali Under Bridge, Navrangpura, Ahmedabad – 380 009.  
**Contact No:** 079-26403311, 26401304 **Email:-** gujtoolroom@gmail.com **Web:-** www.gujarattoolroom.com

**ATTENDANCE SLIP**

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

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

I hereby record my presence at the Annual General Meeting being held on Monday 19<sup>th</sup> day of September, 2016 at 11.30 a.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 handling 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.

As my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 32<sup>nd</sup> Annual general meeting of the company, to be held on the **Monday, 19<sup>th</sup> September, 2016** at 11.30 a.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, 2016 Statement of Profits & Loss and together with Cash Flow Statement and Notes forming part thereto ("Financial Statement") for the year ended on 31st March, 2016 and Report of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Shri Bhavin S. Parikh (DIN : 00034258) 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 approve re-appointment of Mr. Suryakant H. Parikh (Din: 00038136) as the Managing Director for the period of Three (3) year w.e.f 24th May, 2016.

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2016

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

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

Affix  
Revenue  
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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**ROUTE MAP FOR AGM**



**GUJARAT TOOLROOM LIMITED**

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



*If undelivered*

Please return to :

**GUJARAT TOOLROOM LIMITED**

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