




GYSCOAL ALLOYS LIMITED

Our Company was originally incorporated as Shreenth Mineral Metal Private Limited on September 29, 1999 under the Companies Act, 1956 as a Private Limited Company by the Deputy Registrar of Companies, Gujarat, Dadra & Nagar Haveli. Further, the name of the Company was changed to Gyscoal Alloys Private Limited and a fresh certificate of incorporation was granted by Registrar of Companies, Gujarat on June 21, 2004. Subsequently, our Company was converted into a Public Limited Company pursuant to Special Resolution passed by the members at the Extraordinary General Meeting dated February 03, 2006 and the name of our Company was changed to Gyscoal Alloys Limited to reflect the legal status of our Company pursuant to conversion, a fresh certificate of incorporation was granted by the Assistant Registrar of Companies, Gujarat dated March 21, 2006 bearing Corporate Identification Number U27209GJ1999PLC036656. Our Company had listed its Equity Shares on BSE Limited and National Stock Exchange of India Limited on October 27, 2010 through initial public offer.

Registered Office: - Plot No. 2/3 GIDC Ubkhal, Kukarwada, Tal. Vijapur, Dist. Mehsana Kukarwada – 382830, Mahesana, Gujarat- 382830 India.

Tel No: +079 66614508 | **Email:** cs@gyscoal.com | **Websites:** www.gyscoal.com

Contact Person: Hiral Patel, Company Secretary & Compliance Officer

PROMOTERS OF OUR COMPANY ARE VIRAL MUKUNDBHAI SHAH, MONA VIRAL SHAH AND SOLANKI ZANKARSINH KISHORSINH FOR PRIVATE CIRCULATION TO THE ELIGIBLE EQUITY SHAREHOLDERS OF GYSKOAL ALLOYS LIMITED (OUR “COMPANY” OR THE “ISSUER”) ONLY.	
WE HEREBY CONFIRM THAT NONE OF OUR PROMOTERS OR DIRECTORS IS A WILFUL DEFAULTER AS ON DATE OF THIS LETTER OF OFFER	
ISSUE OF 17,41,03,116 FULLY PAID-UP EQUITY SHARES OF FACE VALUE OF ₹ 1 EACH (“RIGHTS EQUITY SHARES”) OF OUR COMPANY FOR CASH AT A PRICE OF ₹2.75 EACH INCLUDING SECURITIES PREMIUM OF ₹1.75 PER RIGHTS EQUITY SHARE (THE “ISSUE PRICE”), AGGREGATING TO 4787.84 LAKHS ON A RIGHTS BASIS TO THE EXISTING EQUITY SHAREHOLDERS OF OUR COMPANY IN THE RATIO OF 110 RIGHTS EQUITY SHARE(S) FOR EVERY 100 FULLY PAID-UP EQUITY SHARE(S) HELD BY THE EXISTING EQUITY SHAREHOLDERS ON THE RECORD DATE, THAT IS ON FRIDAY, DECEMBER 23, 2022 (THE “ISSUE”). THE ISSUE PRICE FOR THE RIGHTS EQUITY SHARES IS ₹ 2.75 WHICH IS 2.75 TIMES THE FACE VALUE OF THE EQUITY SHARES. FOR FURTHER DETAILS, PLEASE REFER TO THE CHAPTER TITLED “TERMS OF THE ISSUE” ON PAGE 204 OF THIS LETTER OF OFFER.	
GENERAL RISKS	
Investment in equity and equity related securities involve a degree of risk and investors should not invest any funds in the Issue unless they can afford to take the risk of losing such investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Issue. For taking an investment decision, investors must rely on their own examination of our Company and this Issue including the risks involved. The securities being offered in the Issue have not been recommended nor approved by the Securities and Exchange Board of India (“SEBI”), nor does SEBI guarantee the accuracy or adequacy of this Letter of Offer. Specific attention of the investors is invited to “ <i>Risk Factors</i> ” beginning on page 24 of this Letter of Offer before making an investment in this Issue.	
OUR COMPANY’S ABSOLUTE RESPONSIBILITY	
Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Letter of Offer contains all information with regard to our Company and this Issue, which is material in the context of this Issue, and that the information contained in this Letter of Offer is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Letter of Offer as a whole or any such information or the expression of any such opinions or intentions misleading in any material respect.	
LISTING	
The existing Equity Shares of our Company are listed on BSE Limited (“BSE”) and National Stock Exchange of India (“NSE”) (the “ Stock Exchanges ”). Our Company has received “In-Principle” approvals from BSE and NSE for listing the Rights Equity Shares through their respective letters dated December 05, 2022 and December 05, 2022. Our Company will also make applications to the Stock Exchanges to obtain their trading approvals for the Rights Entitlements as required under the SEBI circular bearing reference number SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020. For the purposes of the Issue, the Designated Stock Exchange is BSE Limited.	
LEAD MANAGER TO THE ISSUE	REGISTRAR TO THE ISSUE
 <p>Fedex Securities Private Limited B 7, 3rd Floor, Jay Chambers, Dayaldas Road, Vile Parle (East), Mumbai - 400 057, Maharashtra, India Tel No.: +91 81049 85249 Fax No.: 022 2618 6966 E-mail ID: mb@fedsec.in Website: www.fedsec.in Investor Grievance E-Mail ID: mb@fedsec.in Contact Person: Yash Kadakia SEBI Registration Number: INM000010163</p>	 <p>Purva Share registry (India) Private Limited Unit No. 9, Ground Floor, Shiv Shakti Industrial Estate, J. R. Boricha Marg, Lower Parel (East), Mumbai – 400011, Maharashtra, India Tel No: + 91-22-2301 0771 / 4961 4132; Fax No: NA Email: support@purvashare.com ; Contact Person: Ms. Deepali Dhuri; Website: www.purvashare.com SEBI Registration Number: INR000001112</p>
ISSUE PROGRAMME	
ISSUE OPENS ON:	Monday, January 02, 2023
LAST DATE OF ON MARKET RENUNCIATION*	Monday, January 09, 2023
ISSUE CLOSES ON:#	Thursday, January 12, 2023

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

Our Board or the Rights Issue committee will have the right to extend the Issue period as it may determine from time to time but not exceeding 30 (thirty) days from the Issue Opening Date (inclusive of the Issue Opening Date) or such other time as may be permitted as per applicable law. Further, no withdrawal of Application shall be permitted by any Applicant after the Issue Closing Date.

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SECTION I - GENERAL DEFINITIONS AND ABBREVIATIONS

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

References to any legislation, act, regulation, rules, guidelines or policies shall be to such legislation, act, regulation, rules, guidelines or policies as amended, supplemented, or re-enacted from time to time and any reference to a statutory provision shall include any subordinate legislation made from time to time under that provision.

*The words and expressions used in this Letter of Offer but not defined herein, shall have, to the extent applicable, the meaning ascribed to such terms under the Companies Act, 2013, the SEBI ICDR Regulations, the SCRA, the Depositories Act or the rules and regulations made thereunder. Notwithstanding the foregoing, terms used in “**Summary of Letter Of Offer**”, “**Statement of Special Tax Benefits**”, “**Restated Financial Statements**”, “**Legal and Other Information**” and “**Terms of the Issue**” beginning on pages 20, 66, 191 and 204, respectively, shall have the meaning given to such terms in the respective sections.*

CONVENTIONAL / GENERAL TERMS

Term	Description
“Gyscoal Alloys Limited” / “GAL” / “We” / “us” / “our Company” / “the Issuer”	Unless the context otherwise indicates or implies refers to Gyscoal Alloys Limited, a company incorporated as a Public Limited Company under the provisions of the Companies Act, 1956 with its registered office at Plot No. 2/3 GIDC Ubkhal, Kukarwada, Tal. Vijapur, Dist. Mehsana Kukarwada – 382830, Mahesana, Gujarat - 382830, India.

COMPANY RELATED TERMS

TERM	DESCRIPTION
AOA / Articles / Articles of Association	The Articles of Association of Gyscoal Alloys Limited, as amended from time to time.
Audit Committee	The committee of the Board of Directors constituted as our Company’s audit committee in accordance with Regulation 18 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (“ SEBI Listing Regulations ”) and Section 177 of the Companies Act, 2013. For details, see “ Our Management ” on page 94 of this Letter of Offer.
Auditors / Statutory Auditors	The current statutory auditors of our Company, namely, M/s. Ashok Dhariwal & Co, Chartered Accountants.
Associate	The associate company of our Company, being, Goldman Hotels and Resort Private Limited.
Board / Board of Directors / Our Board	The Board of Directors of our Company, and any duly constituted Committees thereof.
Chief Financial Officer/ CFO	The chief financial officer of our Company, being Neelesh Bhutara.
Company Secretary and Compliance Officer	The company secretary and compliance officer of our Company, being Hiral Patel.
Corporate Office	The Corporate Office of our Company situated at 2nd Floor, Mrudul Tower B/h-Times of India, Ashram Road, Ahmedabad – 380 009, Gujarat.
Director(s)	Director(s) on our Board, as may be appointed from time to time.

TERM	DESCRIPTION
Equity Shares/Shares	Equity Shares of our Company having face value of ₹ 1.00/- each, fully paid up, unless otherwise specified in the context thereof.
Equity Shareholders / Shareholders	Persons / entities holding Equity Shares of our Company.
Executive Directors	Executive directors of our Company.
Financial Information	Collectively, the Restated Consolidated Financial Statements alongwith the notes and accounting policies and limited review report, unless otherwise specified in context thereof.
Independent Director	Independent directors on our Board and eligible to be appointed as an Independent Director under the provisions of Companies Act and SEBI Listing Regulations. For details of the Independent Directors, please see to section titled “ Our Management ” on page 94 of this Letter of Offer.
ISIN	International Securities Identification Number being INE482J01021.
Key Management Personnel /KMP	Key management personnel of our Company in terms of Regulation 2(1) (bb) of the SEBI (ICDR) Regulations and Section 2(51) of the Companies Act, 2013. For details, please seer “ Our Management ” on page 94 of this Letter of Offer.
Limited Reviewed Financial Consolidated Statements / Limited Reviewed Consolidated Financial Information / Interim Unaudited Condensed Consolidated Statements	The limited reviewed consolidated financial statements for the six months period ended September 30, 2022, prepared in accordance with the Ind AS 34 “Interim Financial Reporting” prescribed under Section 133 of the Companies Act, 2013 as amended, read with relevant rules and other accounting principles generally accepted in India, the Companies Act and SEBI Listing Regulations. For details, see “ Financial Information ” on page 108 of this Letter of Offer.
Materiality Policy	Policy on determination of materiality of events adopted by our Company on September 28, 2022 in accordance with Regulation 30 of the SEBI Listing Regulations.
MoA / Memorandum / Memorandum of Association	The Memorandum of Association of our Company, as amended from time to time.
Nomination and Remuneration Committee	The reconstituted Nomination and Remuneration Committee of our Company in accordance with Regulation 19 of the SEBI Listing Regulations and Section 178 of the Companies Act, 2013. For details, see “ Our Management ” on page 94 of this Letter of Offer.
Non-Executive Independent Director	Non-Executive Independent Director of our Company, unless otherwise specified.
Non-executive Non-Independent Directors	Non-executive Non-Independent Director of our Company.
Promoter	Viral Mukund Shah, Solanki Zankarsinh Kishorsinh, Mona Viral Shah, Giraben Solanki, General Capital Holding Company Private Limited. Manish Shah ceased to be Promoter of the Company since quarter ended December 2014 pursuant to transmission of his Equity Shares of the Company on November 29, 2014.
Promoter Group	The promoter group of our Company as determined in terms of Regulation 2(1)(pp) of the SEBI ICDR Regulations and which are disclosed by the Company to the Stock Exchanges from time to time.
Restated Consolidated Financial Statements/ Restated Financial Statements	Restated consolidated financial statements of our Company for the Fiscal 2022, Fiscal 2021 and Fiscal 2020, prepared in accordance with the Companies Act and restated prepared in accordance with (i) Section 26 of Part I of Chapter III of the Companies Act, 2013; (ii) the SEBI ICDR Regulations; and (iii) the

TERM	DESCRIPTION
	Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the ICAI, as amended from time to time. For details, see “ Financial Information ” on page 108 of this Letter of Offer.
Registered Office	The Registered Office of our Company situated at Plot No. 2/3 GIDC Ubkhal, Kukarwada, Tal. Vijapur, Dist. Mehsana Kukarwada – 382830, Mahesana, Gujarat – 382830, India.
Rights Issue Committee	The committee of our Board constituted for purposes of the Issue and incidental matters thereof.
Roc / Registrar of Companies	RoC Bhavan, opposite Rupal Park Society, behind Ankur Bus Stop, Naranpura, Ahmedabad - 380013, Gujarat India.
Shareholders	Holders of the Equity Shares from time to time
Stakeholders Relationship Committee	The committee of the Board of Directors constituted as our Company’s Stakeholders’ Relationship Committee in accordance with Regulation 20 of the SEBI Listing Regulations. For details, see “ Our Management ” on page 94 of this Letter of Offer.

ISSUE RELATED TERMS

Term	Description
Abridged Letter of Offer / ALOF	Abridged Letter of Offer to be sent to the Eligible Equity Shareholders with respect to the Issue in accordance with the provisions of the SEBI ICDR Regulations and the Companies Act, 2013.
Additional Rights Equity Shares	The Rights Equity Shares applied or allotted under this Issue in addition to the Rights Entitlement.
Allotment / Allot / Allotted	Allotment of Rights Equity Shares pursuant to the Issue.
Allotment Account(s)	The account(s) opened with the Banker(s) to this Issue, into which the Application Money lying credit to the Escrow Account(s) and amounts blocked by Application Supported by Blocked Amount in the ASBA Account, with respect to successful Applicants will be transferred on the Transfer Date in accordance with Section 40(3) of the Companies Act, 2013.
Allotment Account Bank(s)	Bank(s) which are clearing members and registered with SEBI as bankers to an issue and with whom the Allotment Accounts will be opened, in this case being, ICICI Bank Limited.
Allotment Advice	The note or advice or intimation of Allotment, sent to each successful Investor who has been or is to be Allotted the Rights Equity Shares after approval of the Basis of Allotment by the Designated Stock Exchange.
Allotment Date	Date on which the Allotment is made pursuant to this Issue.
Allottee(s)	Person(s) who is Allotted Rights Equity Shares pursuant to Allotment.
Applicant(s) / Investors	Eligible Equity Shareholder(s) and/or Renouncee(s) who are entitled to apply or make an application for the Rights Equity Shares pursuant to the Issue in terms of this Letter of Offer.
Application	Application made through submission of the Application Form or plain paper Application to the Designated Branch of the SCSBs or online / electronic application through the website of the SCSBs (if made available by such SCSBs) under the ASBA process to subscribe to the Rights Equity Shares at the Issue Price.
Application Form	Unless the context otherwise requires, an application form (including through the website of the SCSBs (if made available by such SCSBs) under the ASBA process) used by an Investor to make an application for the Allotment of Rights Equity Shares in the Issue.
Application Money	Aggregate amount payable in respect of the Right Equity Shares applied for in the

Term	Description
	Issue at the Issue Price, i.e., 2.75 per Equity Shares for the Application.
Application Supported by Blocked Amount or ASBA	Application (whether physical or electronic) used by an ASBA Investor to make an application authorizing the SCSB to block the Application Money in a the ASBA Account maintained with the SCSB.
ASBA Account	Account maintained with the SCSB and specified in the Application Form or the plain paper Application by the Applicant for blocking the amount mentioned in the Application Form or the plain paper Application.
ASBA Bid	A Bid made by an ASBA Bidder including all revisions and modifications thereto as permitted under the SEBI ICDR Regulations.
ASBA Circulars	Collectively, SEBI circular bearing reference number SEBI/CFD/DIL/ASBA/1/2009/30/12 dated December 30, 2009, SEBI circular bearing reference number CIR/CFD/DIL/1/2011 dated April 29, 2011 and the SEBI circular bearing reference number SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020, SEBI circular bearing reference number SEBI/HO/CFD/SSEP/CIR/P/2022/66 dated May 19, 2022 and any other circular issued by SEBI in this regard and any subsequent circulars or notifications issued by SEBI in this regard.
Banker(s) to the Issue Agreement	Collectively, the Escrow Collection Bank(s), the Allotment Account Bank(s) and the Refund Bank(s) to the Issue.
Banker to the Issue Agreement	Agreement to be entered into by and among our Company, the Registrar to the Issue, the Lead Manager and the Bankers to the Issue for collection of the Application Money from Applicants/Investors, transfer of funds to the Allotment Account and where applicable, refunds of the amounts collected from Applicants/Investors, on the terms and conditions thereof.
Bankers to the Issue	Collectively, the Escrow Collection Bank, the Allotment Account Banks and the Refund Account Bank to the Issue.
Basis of Allotment	The basis on which the Rights Equity Shares will be allotted to successful Applicants in consultation with the Designated Stock Exchange under this Issue, as described in “ <i>Terms of the Issue</i> ” beginning on page 204 of this Letter of Offer.
BSE	BSE Limited
Common Application Form / Composite Application Form / CAF	The application form used by Investors to make an application for Allotment under the Issue.
Controlling Branches / Controlling Branches of the SCSBs	Such branches of SCSBs which coordinate Bids under the Issue with the LM, the Registrar and the Stock Exchanges, a list of which is available on the website of SEBI at http://www.sebi.gov.in .
Demographic Details	Details of Investors including the Investor’s address, name of the Investor’s father/husband, investor status, occupation and bank account details, where applicable.
Designated SCSB Branches/ Designated Branch of the SCSB	Such branches of the SCSBs which shall collect the ASBA Forms submitted by ASBA Bidders, a list of which is available on the website of SEBI at http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&in tmId=35 , updated from time to time, or at such other website as may be prescribed by SEBI from time to time.
Designated Stock Exchange	BSE Limited
Depository(ies)	NSDL and CDSL or any other depository registered with SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018 as amended from time to time read with the Depositories Act, 1996.
Draft Letter of Offer/ DLOF	The draft letter of offer dated November 18, 2022 filed with the Stock Exchanges.

Term	Description
Eligible Equity Shareholder(s)	Holder(s) / Beneficial Owner of the Equity Shares of our Company as on the Record Date. Please note that the investors eligible to participate in the Issue excludes certain overseas shareholders. For further details, see “ <i>Notice to Investors</i> ” and “ <i>RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES</i> ” beginning on page 13 and 238, respectively, of this Letter of Offer.
Escrow Account(s)	One or more no-lien and non-interest-bearing accounts with the Escrow Collection Bank(s) for the purposes of collecting the Application Money from resident investors – eligible equity shareholders as on record date making an Application through the ASBA facility.
Escrow Collection Bank / Allotment Account Bank(s)	Bank(s) which are clearing members and registered with SEBI as banker to an issue and with whom the Escrow Account will be opened, in this case being, ICICI Bank Limited.
Fraudulent Borrower	Company or person, as the case may be, categorized as a fraudulent borrower by any bank or financial institution (as defined under the Companies Act, 2013) or consortium thereof, in accordance with the guidelines on fraudulent borrower issued by RBI.
IEPF	Investor Education and Protection Fund
Investor(s)	Eligible Equity Shareholder(s) of our Company on the Record Date, Friday, December 23, 2022, and the Renouncee(s).
Issue/ Rights Issue	This issue of 17,41,03,116 Equity Shares for cash at a price ₹2.75 per Equity Share (including a premium of ₹ 1.75 per Equity Share) aggregating to ₹ 4787.84 Lakhs [#] on a rights basis to the Eligible Equity Shareholders of our Company in the ratio of 110 Rights Equity Share for every 100 fully paid-up Equity Shares held by the Eligible Equity Shareholders on the Record date, that is, on December 23, 2022. <i>#Assuming full subscription</i>
Issue Agreement	Agreement dated September 29, 2022 entered into between our Company and the Lead Manager, pursuant to which certain arrangements are agreed to in relation to the Issue.
Issue Closing Date	Thursday, January 12, 2023
Issue Opening Date	Monday, January 2, 2023
Issue Period	The period between the Issue Opening Date and the Issue Closing Date, inclusive of both days, during which Applicants can submit their Applications, in accordance with the SEBI ICDR Regulations.
Issue Material	Collectively, the Letter of Offer, the Abridged Letter of Offer, the Common Application Form and Rights Entitlement Letter.
Issue Price	₹2.75 per Rights Equity Share, including a security premium of ₹1.75 per Rights Equity Share.
Issue Proceeds / Gross Proceeds	Gross proceeds of the Issue.
Issue Size	Amount aggregating up to ₹ 4787.84 Lakhs [#] <i>#Assuming full subscription.</i>
Lead Manager	Fedex Securities Private Limited
Letter of Offer or LOF	The final letter of offer to be filed with the Stock Exchanges and SEBI.
Listing Agreement	The listing agreements entered into between our Company and the Stock Exchanges in terms of the SEBI Listing Regulations.
Multiple Application Forms	Multiple application forms submitted by an Eligible Equity Shareholder/ Renouncee in respect of the Rights Entitlement available in their demat account. However supplementary applications in relation to further Rights Equity Shares with/without using additional Rights Entitlement will not be treated as multiple

Term	Description
	application.
Net Proceeds	Issue Proceeds less the Issue related expenses. For further details, see “ <i>Objects of the Issue</i> ” beginning on page 61 of this Letter of Offer.
Non-ASBA Investor/ Non-ASBA Applicant	Investors other than ASBA Investors who apply in the Issue otherwise than through the ASBA process comprising Eligible Equity Shareholders holding Equity Shares in physical form or who intend to renounce their Rights Entitlement in part or full and Renounees.
NRI(s)	An individual resident outside India who is a citizen of India or is an ‘Overseas Citizen of India’ cardholder within the meaning of section 7(A) of the Citizenship Act, 1955, and shall have the meaning ascribed to such term in the FEMA Regulations.
NSE	National Stock Exchange of India Limited.
Off Market Renunciation	The renunciation of Rights Entitlements undertaken by the Investor by transferring them through off-market transfer through a depository participant in accordance with the SEBI Rights Issue Circulars and the circulars issued by the Depositories, from time to time, and other applicable laws.
On Market Renunciation	The renunciation of Rights Entitlements undertaken by the Investor by trading them over the secondary market platform of the Stock Exchanges through a registered stock broker in accordance with the SEBI Rights Issue Circulars and the circulars issued by the Stock Exchanges, from time to time, and other applicable laws, on or before Monday, January 02, 2022.
Record Date	Designated date for the purpose of determining the Eligible Equity Shareholders eligible to apply for Equity Shares, being December 23, 2022.
Refund Account Bank	The Banker to the Issue with whom the refund account will be opened, in this case being ICICI Bank Limited.
Registrar to the Company	Link Intime India Private Limited.
Registrar to the Issue or Registrar	Purva Sharegistry (India) Private Limited.
Registrar Agreement	Agreement dated September 20, 2022 entered into among our Company and the Registrar to the Issue in relation to the responsibilities and obligations of the Registrar to the Issue pertaining to the Issue.
Renounee(s)	Any person(s) who has/have acquired Rights Entitlements from the Eligible Equity Shareholders.
Renunciation Period	The period during which the Investors can renounce or transfer their Rights Entitlements which shall commence from the Issue Opening Date. Such period shall close on January 09, 2023 in case of On Market Renunciation. Eligible Equity Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renounee on or prior to the Issue Closing Date.
RE ISIN	ISIN for Rights Entitlement i.e, INE482J20013
Rights Entitlement(s) / RE’s	Number of Rights Equity Shares that an Eligible Equity Shareholder is entitled to in proportion to the number of Equity Shares held by the Eligible Equity Shareholder on the Record Date, in this case being December 23, 2022 110 Rights Equity Shares for every 100 Equity Shares held by an Eligible Equity Shareholder. The Rights Entitlements with a separate ISIN: INE482J20013 will be credited to your demat account before the date of opening of the Issue, against the equity shares held by the Equity Shareholders as on the record date.
Rights Entitlement Letter	Letter including details of Rights Entitlements of the Eligible Equity Shareholders.
Rights Equity Shares	Equity Shares of our Company to be Allotted pursuant to the Issue

Term	Description
SCSB(s)	The banks registered with SEBI, offering services (i) in relation to ASBA, a list of which is available on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34 or https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35 , as applicable, or such other website as updated from time to time, and (ii) in relation to ASBA (through UPI mechanism), a list of which is available on the website of SEBI at https://sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40 or such other website as updated from time to time.
Stock Exchanges	Stock exchanges where the Equity Shares are presently listed, being BSE Limited and NSE Limited.
Transfer Date	The date on which the Application Money held in the Escrow Account and the Application Money blocked in the ASBA Account will be transferred to the Allotment Account(s) in respect of successful Applications, upon finalization of the Basis of Allotment, in consultation with the Designated Stock Exchange.
Wilful Defaulter	Company or person, as the case may be, categorised as a wilful defaulter by any bank or financial institution (as defined under the Companies Act, 2013) or consortium thereof, in accordance with the guidelines on wilful defaulters issued by RBI.
Working Day(s)	In terms of Regulation 2(1)(mmm) of SEBI ICDR Regulations, working day means all days on which commercial banks in Mumbai are open for business. Further, in respect of Issue Period, working day means all days, excluding Saturdays, Sundays and public holidays, on which commercial banks in Mumbai are open for business. Furthermore, the time period between the Issue Closing Date and the listing of Rights Equity Shares on the Stock Exchanges, working day means all trading days of the Stock Exchanges, excluding Sundays and bank holidays, as per circulars issued by SEBI.

BUSINESS/ INDUSTRY RELATED TERMS

TERM	DESCRIPTION
AUX	Auxillary
APC	Air Pollution control
BIS	Bureau of Indians Standards
CAGR or Compound Annual Growth Rate CAGR	Compound annual growth rate, or CAGR, is the mean annual growth rate of an investment over a specified period of time longer than one year. It represents one of the most accurate ways to calculate and determine returns for individual assets, investment portfolios, and anything that can rise or fall in value over time
CC	Continuous Casting
CTD	Cold Twisted Deformed (Bars)
CM/cm	Centimeters
CI	Cast Iron
CI Pipe	Cast Iron Pipe
CO	Carbon Mono Oxide
CAPEX	Capital Expenditures
CPP	Captive Power Plant
CY	Current Year
CT	Current Transformers
db (A)	Decibel (Absolute)
Dia/dia	Diameter

TERM	DESCRIPTION
DRI	Direct-Reduced Iron
EOT	Electric overhead traveling crane
EU	European Union
EVs	Electric vehicles
FDI	Foreign Direct Investment
GIDC	Gujarat Industrial Development Corporation
ISA or Indian Steel Association (ISA)	Indian Steel Association represents all the major Public Sector and Private Sector Steel Enterprises of India.
MTPA	Million Tonnes Per Annum
MOU	Memorandum of Understanding
MOC	Memorandum of Cooperation
MSME	Micro Small and Medium Enterprises
MF	Medium-Frequency (Furnace)
NCL	National Chemical Lab
NSP	National Steel Policy
PT	Potential Transformers
PLI	Production-linked incentive
RCS	Round Corner Squares
R & D	Research and Development
SAIL	Steel Authority of India Limited
SARFESI Act	Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002
SRTMI	Steel Research and Technology Mission of India
TMT	Thermo Mechanical Treatment (Bars)
TPA	Tonne Per Annum
TPY	Tonne Per Year
WSA	World Steel Association
USD	United States Dollar
YOY	Year on Year

ABBREVIATIONS

Term	Description
₹/ Rs./ Rupees/ INR	Indian Rupees
AIF(s)	Alternative investment funds, as defined and registered with SEBI under the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012
CAGR	Compound Annual Growth Rate
CDSL	Central Depository Services (India) Limited
CIN	Corporate Identity Number
Companies Act, 1956	Erstwhile Companies Act, 1956 along with the rules made thereunder.
Companies Act, 2013	Companies Act, 2013 along with the rules made thereunder.
COVID-19	A public health emergency of international concern as declared by the World Health Organization on January 30, 2020 and a pandemic on March 11, 2020
CRAR	Capital adequacy ratio/Capital to risk assets ratio
CrPC	Code of Criminal Procedure, 1973
Depositories Act	Depositories Act, 1996
Depository	A depository registered with SEBI under the Securities and Exchange Board of India (Depositories and Participant) Regulations, 1996.
Depository Participant / DP	A depository participant as defined under the Depositories Act.

Term	Description
DP ID	Depository participant's identification
DIN	Director Identification Number
EBITDA	Profit/(loss) after tax for the year adjusted for income tax expense, finance costs, depreciation and amortisation expense, as presented in the statement of profit and loss
EGM	Extraordinary General Meeting
EPF Act	Employees' Provident Fund and Miscellaneous Provisions Act, 1952
EPS	Earnings per Equity Share
ESI Act	Employees' State Insurance Act, 1948
FCNR Account	Foreign currency non-resident account
FDI	Foreign Direct Investment
FDI Circular 2020	Consolidated FDI Policy dated October 28, 2020, issued by the Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India, effective from October 15, 2020
FEMA	Foreign Exchange Management Act, 1999, together with rules and regulations thereunder
FEMA Regulations	Foreign Exchange Management (Non-debt Instruments) Rules, 2019
Financial Year, Fiscal Year or Fiscal	The period of 12 months commencing on April 1 of the immediately preceding calendar year and ending on March 31 of that particular calendar year.
FPIs	Foreign portfolio investors as defined under the SEBI FPI Regulations
Fugitive Economic Offender	An individual who is declared a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018
FVCI	Foreign venture capital investors as defined under and registered with SEBI pursuant to the Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000 registered with SEBI
GAAP	Generally accepted accounting principles
GDP	Gross domestic product
GNI	Gross National Income
GoI or Government	Government of India
GST	Goods and Service Tax
HUF	Hindu Undivided Family
IBC	Insolvency and Bankruptcy Code, 2016
ICAI	Institute of Chartered Accountants of India
ICSI	The Institute of Company Secretaries of India
ICT /IT	Information and communications technology
Income Tax Act/ IT Act	Income-tax Act, 1961
Ind AS	Indian accounting standards as specified under section 133 of the Companies Act 2013 read with Companies (Indian Accounting Standards) Rules 2015, as amended
Indian GAAP	Generally Accepted Accounting Principles in India
IFRS	International Financial Reporting Standards
INR or ₹ or Rs.	Indian Rupee (₹) the official currency of the Republic of India.
Insider Trading Regulations	Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015
ITAT	Income Tax Appellate Tribunal
LTV	Loan to value ratio
MCA	Ministry of Corporate Affairs, GoI
Mn/mn	Million
Mutual Fund	Mutual fund registered with SEBI under the Securities and Exchange Board of

Term	Description
	(Mutual Funds) Regulations, 1996
Net Asset Value per Equity Share or NAV per Equity Share	Net Worth/ Number of Equity shares subscribed and fully paid outstanding as at March 31, 2022; March 31, 2021; March 31, 2022; and the limited review period as at September 30, 2022.
NBFC	Non-banking financial companies
NRE Account	Non-resident external account
NRI	A person resident outside India, who is a citizen of India and shall have the same meaning as ascribed to such term in the Foreign Exchange Management (Deposit) Regulations, 2016
NRO Account	Non-resident ordinary account
NSDL	National Securities Depository Limited
OCB or Overseas Corporate Body	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs including overseas trusts, in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003 and immediately before such date had taken benefits under the general permission granted to OCBs under FEMA
p.a.	Per annum
P/E Ratio	Price/Earnings Ratio
PAN	Permanent account number
PAT	Profit after tax
QP	Qualified purchaser as defined in the U.S. Investment Company Act
RBI	Reserve Bank of India
RBI Act	Reserve Bank of India Act, 1934
Regulation S	Regulation S under the U.S. Securities Act
RoC	Registrar of Companies, Ahmedabad
RTGS	Real time gross settlement
Rule 144A	Rule 144A under the U.S. Securities Act
SCRA	Securities Contracts (Regulation) Act, 1956
SCRR	Securities Contracts (Regulation) Rules, 1957
SEBI	Securities and Exchange Board of India
SEBI Act	Securities and Exchange Board of India Act, 1992
SEBI AIF Regulations	Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019
SEBI Listing Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
SEBI Rights Issue Circulars / SEBI Right Issue Circulars / SEBI Rights Issue Circular	SEBI circular, bearing reference number SEBI/HO/CFD/DIL2/CIR/P/ 2020/13 dated January 22, 2020, bearing reference number SEBI/HO/CFD/CIR/CFD/DIL/67/2020 dated April 21, 2020 and SEBI circular, bearing reference no. SEBI/HO/CFD/SSEP/CIR/P/2022/66 dated May 19, 2022.
SEBI ICDR Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018
STT	Securities transaction tax
State Government	The Government of a state in India
Supreme Court	Supreme Court of India
SEBI Takeover Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
TAT	Turnaround time

Term	Description
TDS	Tax Deducted at Source
Trademarks Act	Trademarks Act, 1999, as amended
U.S.\$, USD or U.S. dollar	United States Dollar, the legal currency of the United States of America
U.S. Investment Company Act	Investment Company Act of 1940, as amended
U.S. Person	U.S. persons as defined in Regulation S under the U.S. Securities Act or acting for the account or benefit of U.S. persons (not relying on Rule 902(k)(1)(viii)(B) or Rule 902(k)(2)(i) of Regulation S)
U.S. QIB	Qualified institutional buyer as defined in Rule 144A under the U.S. Securities Act
USA, U.S. or United States	United States of America
U.S. SEC	U.S. Securities and Exchange Commission
U.S. Securities Act	U.S. Securities Act of 1933, as amended
VCF	Venture capital fund as defined and registered with SEBI under the Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996 or the SEBI AIF Regulations, 2012 as the case may be
w.e.f.	With effect from
Year/Calendar Year	Unless context otherwise requires, shall refer to the twelve-month period ending December 31

NOTICE TO INVESTORS

The distribution of this Letter of Offer, , the Abridged Letter of Offer, Application Form and Rights Entitlement Letter and the issue of Rights Entitlement and Rights Equity Shares to persons in certain jurisdictions outside India may be restricted by legal requirements prevailing in those jurisdictions. Persons into whose possession this Letter of Offer, , the Abridged Letter of Offer, the Application Form, or the Rights Entitlement Letter may come are required to inform themselves about, and observe, such restrictions. For details, see “*Restrictions on Foreign Ownership of Indian Securities*” on page 238 of this Letter of Offer.

Our Company is making this Issue on a rights basis, in accordance with the SEBI ICDR Regulations, to the Eligible Equity Shareholders and the Letter of Offer, the Abridged Letter of Offer, the Application Form, the Rights Entitlement Letter and any other material relating to the Issue (collectively, the “**Issue Materials**”) will be sent/ dispatched only to the Eligible Equity Shareholders who have a registered address in India or who have provided an Indian address to our Company. In case Eligible Equity Shareholders have provided their valid e-mail address, the Issue Material will be sent only to their valid e-mail address and in case such Eligible Equity Shareholders have not provided their e-mail address, then the Issue Materials will be dispatched, on a reasonable effort basis, to the Indian addresses provided by them.

Those overseas Eligible Equity Shareholders who do not update their records with their Indian address or the address of their duly authorised representative in India, prior to the date on which we propose to dispatch the Issue Material, shall not be sent the Issue Material.

Investors can also access this Letter of Offer, , the Abridged Letter of Offer and the Application Form from the websites of our Company, the Registrar, the Lead Manager and the Stock Exchanges.

Our Company, the Lead Manager, and the Registrar will not be liable for non-dispatch of physical copies of Issue materials, including the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter and the Application Form in the event the Issue Materials have been sent to the registered email addresses of such Eligible Equity Shareholders. **Please note that the Rights Equity Shares have not been approved, disapproved or recommended by the United States Securities and Exchange Commission, any other federal or state authorities in the United States or the securities authorities of any non-U.S. jurisdiction or any other regulatory authority in any jurisdiction. No authority has passed on or endorsed the merits of the Issue or the accuracy or adequacy of this Letter of Offer. Any representation to the contrary is a criminal offence in the United States and may be a criminal offence in other jurisdictions.**

No action has been or will be taken to permit the Issue in any jurisdiction where action would be required for that purpose, except that this Letter of Offer is being filed with SEBI and the Stock Exchanges for observations. Accordingly, the Rights Entitlement and the Equity Shares may not be offered or sold, directly or indirectly, and this Letter of Offer, , Issue Materials or advertisements in connection with the Issue may not be distributed, whole or in part, in or into in any jurisdiction, except in accordance with legal requirements applicable in such jurisdiction. Receipt of this Letter of Offer, , the Abridged Letter of Offer or any other Issue Material (including by way of electronic means) will not constitute an offer, invitation to or solicitation by anyone in any jurisdiction or in any circumstances in which such an offer, invitation or solicitation is unlawful or not authorized or to any person to whom it is unlawful to make such an offer, invitation or solicitation. In those circumstances, this Letter of Offer, or any other Issue Material must be treated as sent for information only and should not be acted upon for subscription to Equity Shares and should not be copied or re-distributed. Accordingly, persons receiving a copy of this Letter of Offer or any other Issue Material should not, in connection with the issue of the Equity Shares or the Rights Entitlements, distribute or send this Letter of Offer, or any other Issue Material in or into any jurisdiction where to do so, would or might contravene local securities laws or regulations, or would subject our Company or its affiliates or the Lead Manager or their respective affiliates to any filing or registration requirement (other than in India). If this Letter of Offer, or any other Issue Material is received by any person in any such jurisdiction, or by their agent or nominee, they must not seek to subscribe to the Equity Shares or the Rights Entitlements referred to in this Letter of Offer, or any other Issue Material.

Any person who makes an application to acquire rights and the Rights Equity Shares offered in this Issue will be deemed to have declared, represented, warranted and agreed that he is authorized to acquire the Rights Entitlements

and the Rights Equity Shares in compliance with all applicable laws and regulations prevailing in his jurisdiction. Our Company, the Registrar, the Lead Manager or any other person acting on behalf of our Company reserves the right to treat any Application form as invalid where they believe that Application form is incomplete or acceptance of such Application form may infringe applicable legal or regulatory requirements and we shall not be bound to allot or issue any Rights Equity Shares or Rights Entitlement in respect of any such CAF. Neither the delivery of this Letter of Offer nor any sale of Rights Equity Shares hereunder, shall, under any circumstances, create any implication that there has been no change in our Company's affairs from the date hereof or the date of such information or that the information contained herein is correct as at any time subsequent to the date of the Letter of Offer or the date of such information.

Our Company, in consultation with the Lead Manager, reserves the right to treat as invalid any Application Form which: (i) appears to our Company or its agents to have been executed in, electronically transmitted or dispatched from the United States (unless the Application Form is submitted by a U.S. QIB in the United States who is also a QP) or other jurisdictions where the offer and sale of the Equity Shares is not permitted under laws of such jurisdictions; (ii) does not include the relevant certifications set out in the Application Form, including to the effect that the person submitting and/or renouncing the Application Form is (a) both a U.S. QIB and a QP, if in the United States or a U.S. Person or (b) outside the United States and is a non-U.S. Person and in each case such person is eligible to subscribe for the Equity Shares under applicable securities laws and is complying with laws of jurisdictions applicable to such person in connection with this Issue; or (iii) where either a registered Indian address is not provided or where our Company believes acceptance of such Application Form may infringe applicable legal or regulatory requirements; and our Company shall not be bound to issue or allot any Equity Shares in respect of any such Application Form.

In addition, each purchaser of Rights Entitlements and the Rights Equity Shares will be deemed to make the representations, warranties, acknowledgments and agreements set forth in "**RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES**" beginning on page 238 of this Letter of Offer. The Rights Equity Shares are transferable only in accordance with the restrictions described in "**RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES**" beginning on page 238 of this Letter of Offer.

Investors are advised to make their independent investigations and ensure that the number of Rights Equity Shares applied for do not exceed the applicable limits under laws or regulations.

THE CONTENTS OF THIS LETTER OF OFFER SHOULD NOT BE CONSTRUED AS LEGAL, TAX, BUSINESS, FINANCIAL OR INVESTMENT ADVICE. PROSPECTIVE INVESTORS MAY BE SUBJECT TO ADVERSE FOREIGN, STATE OR LOCAL TAX OR LEGAL CONSEQUENCES AS A RESULT OF THE OFFER OF EQUITY SHARES OR RIGHTS ENTITLEMENTS. AS A RESULT, EACH INVESTOR SHOULD CONSULT ITS OWN COUNSEL, BUSINESS ADVISOR AND TAX ADVISOR AS TO THE LEGAL, BUSINESS, TAX AND RELATED MATTERS CONCERNING THE OFFER OF THE EQUITY SHARES OR RIGHTS ENTITLEMENTS. IN ADDITION, NEITHER OUR COMPANY NOR THE LEAD MANAGER OR ITS AFFILIATES ARE MAKING ANY REPRESENTATION TO ANY OFFEREE OR PURCHASER OF THE EQUITY SHARES REGARDING THE LEGALITY OF AN INVESTMENT IN THE RIGHTS ENTITLEMENTS OR THE EQUITY SHARES BY SUCH OFFEREE OR PURCHASER UNDER ANY APPLICABLE LAWS OR REGULATIONS.

NOTICE TO THE INVESTOR

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

FORWARD-LOOKING STATEMENTS

This Letter of Offer contains certain “forward-looking statements”. These forward-looking statements generally can be identified by words or phrases such as “*aim*”, “*anticipate*”, “*believe*”, “*expect*”, “*estimate*”, “*intend*”, “*objective*”, “*plan*”, “*propose*”, “*project*”, “*will*”, “*will continue*”, “*will pursue*” or other words or phrases of similar import. Similarly, statements that describe our strategies, objectives, plans or goals are also forward-looking statements. However, these are not the exclusive means of identifying forward-looking statements. All forward-looking statements are subject to risks, uncertainties, expectations and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement.

All statements contained in the Letter of Offer that are not statements of historical facts constitute “*forward-looking statements*”. All statements regarding our expected financial condition and results of operations, business, objectives, strategies, plans, goals and prospects are forward-looking statements. These forward-looking statements include statements as to our business strategy, our revenue and profitability, planned projects and other matters discussed in the Letter of Offer regarding matters that are not historical facts. These forward-looking statements and any other projections contained in the Letter of Offer (whether made by us or any third party) are predictions and involve known and unknown risks, uncertainties and other factors that may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements or other projections.

All forward-looking statements are subject to risks, uncertainties and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement. Important factors that could cause actual results to differ materially from our expectations include but are not limited to:

- Impact of epidemics and pandemics with respect to recent example of COVID-19 on our business and operations;
- General economic and business conditions in the markets in which we operate and in the local, regional, national and international economies;
- Competition from existing and new entities may adversely affect our revenues and profitability;
- Political instability or changes in the Government(s) could adversely affect economic conditions in India and consequently our business may get affected to some extent.
- Our business and financial performance is particularly based on market demand and supply of our products;
- Any downgrading of India’s debt rating by a domestic or international rating agency could have a negative impact on our business and investment returns;
- Changes in Government Policies and political situation in India may have an adverse impact on the business and operations of our Company;
- The occurrence of natural or man-made disasters could adversely affect our results of operations and financial condition.

Additional factors that could cause actual results, performance or achievements of our Company to differ materially include, but are not limited to, those discussed under “*Risk Factors*” and “*Our Business*” beginning on pages 24 and 81 respectively, of this Letter of Offer.

By their nature, market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual future gains, losses or impact on our revenue could materially differ from those that have been estimated, expressed or implied by such forward looking statements or other projections. The forward-looking statements contained in this Letter of Offer are based on the beliefs of management, as well as the assumptions made by, and information currently available to, the management of our Company. Although our Company believes that the expectations reflected in such forward-looking statements are reasonable at this time, it cannot assure investors that such expectations will prove to be correct. Given these uncertainties, Investors are cautioned not to place undue reliance on such forward-looking statements. In any event, these statements speak only as of the date of this Letter of Offer or the respective dates indicated in this Letter of Offer and neither our

Company nor the Lead Manager undertake any obligation to update or revise any of them, whether as a result of new information, future events, changes in assumptions or changes in factors affecting these forward-looking statements or otherwise. If any of these risks and uncertainties materialise, or if any of our Company's underlying assumptions prove to be incorrect, the actual results of operations or financial condition of our Company could differ materially from that described herein as anticipated, believed, estimated or expected. All subsequent forward-looking statements attributable to our Company are expressly qualified in their entirety by reference to these cautionary statements.

In accordance with the SEBI ICDR Regulations, our Company and the Lead Manager will ensure that investors are informed of material developments from the date of this Letter of Offer until the time of receipt of the listing and trading permissions from the Stock Exchanges.

PRESENTATION OF FINANCIAL, INDUSTRY AND MARKET DATA

CERTAIN CONVENTIONS

In this Letter of Offer, unless the context otherwise indicates or implies, references to ‘Company’, the ‘Company’, ‘our Company’, the ‘Issuer’ ‘we’, ‘our’ or ‘us’ are to Gyscoal Alloys Limited.

In this Letter of Offer, references to the ‘U.S.’ or the ‘United States’ are to the United States of America and its territories and possessions. All references herein to “India” are to the Republic of India and its territories and possessions and the ‘Government’ or ‘GoI’ or the ‘Central Government’ or the ‘State Government’ are to the Government of India, central or state, as applicable.

References to the singular also refer to the plural and one gender also refers to any other gender, wherever applicable. Our Company has presented certain numerical information in this Letter of Offer in “crore”, “million” and “lakh” units. One crore represents 1,00,00,000. One lakh represents 1,00,000. One million is 10 lakhs.

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

FINANCIAL DATA

Unless stated otherwise and unless context requires otherwise, the financial data in this Letter of Offer is derived from the Financial Statements. Our Fiscal commences on April 1 and ends on March 31 of the following calendar year. For details, see “*Restated Financial Statements*” on page 108 of this Letter of Offer.

The GoI has adopted the Indian accounting standards (“**Ind AS**”), which are converged with the International Financial Reporting Standards of the International Accounting Standards Board (“**IFRS**”) and notified under Section 133 of the Companies Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended (the “**Ind AS Rules**”).

The Restated Consolidated Financial Statements of our Company and its Associate, for the Financial Years ended March 2022, 2021, and 2020 prepared in accordance with Ind AS and as per Schedule III as prescribed under Section 133 of Companies Act read with the Ind AS Rules and other the relevant provisions of the Companies Act and restated in accordance with the SEBI ICDR Regulations and the Guidance Note on Reports in Company Prospectuses (revised), 2019, issued by the ICAI. The limited reviewed unaudited consolidated financial statements for the six months ended September 30, 2022, have been prepared in accordance with the Companies Act and SEBI Listing Regulations. Our Company publishes its financial statements in Rupees.

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

There are significant differences between Ind AS, US GAAP and IFRS. We have not provided a reconciliation of the financial information to IFRS or US GAAP. Our Company has not attempted to also explain those differences or quantify their impact on the financial data included in this Letter of Offer, and you are urged to consult your own advisors regarding such differences and their impact on our financial data. Accordingly, the degree to which the financial information included in this Letter of Offer will provide meaningful information is entirely dependent on the reader’s level of familiarity with Indian accounting policies and practices, Ind AS, the Companies Act and the SEBI ICDR Regulations. Any reliance by persons not familiar with these accounting principles and regulations on our financial disclosures presented in this Letter of Offer should accordingly be limited. For further information, see “*Financial Information*” on page 108 of this Letter of Offer.

Certain figures contained in this Letter of Offer, including financial information, have been subject to rounded off adjustments. All figures in decimals (including percentages) have been rounded off to one or two decimals. However, where any figures that may have been sourced from third-party industry sources are rounded off to other than two decimal points in their respective sources, such figures appear in this Letter of Offer rounded-off to such

number of decimal points as provided in such respective sources. In this Letter of Offer, (i) the sum or percentage change of certain numbers may not conform exactly to the total figure given; and (ii) the sum of the numbers in a column or row in certain tables may not conform exactly to the total figure given for that column or row. Any such discrepancies are due to rounding off.

MARKET AND INDUSTRY DATA

Aside from the above, unless stated otherwise, market, industry and demographic data used in this Letter of Offer has been obtained from market research, publicly available information, industry publications and government sources. Industry publications generally state that the information contained in such publication has been obtained from sources believed to be reliable but that the accuracy and completeness of that information are not guaranteed. Similarly, internal surveys, industry forecasts and market research, while believed to be reliable, have not been independently verified by us or the Lead Manager, and neither our Company nor the Lead Manager make any representation as to the accuracy of that information.

Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those discussed in ***“Risk Factors – Industry information included in this Letter of Offer which has been derived from an industry report not commissioned by us for such purpose”*** on page 24 of this Letter of Offer. There can be no assurance that such third party statistical, financial and other industry information is either complete or accurate. Accordingly, Investors should not place undue reliance on this information.

Non-GAAP measures

Certain non-GAAP financial measures and certain other statistical information relating to our operations and financial performance like Net Worth, return on Net Worth, Net Asset Value per Equity Share, ratio of non-current liabilities-borrowings (including current maturities of long-term borrowings) / total equity, ratio of Total Borrowings / total equity and earnings before interest, tax, depreciation and amortization have been included in this Letter of Offer. We compute and disclose such non-GAAP financial measures and such other statistical information relating to our operations and financial performance as we consider such information to be useful measures of our business and financial performance. These non-GAAP financial measures and other statistical and other information relating to our operations and financial performance may not be computed on the basis of any standard methodology that is applicable across the industry and therefore may not be comparable to financial measures and statistical information of similar nomenclature that may be computed and presented by other companies and are not measures of operating performance or liquidity defined by Ind AS and may not be comparable to similarly titled measures presented by other companies.

Currency of Presentation

Unless otherwise specified or the context otherwise requires, all references to:

- ‘INR’, ‘₹’, ‘Indian Rupees’ and ‘Rupees’ are to the legal currency of India; and
- ‘US\$’, ‘USD’, ‘\$’ and ‘U.S. Dollars’ are to the legal currency of the United States of America.

Our Company has presented certain numerical information in this Letter of Offer in “lakh” or “Lac” units. One lakh represents 1,00,000 and one million represents 1,000,000. All the numbers in the document have been presented in lakh or in whole numbers where the numbers have been too small to present in lakh. Any percentage amounts, as set forth in ***“Risk Factors”, “Our Business”, “Management’s Discussion and Analysis of Financial Conditions and Results of Operation”*** and elsewhere in this Letter of Offer, unless otherwise indicated, have been calculated based on our Restated Consolidated Financial Statements.

Exchange Rates

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

The following table sets forth, for the periods indicated, information with respect to the exchange rate between the Indian Rupee and other foreign currencies:

Currency	September 30,	March 31, 2022	March 31, 2021	March 31, 2020
	2022			
1 US \$	₹ 81.55	₹ 75.81	₹ 73.50	₹ 75.39

Source: www.fbil.org.in

Note: In the event that any of the abovementioned dates of any of the respective financial years is a public holiday, the previous calendar day not being a public holiday has been considered.

SUMMARY OF LETTER OF OFFER

The following is a general summary of certain disclosures included in this Letter of Offer and is neither exhaustive, nor does it purport to contain a summary of all the disclosures in this Letter of Offer or all details relevant to the prospective investors. This summary should be read in conjunction with, and is qualified in its entirety by, the more detailed information appearing elsewhere in this Letter of Offer, including the sections, **“Risk Factors”**, **“Objects of the Issue”**, **“Our Business”** and **“Outstanding Litigation and Defaults”** on pages 24,61,81 and 191, respectively, of this Letter of Offer.

SUMMARY OF BUSINESS

Our Company started its business with the trading of iron and steel scraps, billets, CTD Bars, TMT Bars and stainless steel long products. At present, the combined average plant capacity is 1,20,000 MT per annum to manufacture different grades of stainless-steel products such as Austenitic, Ferritic and Martensitic ranging between 200 series to 400 series.

Our long stainless-steel products include angles, bright bars, black bars, flats, hexagonal and round corner squares (RCS), channels, sections, pata-patti and rectangles in standard sizes at our manufacturing plant.

For further details, please see **“Our Business”** at page 81 of this Letter of Offer.

SUMMARY OF INDUSTRY

As of April 2022, India was the world's second-largest producer of crude steel, with an output of 10.14 MT. In FY22, the production of crude steel and finished steel stood at 133.596 MT and 120.01 MT, respectively. The growth in the Indian steel sector has been driven by the domestic availability of raw materials such as iron ore and cost-effective labour. Consequently, the steel sector has been a major contributor to India's manufacturing output.

The Indian steel industry is modern, with state-of-the-art steel mills. It has always strived for continuous modernisation of older plants and up-gradation to higher energy efficiency levels.

The Indian steel industry is classified into three categories - major producers, main producers and secondary producers.

For further details, please see to the section titled **“Our Industry”** at page 70 of this Letter of Offer.

OUR PROMOTERS

Our Promoters are Viral Mukund Shah, Manish Shah, Solanki Zankarsinh Kishorsinh, Mona Viral Shah, Giraben Solanki, General Capital Holding Company Private Limited. Manish Shah ceased to be the Promoter of the Company since quarter ended December 2014 pursuant to transmission of his Equity shares of the Company on November 29, 2014.

For details, please see to the section titled **“Our Promoters”** on page 105 of this Letter of Offer.

INTENTION AND EXTENT OF PARTICIPATION BY OUR PROMOTERS AND PROMOTER GROUP

Our Promoters and members of the Promoter Group, other than Giraben Kishorsinh Solanki and Solanki Zankarsinh Kishorsinh vide their letter dated November 15, 2022 have confirmed their intention to subscribe only to the portion of Rights Entitlement on the shareholding of the Promoters and Promoter Group, jointly and/or severally and not to renounce their Rights Entitlements except to the extent of renunciation within the Promoters and members of the Promoter Group.

Further they would not subscribe to, Additional Rights Equity Shares over and above the Rights Entitlements of the Promoter and Promoter Group including unsubscribed portion of the Issue, if any, subject to compliance with the minimum public shareholding requirements, as prescribed under the SCRR and the SEBI Listing Regulations.

The aforementioned subscription of Rights Equity Shares by our Promoters and members of the Promoter Group shall not result in a change of control of the management of our Company and shall not result in an obligation on our Promoters and members of the Promoter Group to make an open offer to the public shareholders of our Company in terms of the SEBI Takeover Regulations. Further, as on the date of this Letter of Offer, our Company

is in compliance with Regulation 38 of the SEBI Listing Regulations and will continue to comply with the minimum public shareholding requirements under applicable laws, pursuant to this Issue.

OBJECTS OF THE ISSUE

The Net Proceeds are proposed to be used in accordance with the details set forth below:

Sr. No	Objects – Description	Amount (₹ in Lakhs)
1.	Payment towards full and final settlement of outstanding loan amount of Omkara Assets Reconstruction Private Limited	1,750.00
2.	Part repayment or pre-payment of unsecured loans availed by our Company from Sampati Securities Limited, one of the Promoter Group Company	1,950.00
3.	General corporate purposes*	1027.84
	TOTAL	4727.84

*The amount is subject to adjustment upon finalization of Issue related expenses, however, in no event, shall general corporate purposes exceed 25% of the Gross Proceeds.

#Assuming full subscription in the Issue and subject to finalization of the Basis of Allotment and to be adjusted per the Rights Entitlement ratio.

For further details, see “*Objects of the Issue*” beginning on page 61 of this Letter of Offer.

SUMMARY OF RESTATED CONSOLIDATED FINANCIAL STATEMENTS

Following are the details as per the Limited Reviewed Consolidated Financial Results for six months period ended September 30, 2022 and Restated Consolidated Financial Statements as at and for the Financial Years ended on March 31, 2022, 2021 and 2020:

(₹ in lakhs)

Particulars	September 30, 2022	March 31, 2022 (Restated)	March 31, 2021 (Restated)	March 31, 2020 (Restated)
Share Capital	1582.76	1,582.76	1,582.76	1,582.76
Net Worth	(2960.43)	(3146.01)	(5014.55)	2387.61
Revenue from operations	324.85	2003.99	1258.33	6472.44
Profit after tax	98.14	(563.21)	(7,437.14)	(1,367.03)
Earnings per share	0.06	(0.35)	(4.68)	(0.86)
Net Asset Value per Equity Share	NA	NA	NA	NA
Total Borrowings	8198.42	7909.34	9265.87	7560.16

For further details, please see the section titled “*Financial Information*” on page 108 of this Letter of Offer.

SUMMARY OF OUTSTANDING LITIGATION AND DEFAULTS

A summary of outstanding litigation proceedings involving our Company, our Directors and our Promoters as on the date of this Letter of Offer is set out below:

Nature of Cases	Number of outstanding cases	Amount Involved (in ₹.)*
<i>Litigation involving our Company</i>		
Criminal proceedings against our Company	7	Not ascertainable
Criminal proceedings by our Company	13	Not ascertainable
Material civil litigation against Company	1	Not ascertainable
Material civil litigation by our Company	2	Not ascertainable

Nature of Cases	Number of outstanding cases	Amount Involved (in ₹.)*
Actions by statutory or regulatory authorities	Nil	Nil
Direct and indirect tax proceedings	14	1,91,50,471
Litigation involving our Directors		
Criminal proceedings involving our Directors	Nil	Nil
Material civil litigation involving our Directors	Nil	Nil
Actions by statutory or regulatory authorities	Nil	Nil
Direct and indirect tax proceedings	Nil	Nil
Litigation involving our Promoters#		
Criminal proceedings against our Promoters	6	Not ascertainable
Criminal proceedings by our Promoters	3	Not ascertainable
Material civil litigation involving our Promoters	2	10,50,00,000
Actions by statutory or regulatory authorities	Nil	Nil
Direct and indirect tax proceedings	3	6,60,895

*To the extent quantifiable

#Litigation disclosure from certain Promoters is not fetchable.

For details, please see section titled "**Outstanding Litigations and Defaults**" on page 191 of this Letter of Offer.

RISK FACTORS

Specific attention of the Investors is invited to the section "**Risk Factors**" on page 24 of this Letter of Offer. Investors are advised to read the risk factors carefully before taking an investment decision in the Issue.

CONTINGENT LIABILITIES OF OUR COMPANY

Following are the details as per the Limited Reviewed Consolidated Financial Statements for the six months period ended September 30, 2022, and Restated Consolidated Financial Statements as at and for the Financial Years ended on March 31, 2022, March 31, 2021, and March 31, 2020:

(₹ in lakhs)

Contingent Liabilities	September 30, 2022	March 31, 2022	March 31, 2021	March 31, 2020
Claims against the Company not acknowledged as Debt in respect of :				
• Disputed Income Tax matters	203.82	203.82	203.82	203.82
• Disputed VAT and CST matters	16199.57	16,199.57	16,199.57	15,370.22
Total	16403.39	16,403.39	16,403.39	15,574.04

For details of the contingent liabilities for the period ended March 31, 2022, March 31, 2021, and March 31, 2020, see "**Restated Financial Statements**" on page 108 of this Letter of Offer.

RELATED PARTY TRANSACTIONS

For the details of the Related Party Transactions entered into by our Company, please see “*Restated Financial Statements*” on page 108 of this Letter of Offer:

ISSUE OF EQUITY SHARES FOR CONSIDERATION OTHER THAN CASH

Our Company has not issued Equity Shares for consideration other than cash during the period of one year preceding the date of this Letter of Offer.

SPLIT OR CONSOLIDATION OF EQUITY SHARES

There has been no split or consolidation of Equity Shares in the last one year preceding the date of this Letter of Offer.

SECTION II – RISK FACTORS

An investment in our Equity Shares involves a high degree of risk. You should carefully consider each of the following risk factors and all other information set forth in this Letter of Offer, including in “Our Industry”, “Our Business”, “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and “Restated Financial Statements” on pages 70,81,166 and 108, respectively of this Letter of Offer before making an investment in our Equity Shares.

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

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

Unless specified or quantified in the relevant risk factors below, we are not in a position to quantify the financial or other implications of any of the risks described in this section. Unless the context otherwise requires, in this section, reference to “we”, “us” “our” refers to our Company. For updates in relation to financial and operational performance as at September 30, 2022 and as of and for the period ended March 31, 2022, March 31, 2021 and March 31, 2020, see “Management Discussion and Analysis Condition and Results of Operation” beginning on page 166 of this Letter of Offer.

INTERNAL RISK FACTORS:

- 1. We are required to obtain and maintain certain governmental and regulatory licenses and permits and the failure to obtain and maintain such licenses and permits in a timely manner, or at all, may adversely affect our business and operations.***

We are required to obtain and maintain certain approvals, licenses, registrations and permits in connection with our business and operations. There can be no assurance that we will be able to obtain and maintain such approvals, licenses, registrations and permits in the future. An inability to obtain or maintain such registrations and licenses in a timely manner, or at all, and comply with the prescribed conditions in connection therewith may adversely affect our ability to carry on our business and operations, and consequently our results of operations and financial condition. Any failure by our Company to renew, maintain or obtain such material permits or approvals or comply with conditions thereof may lead to imposition of penalties, or result in the interruption of our operations, suspension and revocation or permits and licenses, which may and may have a material adverse effect on our business and operations, financial condition and results of operations. For instance, our Company had made an application to renew the Consolidated Consents and Authorisation (CCA) before the GPCB on August 11, 2021. However, the application was rejected pursuant to a change in policy where the Company has to mandatorily obtain Environment Clearance, a condition precedent before making application. Our Company has made an application bearing number SIA/GJ/IND1/402091/2022 on October 02, 2022 to the State Environment Impact Assessment Authority, Gujarat to obtain environment clearance and CCA which is pending for approval before the respective authorities. There is no assurance that the Government may not implement

new regulations which will require us to obtain approvals and licenses from the Government and other regulatory bodies or impose onerous requirements and conditions on our operations.

2. *Our arrangement with Omkara Asset Reconstruction Private Limited contain restrictive covenants for certain activities and if we are unable to get their approval will impact the financial condition of our Company.*

Our Company has availed certain borrowings from various lenders, including UCO Bank. The outstanding amount towards UCO Bank as on September 30, 2017 was ₹ 4672.19 Lakhs. Our Company has defaulted towards repayments of its borrowings and accordingly, the account of the Company was classified as NPA by its lenders. Consequently, UCO Bank assigned its outstanding loan amount of ₹ 3579.75 Lakhs (excluding interest) to Omkara Assets Reconstruction Private Limited “(Omkara)”, under a Deed of Assignment dated October 12, 2017.

Upon such assignment of the aforesaid loan amount, the board of directors of our Company has acknowledged the assignment in their meeting held on February 12, 2018. Pursuant to such acknowledgement our Company has paid an amount of ₹ 75.00 Lakhs as advance to Omkara. Accordingly, our Company has accounted the loan outstanding of ₹ 4672.19 Lakhs as payable to Omkara.

Subsequently, our Company entered into a One Time Settlement (“OTS”) arrangement with Omkara on May 20, 2022 whereby the Company agreed to pay a lump sum amount of ₹ 1775 Lakhs towards the full and final settlement amount against the outstanding dues of ₹ 4672.19 Lakhs. As per the terms of the OTS the Company paid an amount of ₹ 25 Lakhs (in tranches) in the month of June 2022 and the balance amount of ₹ 1750.00 Lakhs was to be paid on or before September 25, 2022.

Our Company has initiated process to raise additional capital through rights issue process vide resolution of its board of directors on August 12, 2021. Our Company also sought an NOC from Omkara to proceed with the rights issue.

In case the Issue is not successful and our Company is unable to honour the repayment schedule, it may adversely impact our profitability, business, reputation, financial condition, results of operations, cash flows and future prospects.

3. *The demand and pricing in the steel industry is volatile and are sensitive to the cyclical nature of the industries it serves. A decrease in steel prices may have a material adverse effect on our business, results of operations, prospects and financial condition.*

Steel prices fluctuate based on a number of factors, such as, the availability and cost of raw material inputs, fluctuations in domestic and international demand and supply of steel and steel products, international production and capacity, fluctuation in the volume of steel imports, transportation costs, protective trade measures and various social and political factors, in the economies in which the steel producers sell their products and are sensitive to the trends of particular industries, such as, the construction and machinery industries. When downturns occur in these economies or sectors, we may experience decreased demand for our products, which may lead to a decrease in steel and steel product prices, which may, in turn, have a material adverse effect on our business, results of operations, financial condition and prospects.

Low steel prices adversely affect the businesses and results of operations of steel product producers generally, including ours, resulting in lower revenue and margins and write-downs of products and raw material inventories. In addition, the volatility, length and nature of business cycles affecting the steel and steel products industry have become increasingly unpredictable, and the recurrence of another major downturn in the industry may have a material adverse impact on our business, results of operations, financial condition and prospects. In addition, substantial decreases in steel and steel product prices during periods of economic weakness have not always been balanced by commensurate price increases during periods of economic strength. Any sustained price recovery will require a broad economic recovery, in order to underpin an increase in real demand for steel and steel products by end users.

4. ***The steel and steel products industry is characterized by volatility in the prices of raw materials and energy which could adversely affect our profitability.***

Steel and steel products production requires substantial amounts of raw materials and energy, including iron ore, iron ore fines, sponge iron, scrap and power, which are subject to significant price volatility. The production of steel and steel products is capital intensive, with a high proportion of fixed costs to total costs. The proportion of fixed costs to total costs in our total production for six months period ended September 30, 2022 and for Fiscal 2022, Fiscal 2021 and Fiscal 2020 is 60%, 65%, 60% and 55%, respectively. Consequently, steel products producers generally seek to maintain high capacity utilization. If capacity exceeds demand, there is a tendency for prices to fall sharply, if supply is largely maintained. Conversely, expansion of capacity requires long lead times so that, if demand grows strongly, prices increase rapidly, as unutilized capacity cannot be brought on line as quickly. The result can be substantial price volatility.

We may be negatively affected by significant price volatility, particularly in the event of excess production capacity in the global steel market and incur operating losses as a result.

5. ***We have a track record of reporting losses, and we may not achieve profitability in the future. In addition, our statutory auditors have drawn attention to material uncertainty about our Company's ability to continue as a going concern and our Company's ability to generate adequate cash flows to support its operations.***

We announced a profit before exceptional items and tax of ₹116.39 Lakhs for the six months period ended September 30, 2022. We incurred a loss before exceptional items and tax of ₹(1086.21) Lakhs in Fiscal 2022, ₹(9235.88) Lakhs in Fiscal 2021 and ₹(1565.88) Lakhs in Fiscal 2020 which was largely due to non-recovery of fixed cost which in turn were primarily due to underutilization of our manufacturing capacity. Our utilization of our manufacturing facility is only 7.90% to our installed capacity of induction melting furnace as on March 31, 2022. As a result, and on account of earlier accumulated losses, as at September 30, 2022, we had a negative net worth of ₹2960.69 Lakhs.

Any failure to increase our revenue from operation at sufficient levels to match our expenses could adversely affect our profitability or our ability to maintain positive cash flow on a consistent basis. If we are unable to successfully address these risks and challenges as we encounter them, our business, cash flows, financial condition and results of operations could be adversely affected. If we are unable to generate adequate revenue growth and manage our expenses and cash flows, we may continue to incur significant losses in the future. In the event we continue to incur losses, our results of operations and financial conditions will continue to be materially and adversely affected. Further, our failure to generate profits may adversely affect the market price of our Equity Shares, restrict our ability to pay dividends and impair our ability to raise capital and expand our business. For further details, see ***“Restated Financial Statements”*** on page 108 of this Letter of Offer.

Further, in accordance with the OTS arrangement Omkara, our Company is required to repay ₹1750.00 Lakhs on or before September 25, 2022. Our Company vide their email dated October 10, 2022 has requested Omkara to extend the repayment schedule till the completion of the proposed rights issue. Omkara has accepted the request to extend the repayment schedule till January 15, 2022. For, details, see ***“Management's Discussion and Analysis of Financial Condition and Results of Operations—Financial Indebtedness—Key terms of the Agreement”*** on page 166 of this Letter of Offer. The acceptance of the request made by our Company to Omkara is totally upon the discretion of Omkara. In case the Issue is unsuccessful, Omkara may initiate any legal actions, including but not limited to making and application for insolvency and bankruptcy or winding up of our Company or may initiate action under SARFAESI, it may cast a shadow of uncertainty on the existence of our Company as a going concern.

Further, as a result of the impact of non-payment within the stipulated timelines and non-adherence to the terms and conditions, the Statutory Auditors of our Company have, in their limited review report for the six

months period ended September 30, 2022, drawn attention to a material uncertainty about our ability to continue as a going concern. For details, see “*Restated Financial Statements*” on page 108 of this Letter of Offer.

6. We have reported negative cash flows.

Our Company has experienced negative net cash flow in operating and financing activities in the past, the details of which are set out below:

(₹ In Lakhs)

Particulars	March 31, 2022	March 31, 2021	March 31, 2020
Net Cash Flows from Operating Activities	(2,132.79)	(1,122.83)	404.91
Net Cash Flows from Investing Activities	11.52	8.02	0.70
Net Cash Flows from Financing Activities	2,138.59	1,095.31	(402.49)
Net Increase/(Decrease) in cash and cash equivalents	17.30	(19.52)	3.11

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

7. Our Company, some of our Directors and our Promoters are involved in legal and other proceedings.

As on the date of this Letter of Offer, our Company, our Promoters and Directors, are involved in certain proceedings pending before various courts, tribunals and authorities in India. The amounts claimed in these proceedings have been disclosed to the extent ascertainable and quantifiable. We cannot provide any assurance that these legal proceedings will be decided in our favour. Any adverse decision may have a significant effect on our business including the financial condition of our Company. We cannot assure you that the results of such legal proceedings will not materially harm our business, reputation or standing in the marketplace or that we will be able to recover any losses incurred on account of third parties, regardless of whether we are at fault.

A summary of outstanding litigation proceedings involving our Company, our Directors and our Promoters as on the date of this Letter of Offer is set out below:

Nature of Cases	Number of outstanding cases	Amount Involved (in ₹.)*
Litigation involving our Company		
Criminal proceedings against our Company	7	Not ascertainable
Criminal proceedings by our Company	13	Not ascertainable
Material civil litigation against Company	1	Not ascertainable
Material civil litigation by our Company	2	Not ascertainable
Actions by statutory or regulatory authorities	Nil	Nil
Direct and indirect tax proceedings	14	1,91,50,471
Litigation involving our Directors		
Criminal proceedings involving our Directors	Nil	Nil
Material civil litigation involving our Directors	Nil	Nil
Actions by statutory or regulatory authorities	Nil	Nil
Direct and indirect tax proceedings	Nil	Nil
Litigation involving our Promoters#		
Criminal proceedings against our Promoters	6	Not ascertainable

Nature of Cases	Number of outstanding cases	Amount Involved (in ₹.)*
Criminal proceedings by our Promoters	3	Not ascertainable
Material civil litigation involving our Promoters	2	10,50,00,000
Actions by statutory or regulatory authorities	Nil	Nil
Direct and indirect tax proceedings	3	6,60,895

*To the extent quantifiable

#Litigation disclosure from certain Promoters is not available.

We have not received details of any litigation pertaining to our Promoters Solanki Zankarsinh Kishorsinh and Giraben Kishorsinh Solanki and thus we cannot assure you that there are no outstanding litigations involving these Promoters.

For details, please see to section titled "**Outstanding Litigations and Defaults**" on page 191 of this Letter of Offer.

8. **We have, in the past, defaulted repayment of certain debt and interest upon such debt facilities which resulted the bank accounts of the Company being declared as non-performing assets for a certain period of time.**

We had entered into loan agreements, with various lenders for availing financing facilities. There have been, in the past, breaches of covenants under the loan agreements including breaches of repayments schedules, financial covenants and certain other requirements under such financing agreements, which have resulted all the banks accounts of the Company being declared as non-performing assets for a certain period of time.

The details of our past defaults which is mentioned are set out below:-

Sr. No.	Name of the Bank	Date of Action / Event	Particulars of the action / event	Defaulted principal and interest amount outstanding (₹ In Lakhs)	Current Status
1.	State Bank of India Stressed Assets Management Branch 2nd Floor, Opp V.S. Hospital, Ellisbridge, Ahmedabad. Cash Credit A/c No. 61137449344	28/01/2016	These Accounts classified by bank as NPA, interest on the same is not charged by the bank in the said accounts	4898.39	Our Company has also entered in to One Time Settlement (OTS) with State bank of India ("SBI"). As per the said OTS the entire outstanding dues have been settled for the payment of ₹1355.30 lakhs towards full and final settlement against the total liability (Principal and Interest as per the books of the Company) of Rs 4898.39 lakhs resulting in to the waiver of liability (Principal and
2.	State Bank of India Stressed Assets Management Branch 2nd Floor, Opp V.S. Hospital, Ellisbridge, Ahmedabad Cash	28/07/2015	These Accounts classified by bank as NPA, interest on the same is not charged by the bank in the said accounts		

Sr. No.	Name of the Bank	Date of Action / Event	Particulars of the action / event	Defaulted principal and interest amount outstanding (₹ In Lakhs)	Current Status
	Credit A/c No. 65084267769				Interest) amounting to ₹ 3543.09 lakhs. SBI has issued a No Due Certificate on 23-07-2021
3.	UCO Bank Ashram Road Branch, Ahmedabad Cash Credit A/c No. 19980500007002	May-16	These Accounts classified by bank as NPA, interest on the same is not charged by the bank in the said accounts	4516.61	The outstanding debts of UCO Bank have been assigned to M/s Omkara Assets Reconstruction Private Limited (“Omkara ARC”) on 13.10.2017.
4.	UCO Bank Kukarvada Branch, Kukarvada Cash Credit A/c No. 28390510000137	May-16	These Accounts classified by bank as NPA, interest on the same is not charged by the bank in the said accounts	155.58	As per the OTS arrangement, the Company has to pay a balance amount of ₹ 1750.00 Lakhs

Our Company entered into a One Time Settlement (“OTS”) arrangement on May 20, 2022 whereby the Company agreed to pay a lump sum amount of ₹ 1775.00 Lakhs towards the full and final settlement amount against the outstanding dues of ₹ 4672.19 Lakhs. As per the terms of the OTS the Company paid the amount of ₹ 25 Lakhs (in tranches) in the month of June 2022.

In accordance with the OTS arrangement with Omkara, our Company was required to repay the balance ₹1750.00 Lakhs on or before September 25, 2022. Our Company vide their email dated October 10, 2022 has requested Omkara to extend the repayment schedule till the completion of the proposed rights issue. Omkara has accepted the request to extend the repayment schedule till January 15, 2022. If our Rights Issue failed, Omkara may initiate any legal actions, including but not limited to making and application for insolvency and bankruptcy or winding up of our Company or may initiate action under SARFAESI, it may cast a shadow of uncertainty on the existence of our Company as a going concern.

9. *The impact of the COVID-19 pandemic on our business and operations is uncertain and cannot be predicted.*

The COVID-19 pandemic has had, and may continue to have, a material adverse impact on our business and results of operations. In March 2020, the World Health Organization designated COVID-19 as a pandemic, and numerous countries, including India and the United States (the countries where our Company has its manufacturing facilities), declared national emergencies in response to the COVID-19 pandemic. The global impact of the COVID-19 pandemic continues, with many countries, including the countries where we have our business operations, instituting quarantines and restrictions on travel, operations with reduced workforce, closing financial markets and/or restricting trading, and limiting the operations of non-essential businesses.

In response to the COVID-19 pandemic, the Government of India (“GoI”) imposed a nationwide 21 day lockdown on March 24, 2020 from March 25, 2020 until April 14, 2020, which was subsequently extended

until May 31, 2020. Further, from March 2021, there has been a substantial increase in the number of COVID-19 cases in India, which led to additional lockdowns and movement restrictions in different places in India. Further, as a result of the detection of new strains, evolving variants such as the ‘Omicron variant’ and subsequent waves of COVID19 infections throughout the world, we may be subject to further lockdowns or other restrictions in the subsequent years, which may adversely affect our business operations.

Our operations had slowed down during 2020 and 2021. We have almost resumed to full normalcy with requisite precautions in 2022. Any intensification of the COVID-19 pandemic or any future outbreak of another highly infectious or contagious disease may adversely affect our business, results of operations and financial condition.

10. *Our Company is dependent on few customers for its products. The loss of one or more significant customers for any reason may have an adverse effect on our results of operations.*

Our Company is largely dependent on few customers, as the top ten customers constitute around 77.29%, 88.31% and 85.51% of the total revenue from operations for the Fiscal 2022, Fiscal 2021 and Fiscal 2020, respectively. Any decline in our quality standards, growing competition and any change in the demand, may adversely affect our ability to retain them. We cannot assure that we may continue to generate the same quantum of business, or any business at all from such customers, and the loss of business from one or more of such customers may adversely affect our revenues and results of operations. However, the composition and revenue generated from these customers might change as we continue to add new customers in the normal course of our business. Though we believe that we will not face substantial challenges in maintaining our business relationship with them or finding new customers, there can be no assurance that we will be able to maintain long term relationships with such customers or find new customers in time.

11. *Our Company is dependent on certain suppliers for purchase of product. Loss of any of these large suppliers may affect our business operations.*

Our Company is largely dependent on certain suppliers, as the top ten suppliers of our Company constitute around 64.39%, 66.69% and 57.79% of the total purchases for the Fiscal 2022, Fiscal 2021 and Fiscal 2020 respectively. We cannot assure that we will be able to procure the same quantum and quality of supplies, or any supplies at all, and the loss of supplies from one or more of them may adversely affect our purchases of stock and ultimately our revenue and results of operations. However, the composition and amount of purchase from these suppliers might change as we continue seek new suppliers for our product for better quality and price in the normal course of business. Though we believe that we will not face substantial challenges in maintaining our business relationship with them or finding new suppliers, there can be no assurance that we will be able to maintain long term relationships with such suppliers or find new suppliers in time.

12. *Our manufacturing operations involves hazardous process that can cause personal injury and loss of life, severe damage to and destruction of property and equipment and environmental damage, as a result of which we could suffer material liabilities, loss of revenues and increased expenses.*

Our manufacturing operations are subject to various risks associated with the inherently hazardous production of steel. Our workers are required to work under hazardous circumstances, and environment as a significant portion of our business involves melting of iron ores in the rotary kilns. Hazards associated with our steel-making operations include accidents involving moving machinery, on-site transport, forklifts and overhead cranes; explosions, and resulting fires, fires in control rooms, electrical switch rooms, cable tunnels and vaults, transformers and lubricating oil rooms; fires caused by contact of molten metal in induction furnaces; spills and spattering of molten materials; extreme temperatures, vibration and noise; and exposure to, through inhalation or contact with, hazardous chemicals including ammonia, asbestos, carbon monoxide and various dusts such as coal dust and silica. These hazards may cause severe damage to and destruction of property and equipment, environmental damage and personal injury or even fatalities among our personnel. Any of these may result in temporary or lengthy interruptions of operations, damage to our business reputation and corporate image and the imposition of civil and criminal liabilities, the outcome of which is difficult to assess or quantify, and the cost to defend such litigation could be significant.

Our employees, members of the public or government authorities may bring claims against us arising out of these hazardous production processes. In the event that it is determined by the appropriate authorities that provisions and measures for safety within our premises are inadequate, the licenses granted to us for operations at such premises may be revoked, thereby adversely affecting our business and results of operations. We cannot assure you that we shall not be subject to legal proceedings or liabilities pursuant to any accident occur, in the future. Such events may also adversely affect public perception of our business and the perception of our suppliers, customers and employees, leading to an adverse effect on our business. Interruptions in production may also increase our costs and reduce our sales, and may require us to make substantial capital expenditures to remedy the situation or to defend litigation that we may become involved in as a result, which may negatively affect our profitability, business, reputation, financial condition, results of operations, cash flows and prospects.

- 13. *Our Company has availed unsecured loan from our Promoter, Group Company and others which is repayable on demand. Any demand from the lender for repayment of such unsecured loan may affect our cash flow and financial condition.***

As on September 30, 2022, our Company has outstanding unsecured loans of ₹ 4395.12 Lakhs which are repayable on demand. Sudden recall may disrupt our operations and also may compel us to seek for funding at higher interest rates, resulting in higher financial burden. Further, we may not be able to raise funds at a short notice which may result in shortage of working capital fund. For further details, please see to the section “**Unsecured Loans**” under “**Restated Financial Statements**” beginning on page no.108 of this Letter of Offer. Any demand for the repayment of such unsecured loan, may adversely affect our cash flow and financial condition.

- 14. *Other ventures of our Promoters are engaged in a similar line of business and conflict of interest cannot be ruled out which may have adverse effect on our operations and financial conditions.***

One of our group companies i.e. Gyscoal Enterprise Private Limited, is engaged in the business of trading of iron & steel products a business which may also be undertaken by our Company and there is no assurance that Gyscoal Enterprise Private Limited will not compete with us. This could lead to a potential conflict of interest for us and could adversely affect our results of operations and financial condition. In addition, our Promoters’ may dedicate their time and resources to such ventures promoted by them which may distract or dilute management attention from our business and thus could adversely affect our results of operations and financial condition.

Further, we cannot assure you that our Promoters or Directors will not undertake or acquire interests in competing ventures in the locations or segments in which we operate. Although our Company endeavors to adopt necessary procedures and policies to prevent any potential conflicts of interest, we cannot assure you that this will not have an adverse effect on our business, financial condition, results of operations, cash flows and prospects or may potentially involve any conflict of interest.

- 15. *We appoint contract labour for carrying out certain of our operations and we may be held responsible for paying the wages to such workers, if the independent contractors through whom such workers were engaged default on their obligations, and such obligations could have an adverse effect on our results of operations, cash flows and financial condition.***

We engage independent contractors as and when needed, through whom we engage contract labourers to carry out certain functions at our manufacturing facility for the performance of non-core tasks. Although we do not engage such labourers directly, we may be held responsible for any wage and statutory payments to be made to such labourers in the event of default by such independent contractors. Any obligation to fund such wage requirements may have an adverse impact on our results of operations and our financial conditions and may expose us to litigations, sanctions, penalties or losses arising from accidents or damages caused.

As on the date of this Letter of Offer, our Company is not registered under Contract Labour (Regulation and Abolition) Act, 1970. The Company may be liable to incur any liability financial or otherwise, if any, of

whatsoever nature for the period of non-registration under the Contract Labour (Regulation and Abolition) Act, 1970. As on date there is no such liability financial or otherwise payable by the Company.

16. *Our Company at times outsources manufacturing of its product to third parties which may compromise the quality and durability of our products.*

Our Company at times outsources manufacturing of its product to third parties which may expose us to compromised quality and durability of such products leading to rejection of our products and resulting in financial losses and loss of customers. We may not be able to deliver the requisite quality of products to our customers which in turn would affect the credibility, profitability and cash flows of our Company.

Further any disruption in the services of such third parties due to strikes, lock-outs, delivery management systems, inadequacies, delay of service due occurrence of accidents or other unforeseen events could impair ability to deliver our products to our customers on time. Any such disruptions could materially and adversely affect our Company's reputation, business and results of operations.

17. *We are subject to risks associated with rejection of supplied products, and consequential claims and associated product liability costs due to defects in our products, which could generate adverse publicity or adversely affect our business, results of operations or financial condition.*

We produce various products of stainless steel such as Angles, Bright Bars, Black Bars, Flats, Hexagonal and Round Corner Squares (RCS), channels, sections, pata-patti and rectangles in standard sizes. Our products have end use applications in various industries such as architecture and construction, automotive and transportation, pharmaceutical and allied industries, energy and heavy industries, food and catering. The products that we produce are subject to risks such as contamination, and product tampering during their production, transportation or storage. Defects, if any, in our products could lead to rejection of supplied products and consequential financial claims. We face the risk of loss resulting from, and the adverse publicity associated with, product liability lawsuits, whether or not such claims are valid. For instance, during the six months period ended September 30, 2022 sales rejection amounted to ₹ 54.87 Lakhs. We may also be subject to claims resulting from manufacturing defects or negligence in storage or handling, which may lead to the deterioration of our products, or from defects arising from deterioration in our quality controls.

Further, while we seek to conform our products to meet a variety of specifications and regulatory requirements, there can be no assurance that product liability claims against us will not arise, whether due to defects, or other causes. Product liability claims, regardless of their merits or the ultimate success of the defence against them, are expensive. Even unsuccessful product liability claims would likely require us to incur substantial amounts on litigation, divert our management's time, adversely affect our goodwill and impair the marketability of our products. Further, there may be instances where our Company is unable to meet the timelines for delivery of the products to its customer. Any such time overrun may result in termination of the arrangement, price negotiations and reputational harm, which may have an adverse impact on our business and financial position.

18. *Obsolescence, destruction, theft, breakdowns of our major plants or machineries or failures to repair or maintain the same may affect our business, cash flows, financial condition and results of operations.*

Obsolescence, destruction, theft or breakdowns of our major plants or machineries may increase our machineries purchase cost and the depreciation of our plants and machineries, as well as change the way our management estimates the useful life of our plants and machineries. In such cases, we may not be able to acquire new plants or machineries or repair the damaged plants or machineries in time or at all, particularly where our plants or machineries are not readily available from the market or require services from original machinery manufacturers. Some of our major machineries or parts may be costly to replace or repair. We may experience significant price increases due to supply shortages, inflation, transportation difficulties or unavailability. For instances in March 2022, there was a major breakdown in the machineries which disrupted the production cycle and, accordingly the Company could not continue its production for

the month of March'2022 and April'2022. For, further details of our Plant and Machineries, please see to section titled "***Our Business***" beginning on page 81 of this Letter of Offer.

- 19. *Our success depends upon our senior management team and skilled personnel and our ability to attract and retain such persons. Any failure to attract and retain such personnel could have an adverse impact on our business, financial conditions and result of operations.***

We are highly dependent on our executive directors, our senior management, and our other key managerial personnel for our business. Attracting and retaining talented professionals is key to our business growth. Our business model is reliant on the efforts and initiatives of our senior level management and our key managerial personnel. If one or more members of our senior management team were to leave their present positions, it may be difficult to find adequate replacements and our business could be adversely affected. In this regard, we cannot assure you that we will be able to retain our skilled senior management or managerial personnel or continue to attract new talents in the future. Failure to effectively manage labour or failure to ensure availability of sufficient labour could also affect the business operations of the Company.

- 20. *We face substantial competition in the steel industry, both from Indian and international companies, which may affect our revenues in case we are not able to retain our existing customers and procure new customers.***

We face significant competition from existing organized and unorganized players and anticipate further competition from potential entrants in the Indian steel industry. We have recently forayed into the international steel market where we face competition from established global players. Further, we face significant competition from large vertically integrated and diversified companies in the steel industry. Some of our Indian and international competitors are larger than us and may have greater financial resources. The current high demand and prospects for steel manufacturing businesses could lead to other companies increasing their production capacity in these segments. Some existing and new players may already be in the process of expanding capacity or setting up plants in the country. This could result in excess capacity in the market.

- 21. *The production of long stainless steel product is capital intensive, with long gestation periods.***

The production of long stainless steel product is capital intensive, with a high proportion of investment in fixed assets such as land, plant and machinery. If total capacity in the industry exceeds demand, there is a tendency for prices to fall sharply if there is ample supply. Conversely, if demand grows strongly, prices increase rapidly, as unutilized capacity cannot be brought on line as quickly. While we have taken steps to reduce operating costs, we may be negatively affected by significant price volatility, particularly in the event of excess production capacity in the global steel market and incur operating losses as a result.

- 22. *Any disruption in our manufacturing facility located at Plot No. 2/3/14/15/16/17/18/1A/1 GIDC Ubkhal, Kukarwada, Tal. Vijapur, Dist. Mehsana Kukarwada – 382830, Mahesana, Gujarat- 382830 India could hamper or delay our ability to continue production and servicing.***

We manufacture our products from our manufacturing facility situated at Plot No. 2/3/14/15/16/17/18/1A/1 GIDC Ubkhal, Kukarwada, Tal. Vijapur, Dist. Mehsana Kukarwada – 382830, Mahesana, Gujarat- 382830. Any disruption in the operations due to supply of power, fire outages, industrial accidents or any disruption at our manufacturing facility could hamper or delay our ability to continue production. Any disruption or suspension in the production process in this facility can significantly impact our ability to service customer needs and relation with our customers and have a material adverse effect on our business, revenues, reputation, results of operation and financial condition. For instances in March 2022, there was a major breakdown in the machineries which disrupted the production cycle and, accordingly the Company could not continue its production for the month of March'2022 and April'2022. Further, the main induction furnace post maintenance was restarted in July'2022 which resulted in lowering down the production capacity and subsequently operational losses.

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

We may encounter problems in executing the orders in relation to our products, or executing it on a timely basis. Moreover, factors beyond our control or the control of our customers, including delays or failure to obtain necessary permits, authorizations, permissions and other types of difficulties or obstructions, may result in the postponement of the delivery of products or cause its cancellation. Further, since we do not execute contracts with our customers, the order could be cancelled or there could be changes in scope and / or scheduled delivery of the products. Accordingly, it is difficult to predict with certainty if, when, and to what extent we may be able to deliver the orders placed. Failure to deliver products on time could lead to customers delaying or refusing to pay the amount, in part or full, which may adversely affect our business.

In addition, even where a delivery proceeds as scheduled, it is possible that the contracting parties may default or otherwise fail to pay amounts owed. While we have not yet experienced any material delay, reduction in scope, cancellation, execution difficulty, delay or default in payment with regard to the orders placed with us, or any material disputes with customers in respect of any of the foregoing, any such adverse event in the future could materially harm our cash flow position and income. Any delay, modification, cancellation of order by our large customers may have material adverse effect on our financial condition and results of operations.

24. ***The Company may not be fully insured for business losses, which the Company might incur.***

Pursuant to Assignment Agreement dated October 13, 2017, the plant and machinery, office premises and factory premises of our Company have been assigned to Omkara. Therefore, our Company has not procured any insurance coverage over the plant and machinery, office premises and factory premises. Such lack of insurance coverage could have a material adverse effect on our business, financial condition, results of operations and prospects.

25. ***The Company has in the past entered into related party transactions and may continue to do so in the future.***

In past, our Company has entered into transactions with its Promoter, certain Directors, Key Managerial Personnel & Promoter Group entities. There can be no assurance that such transaction were entered on arm's length basis and our Company could not have achieved more favourable terms had such transactions been entered into with third parties. Furthermore, it is likely that the Company will enter into related party transactions in the future. There can be no assurance that such transactions, individually or in the aggregate, will not have an adverse effect on the Company's financial condition and results of operations. For further information on the common pursuits and our transactions with the Promoter, certain directors and Promoter Group entities, please see "***Restated Financial Statements - Details of related party transaction***" on page 108 of this Letter of Offer.

26. ***There is no monitoring agency appointed by our Company and the deployment of funds are at the discretion of our management and our Board of Directors, though it shall be monitored by the Audit Committee.***

As per SEBI (ICDR) Regulations, 2018 appointment of monitoring agency is required only for Issue size above ₹ 10,000 Lakhs. Hence, we have not appointed a monitoring agency to monitor the utilization of Issue proceeds. However, the audit committee of our Board will monitor the utilization of Issue proceeds. Further, our Company shall inform about material deviations in the utilization of Issue proceeds to the Stock Exchange and shall also simultaneously make the material deviations / adverse comments of the audit committee public. Our funding requirements and the proposed deployment of Net Proceeds have not been appraised by a public financial institution or a scheduled commercial bank and our management will have broad discretion over utilization of the Net Proceeds.

27. ***We do not own any of our immovable properties that we use. Disruption of our rights as licensee/ lessee or termination of the agreements with our licensors/ lessors would adversely impact our manufacturing operations and, consequently, our business.***

As on the date of this Letter of Offer, our manufacturing plants and our registered office from where we operate, is on lease from third parties. For details, please see the section titled “***Our Business- Our Immovable Properties***” on page 81 this Letter of Offer.

There is no assurance that our Company will be able to renew the lease agreements or deeds entered into with third parties in a timely manner or at all. Further, there is no assurance that we will not face any disruption of our rights as a lessee/ licensee and that such lease and license and lease agreements will not be terminated prematurely by the licensor/lessor. Any such non-renewal or early termination or any disruption of our rights as lessee / licensee might adversely affect our business operations.

28. ***We are dependent on third party transportation providers for the delivery of our products to our customers. Accordingly, continuing increases in transportation costs or unavailability of transportation services for our products, as well the extent and reliability of Indian infrastructure may have an adverse effect on our business, financial condition, results of operations and prospects***

We rely substantially on third party transportation providers for the supply of our products to our customers. transportation strikes / non-availability of transportation could have an adverse effect on our ability to deliver the same to our customers. In addition, transportation costs in India have been steadily increasing over the past several years. While usually the end consumer bears the freight cost, we may not always be able to pass on these costs to our customers. Continuing increases in transportation costs or unavailability of transportation services for our products may have an adverse effect on our business, financial condition, results of operations and prospects.

In addition, India’s physical infrastructure is less developed than that of many developed nations, and problems with its port, rail and road networks, electricity grid, communication systems or any other public facility could disrupt our normal business activity, including delivery of our products to customers by third-party transportation providers. Any deterioration of India’s physical infrastructure would harm the national economy, disrupt the transportation of goods and supplies, and add costs to doing business in India. These problems could interrupt our business operations, which could have a material adverse effect on our results of operations and financial condition.

29. ***The Net Proceeds will be utilized towards repayment or prepayment of loans availed by our Company and accordingly, the utilization of the Net Proceeds will not result in creation of any tangible assets.***

Our Company proposes to utilize the Net Proceeds towards repaying certain secured and unsecured loans availed by our Company from (i) our member of our Promoter Group, Sampati Securities Limited and (ii) Omkara. The details of the loans identified to be repaid or prepaid using the Net Proceeds by our Company have been disclosed in the section titled “***Objects of the Issue***” on page 61 of this Letter of Offer. While we believe that utilization of Net Proceeds for repayment of secured and unsecured loans would help us to reduce our cost of debt and enable the utilization of our funds for further investment in business growth and expansion, the pre-payment of loans will not result in the creation of any tangible assets for our Company. Further, a major portion of the Net Proceeds shall be utilized towards repayment of loans availed by above-mentioned parties and therefore to such extent, our Company will not be able to access and utilize the Net Proceeds and accordingly, there will not be a direct cash flow against such objects in our Company.

30. ***If we do not continue to invest in new technologies and equipment, our technologies and equipment may become obsolete and our cost of processing may increase relative to our competitors, which may have an adverse impact on our business, results of operations and financial condition.***

We believe that going forward, our profitability and competitiveness will depend in large part on our ability to maintain low cost of operations, including our ability to process and supply sufficient quantities of our products as per the agreed specifications. If we are unable to respond or adapt to changing trends and standards in technologies and equipment, or otherwise adapt our technologies and equipment to changes in market conditions or requirements, in a timely manner and at a reasonable cost, we may not be able to compete effectively and our business, financial condition and results of operations may be adversely affected.

31. *As the securities of our Company are listed on Stock Exchanges in India, our Company is subject to certain obligations and reporting requirements under the SEBI Listing Regulations.*

Any non-compliances/delay in complying with such obligations and reporting requirements may render us liable to prosecution and/or penalties. The Equity Shares of our Company are listed on BSE and NSE Limited, therefore we are subject to the obligations and reporting requirements prescribed under the SEBI Listing Regulations. There have been instances in the recent past wherein, our Company has failed to comply with the requirements of the SEBI Listing Regulations in a timely manner.

For instance, our Company has delayed in filing disclosure under Regulation 23(9) of SEBI Listing Regulation and the penalty levied by the BSE Limited was paid. Some of our Promoters have also indulged in contra trade in violation of SEBI(PIT) Regulation and for which punitive action may be initiated by regulatory Authorities against such Promoters.

Our Company endeavours to comply with all obligations/reporting requirements under various regulations framed by SEBI and/or Stock Exchanges. However, there may have been instances of non-disclosures/delayed/ erroneous disclosures and/or any other violations committed by us, and the same may result in imposition of penalties and other regulatory actions against our Company and/or persons in default by SEBI and/or Stock Exchanges. Any such adverse regulatory action or development could affect our business reputation, divert management attention, and result in a material adverse effect on our business prospects and financial performance and on the trading price of the Equity Shares.

32. *Our Statutory Auditor have included certain Qualifications and Emphasis of Matter in the Restated Financial Statements.*

Our Statutory Auditor have included certain Qualifications and Emphasis of Matter in the restated financial statements. For, details please see to “**Restated Financial Statements**” on page 108 of this Letter of Offer. There can be no assurance that any similar qualification or remarks will not form part of our financial statements for the future fiscal periods, or that such remarks will not affect our financial results in future fiscal periods. Investors should consider the remarks and observations in evaluating our financial condition, results of operations and cash flows. Any such remarks or qualification in the auditors’ report on our financial statements in the future may also adversely affect the trading price of the Equity Shares.

33. *We have significant power and water requirements for continuous running of our factory. Any disruption to our operations on account of interruption in power or water supply or any irregular or significant hike in their tariffs may have an effect on our business, results of operations and financial conditions.*

Our factory has significant electricity requirements and any interruption in power supply to our factory may disrupt our operations. Also, availability of water is an essential utility in our manufacturing process. Our business and financial results may be affected by any disruption of operations due to lack of essential utilities. Since, we have significant power consumption, any unexpected or significant increase in its tariff can increase the operating cost.

34. *Our Promoters, Directors and Key Management Personnel are interested in our Company other than reimbursement of expenses or normal remuneration or benefits*

Our Promoters are interested in our Company to the extent of being the Promoters of our Company and to the extent of their shareholding and dividends payable to them, if any. Certain of our Directors and Key Management Personnel may be regarded as interested to the extent of, among other things, remuneration, rental income, sitting fee, commission, performance bonus, long term incentives, and other perquisites.

35. *We may not be able to sustain our growth or expand our client.*

We may not be able to sustain our growth in light of competitive pressure or other factors, such as not being able to implement business strategies and development plans effectively and efficiently. Sustained growth may place significant demands on our administrative, operational and financial resources, which we may be unable to handle. Any slowdown in our growth, whether in absolute terms or relative to industry trends

could adversely affect our market position and a loss of our market position could adversely affect our ability to sustain our growth.

36. *Under-utilization of our manufacturing capacities may have an adverse effect on our business, future prospectus and future financial performance.*

Our capacity utilization is affected by the availability of raw materials, industry and market conditions as well as by the product requirements of, and the procurement practice followed by, our customers. For an instance, our manufacturing capacity has been under-utilized since Fiscal 2020-21, for further details please see section “**Capacity and Capacity Utilization – Our Business**” on page 81 of this Letter of Offer. In the event that we are unable to achieve full capacity utilization or increase the capacity utilization of our current manufacturing facilities, this would result in operational inefficiencies which may have an adverse effect on our business, financial condition, cash flows, future prospects and future financial performance. Under-utilization of our manufacturing capacities over extended periods, or significant under-utilization in the short term, could adversely impact our business, growth prospects and future financial performance.

37. *If we are unable to gauge the demand of our products accurately and are unable to maintain an optimal level of inventory, our business, results of operations and financial condition may be adversely affected.*

The success of our business depends upon our ability to anticipate and forecast customer demand. Any error in our forecast could result in either surplus stock, which we may be unable to sell in a timely manner, or at all, or under-stocking, which will affect our ability to meet customer demand. We plan our inventory and commence our production based on the forecast and anticipated demand. We have inventory manufactured and stored at our warehouses and seek to maintain an optimal level of inventory which is important to our business as it allows us to respond to customer demand effectively.

As of March 31, 2022, March 31, 2021 and March 31, 2020 our inventory as a percentage of our total current assets was 34.36% ,19.74% and 17.49% respectively on a standalone basis. Given the nature of our business, we end up blocking substantial amount of funds while managing the inventory. Such blocked amounts are realised only at a later date due to the inventory cycle. Ensuring availability of our products requires prompt turnaround time and a high level of coordination amongst our personnel, including the purchase team, production team, sales and marketing team, quality control team and production team. While we aim to avoid under-stocking and over-stocking, our estimates and forecasts may not always be accurate. If we fail to accurately forecast customer demand, we may experience excess inventory levels or a shortage of products available for sale. If we under-stock inventory, our ability to meet customer demand may be impaired. If we over-stock inventory, our capital requirements may increase and we may incur additional financing costs. Any unsold inventory may have to be sold at a discount or discarded, potentially leading to losses. We cannot assure you that we will be able to sell surplus stock in a timely manner, or at all, which in turn may adversely affect our business, results of operations and financial condition.

38. *Information included in this Letter of Offer relating to the installed capacity, actual production and capacity utilisation at our manufacturing facilities are based on various assumptions and estimates and future production and capacity may vary.*

Information included in this Letter of Offer relating to the installed capacity, actual production and capacity utilisation at our manufacturing facilities are based on various assumptions and estimates of our management that have been taken into account by an independent chartered engineer in the calculation of the installed capacity, actual generation and capacity utilisation of our manufacturing facilities and such calculations may not be computed on the basis of any standard methodology and may not be comparable to that employed by other companies operating in our industry. Undue reliance should therefore not be placed on our installed capacity and capacity utilisation included in this Letter of Offer. For details, see “**Our Business—Manufacturing Facilities**” on page 81 of this Letter of Offer.

39. ***Any infringement of our registered corporate logo “ ” failure to protect it may adversely affect our business. Further, any kind of negative publicity or misuse of our brand name and our logo could hamper our brand building efforts and our future growth strategy could be adversely affected.***

Our business reputation and brand under which we sell our products, are critical to the success of our business. While we have been making consistent efforts to strengthen our brand, various factors, some of which are beyond our control, are critical for maintaining and enhancing our brand, and if not managed properly, may negatively affect our brand and reputation. These include our ability to effectively manage the quality of our products; increase brand awareness among existing and potential customers, dealers and distributors; adapt our advertising and promotion efforts to emerging industry standards; and protect the intellectual property related to our brand. Further, there can be no assurance that our advertising or marketing efforts will be successful in maintaining our brand and its perception with dealers and/ or result in increased sales in the future. Our inability to adapt to evolving marketing trends at the same pace as our competitors may adversely affect our ability to effectively compete in terms of our brand equity. In addition, our reputation and brands could also be affected by socially motivated groups, which could lead to a decline in our sales volume.

40. ***We face numerous protective trade restrictions, including anti-dumping laws, countervailing duties and tariffs, which could adversely affect our revenue from exports.***

Protectionist measures, including anti-dumping laws, countervailing duties and tariffs and government subsidization adopted or currently contemplated by governments in some of our export markets could adversely affect our sales from exports. Antidumping duty proceedings or any resulting penalties or any other form of import restrictions may limit our access to export markets for our products, and in the future additional markets could be closed to us as a result of similar proceedings, thereby adversely impacting our sales from exports or limiting our opportunities for growth. Tariffs are often driven by local political pressure in a particular country and therefore there can be no assurance that quotas or tariffs will not be imposed on us in the future. In the event that such protective trade restrictions are imposed on us, our exports could decline. Further, a decrease in exports from India or an increase in steel imports to India as a result of protective trade restrictions could have a negative impact on our business, financial condition and results of operations.

41. ***Certain original records are not available and accordingly, alternate documents and records have been relied upon in relation to certain disclosures made in the Letter of Offer.***

Original records in relation to certain litigation involving our Directors, education qualification, etc involving our Promoters Solanki Zankarsinh Kishorsinh and Giraben Solanki, are not currently available and accordingly, we have relied on certifications provided by the Company or have not disclosed in such matters in relation to the summaries appearing in the section “***Outstanding Litigation and Defaults***” on page 191 of this Letter of Offer. Further, Solanki Zankarsinh Kishorsinh and Giraben Solanki have not provided their consents as may be required for the purpose of this Rights Issue.

42. ***We have certain contingent liabilities which may adversely affect our results of operation, cash flows and financial condition.***

Our Contingent liabilities as at September 30, 2022, March 31, 2022, March 31, 2021 and March 31, 2020 as per our Limited Reviewed Financial Consolidated Statements and Restated Consolidated Statements are set out below:

(₹ in lakhs)

Contingent Liabilities	September 30, 2022	March 31, 2022	March 31, 2021	March 31, 2020
Claims against the Company not acknowledged as Debt in respect of :				

Contingent Liabilities	September 30, 2022	March 31, 2022	March 31, 2021	March 31, 2020
- Disputed Income Tax matters	203.82	203.82	203.82	203.82
- Disputed VAT and CST matters	16199.57	16,199.57	16,199.57	15,370.22
Total	16403.39	16,403.39	16,403.39	15,574.04

If a significant portion of these liabilities materialise, it could have an adverse effect on our business, cash flows, financial condition and results of operations. For further details, please see to the section “**Restated Financial Statements**” on page 108 of this Letter of Offer.

43. *Our Company in certain instances in the past, has delayed in paying statutory dues to various government and local bodies which may require us to pay penalties.*

Our Company has, in certain instances in the past, delayed payment of employees dues as well as certain statutory dues in the past. While there are no outstanding litigations or anticipated penalties with respect to such delays as on date, we cannot assure that we will not be subject to civil and criminal liabilities for such delays. We cannot assure you that statutory dues owed by our Company will not be unpaid at balance sheet dates in the future or that we may not be subject to penalties imposed by the statutory authorities for such delays. For further details on Outstanding Dues please see section titled “**Restated Financial Statements**” on page 108 of this Letter of Offer.

44. *Guarantees from Promoter as well as others have been taken in relation to the debt facilities provided to us.*

In an event any of the guarantors withdraws or terminates this guarantee, the lender for such facilities may ask for alternate guarantee/s, repayment of amounts outstanding under such facilities, or even terminate such facilities. We may not be successful in procuring guarantee/s satisfactory to the lender and as a result may need to repay outstanding amounts under such facilities or seek additional sources of capital, which could adversely affect our financial condition. For more information, please see the section titled “**Restated Financial Statements**” beginning on page 108 of this this Letter of Offer.

45. *Our industry is labour intensive and our business operations may be materially adversely affected by strikes, work stoppages or increased wage demands by our employees or those of our suppliers.*

We believe that the industry in which we operate in faces competitive pressures in recruiting and retaining skilled and unskilled labour. Our industry being labour intensive is highly dependent on labour force for carrying out its manufacturing operations. Shortage of skilled/unskilled personnel or work stoppages caused by disagreements with employees could have an adverse effect on our business and results of operations. Such disruptions may adversely affect our business and results of operations and may also divert the management's attention and result in increased costs. India has stringent labour legislation that protects the interests of workers, including legislation that sets forth detailed procedures for the establishment of unions, dispute resolution and employee removal and legislation that imposes certain financial obligations on employers upon retrenchment. We are also subject to laws and regulations governing relationships with employees, in such areas as minimum wage and maximum working hours, overtime, working conditions, hiring and terminating of employees and work permits. Although our employees are not currently unionized, there can be no assurance that they will not unionize in the future. If our employees unionize, it may become difficult for us to maintain flexible labour policies, and we may face the threat of labour unrest, work stoppages and diversion of our management’ s attention due to union intervention, which may have a material adverse impact on our business, results of operations and financial condition.

46. *Failure to comply with environmental laws and regulations by us could lead to unforeseen environmental litigation which could impact our business and our future net earnings.*

We are subject to various national, state, municipal and local laws and regulations concerning environmental protection in India, including laws addressing the discharge of pollutants into the air and water, the management and disposal of any hazardous substances, and wastes and the clean-up of contaminated sites. Environmental laws and regulations in India are becoming more stringent, and the scope and extent of new environmental regulations, including their effect on our operations, cannot be predicted with any certainty. In case of any change in environmental or pollution regulations, we may be required to invest in, among other things, environmental monitoring, pollution control equipment, and emissions management.

Further, any violation of the environmental laws and regulations may result in fines, criminal sanctions, revocation of operating permits, or shutdown of our manufacturing plants. Further, we may be subject to a litigation in connection with compliance with safety standards and the rules and regulations relating to the health of employees in the future, the outcome of which may have a material adverse effect on our business and operations.

As a consequence of unanticipated regulatory or other developments, future environmental and regulatory related expenditures may vary substantially from those currently anticipated. We cannot assure you that our costs of complying with current and future environmental laws and other regulations will not adversely affect our business, results of operations or financial condition. In addition, we could incur substantial costs, our products could be restricted from entering certain markets, and we could face other sanctions, if we were to violate or become liable under environmental laws or if our products become non-compliant with applicable regulations. Our potential exposure includes fines and civil or criminal sanctions, third-party property damage or personal injury claims and clean-up costs. The amount and timing of costs under environmental laws are difficult to predict.

47. ***Improper handling of machineries could result in accidents and may lead to loss of life and may have an impact on the image of our business which could have an adverse effect on our net sales, profitability and results of our operations.***

Improper handling of machines used in the business line of the Company can result into accidents at times and may lead to loss of life of the employees and the Company could face liabilities that may adversely affect its profits. Our Company has not obtained any insurance policies coverage for our operations and workers. Also, our company employs skilled manpower to handle materials and machines and provide requisite in-house training for the same. In spite of the same, in future due to improper handling of machineries which could result in accidents, it could have an adverse effect on our net sales, profitability and results of our operations.

48. ***We have not commissioned an industry report for the disclosures made in the section titled 'Our Industry' and made disclosures based on the data available on the internet and such third-party data has not been independently verified by us.***

We have neither commissioned an industry report, nor sought consent from the quoted website source for the disclosures which need to be made in the section titled '***Our Industry***' beginning on page 70 of this Letter of Offer. We have made disclosures in the said section based on the relevant industry related data available online for which relevant consents have not been obtained. We have not independently verified such third-party data. We cannot assure you that any assumptions made are correct or will not change and, accordingly, our position in the market may differ from that presented in this Letter of Offer. Further, the industry data mentioned in this Letter of Offer or sources from which the data has been collected are not recommendations to invest in our Company. Accordingly, investors should read the industry related disclosure in this Letter of Offer in this context.

49. ***We may face foreign exchange risks that could adversely affect our results of operations, further having an impact on our cash flows and our financial results may fluctuate.***

We may face foreign exchange rate risk as major portion of our revenues are denominated in a currency other than the Indian Rupee. Because of our foreign currency exposure, exchange rate fluctuations between the Indian Rupee and foreign currencies can have a material impact on our results of operations, cash flows

and financial condition. The exchange rate between the Indian Rupee and U.S. dollar has been volatile in recent periods and may continue to fluctuate in the future. As we intend to expand our product base and also our geographical markets, we will have greater exposure to such exchange rate fluctuations. We may, therefore, suffer losses on account of foreign currency fluctuations for sale of our products since we may not be able to pass on all losses on account of foreign currency fluctuations to our customers.

50. ***Our ability to pay dividends in the future will depend upon our future earnings, financial condition, cash flows, working capital requirements, capital expenditure and restrictive covenants in our financing arrangements.***

We may retain all our future earnings, if any, for use in the operations and expansion of our business. As a result, we may not declare dividends in the foreseeable future. Any future determination as to the declaration and payment of dividends will be at the discretion of our Board of Directors and will depend on factors that our Board of Directors deem relevant, including among others, our results of operations, financial condition, cash requirements, business prospects and any other financing arrangements. Accordingly, realization of a gain on shareholders investments may largely depend upon the appreciation of the price of our Equity Shares. There can be no assurance that our Equity Shares will appreciate in value. For details of our dividend history, see “***Dividend Policy***” on page 107 of this Letter of Offer.

51. ***If we fail to maintain an effective system of internal controls, we may not be able to successfully manage or accurately report our financial risks.***

Effective internal controls are necessary for us to prepare reliable financial reports and effectively avoid fraud. Moreover, any internal controls that we may implement, or our level of compliance with such controls, may deteriorate over time, due to evolving business conditions. There can be no assurance that additional deficiencies in our internal controls will not arise in the future, or that we will be able to implement and continue to maintain adequate measures to rectify or mitigate any such deficiencies in our internal controls.

EXTERNAL RISK FACTORS

52. ***Slowdown in economic growth in India could cause our business to suffer.***

Our performance and growth are dependent on the health of the Indian economy. The economy could be adversely affected by various factors such as political or regulatory action, including adverse changes in liberalization policies, social disturbances, terrorist attacks and other acts of violence or war, natural calamities, interest rates, commodity and energy prices and various other factors. Any significant change may adversely affect our business and financials.

53. ***Financial instability in other countries may cause increased volatility in Indian and other financial markets.***

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

The Indian economy is also influenced by economic and market conditions in other countries. This includes, but is not limited to, the conditions in the United States, Europe and certain economies in Asia. Financial turmoil in Asia and elsewhere in the world in recent years has affected the Indian economy. Any worldwide

financial instability may cause increased volatility in the Indian financial markets and, directly or indirectly, adversely affect the Indian economy and financial sector and its business.

Although economic conditions vary across markets, loss of investor confidence in one emerging economy may cause increased volatility across other economies, including India. Financial instability in other parts of the world could have a global influence and thereby impact the Indian economy. Financial disruptions in the future could adversely affect our business, prospects, financial condition and results of operations. The global credit and equity markets have experienced substantial dislocations, liquidity disruptions and market corrections.

These could include greater volatility of markets in general due to the increased uncertainty. These and other related events could have a significant impact on the global credit and financial markets as a whole, and could result in reduced liquidity, greater volatility, widening of credit spreads and a lack of price transparency in the global credit and financial markets. There are also concerns that a tightening of monetary policy in emerging markets and some developed markets will lead to a moderation in global growth. In response to such developments, legislators and financial regulators in the United States and other jurisdictions, including India, have implemented a number of policy measures designed to add stability to the financial markets. However, the overall long-term impact of these and other legislative and regulatory efforts on the global financial markets is uncertain, and they may not have had the intended stabilizing effects. Any significant financial disruption in the future could have an adverse effect on our cost of funding, loan portfolio, business, future financial performance and the trading price of the Equity Shares.

- 54. *Changes in technology may render our current technologies obsolete or require us to make substantial capital investments and failure to respond to technological advancements and emerging standards and practices on a cost-effective and a timely basis may affect our results of operations.***

Modernization and technology up gradation is essential to reduce costs and increase the output. Our production may become obsolete or may not be upgraded timely, hampering our operations and financial conditions. In case of availability of an updated technology in the industry, we may be required to implement new technology as failure to respond to technological advancements and emerging standards and practices on a cost-effective and a timely basis may affect our results of operation. Further, the cost in upgrading our technology may be significant which could substantially affect our finances and operations.

- 55. *Political, economic or other factors that are beyond our control may have an adverse effect on our business and results of operations.***

The Indian economy and its securities markets are influenced by economic developments and volatility in securities markets in other countries. Investors' reactions to developments in one country may have adverse effects on the market price of securities of companies located elsewhere, including India. Adverse economic developments, such as rising fiscal or trade deficit, in other emerging market countries may also affect investor confidence and cause increased volatility in Indian securities markets and indirectly affect the Indian economy in general. Any of these factors could depress economic activity and restrict our access to capital, which could have an adverse effect on our business, financial condition and results of operations and reduce the price of our Equity Shares. Any financial disruption could have an adverse effect on our business, future financial performance, shareholders' equity and the price of our Equity Shares.

We are dependent on domestic, regional and global economic and market conditions. Our performance, growth and market price of our Equity Shares are and will be dependent to a large extent on the health of the economy in which we operate. There have been periods of slowdown in the economic growth of India. Demand for our products may be adversely affected by an economic downturn in domestic, regional and global economies. Economic growth in the countries in which we operate is affected by various factors including domestic consumption and savings, balance of trade movements, namely export demand and movements in key imports, global economic uncertainty and liquidity crisis, volatility in exchange currency rates, and annual rainfall which affects agricultural production. Consequently, any future slowdown in the Indian economy could harm our business, results of operations and financial condition. Also, a change in the government or a change in the economic and deregulation policies could adversely affect economic

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

56. *Natural disasters, epidemics, pandemics, acts of war, terrorist attacks and other events could materially and adversely affect our business.*

Natural disasters (such as earthquakes, fire, typhoons, cyclones, hurricanes and floods), pandemics, epidemics, strikes, civil unrest, terrorist attacks and other events, which are beyond our control, may lead to global or regional economic instability, which may in turn materially and adversely affect our business, financial condition, cash flows and results of operations. Any of these occurrences could cause severe disruptions to our daily operations and may warrant a temporary closure of our facilities. Such closures may disrupt our business operations and adversely affect our results of operations. Our operation could also be disrupted if our customers or business partners are affected by such natural disasters or epidemics.

An outbreak or epidemic, such as SARS, the H1N1 and H5N1 viruses or COVID-19 could cause general consumption or the demand for various products to decline, which could result in reduced demand for our services. Such an outbreak or epidemic may significantly interrupt our business operations as health or governmental authorities may impose quarantine and inspection measures on us or our contractors, or restrict the flow of cargo to and from areas affected by the outbreak or epidemic.

Furthermore, certain regions in India have witnessed terrorist attacks and civil disturbances and it is possible that future terrorist attacks or civil unrest, as well as other adverse social, economic and political events in India could have a negative effect on us. Transportation facilities, including vehicles, can be targets of terrorist attacks, which could lead to, among other things, increased insurance and security costs. Regional and global political or military tensions or conflicts, strained or altered foreign relations, protectionism and acts of war or the potential for war could also cause damage and disruption to our business, which could materially and adversely affect our business, financial condition, cash flows and results of operations. Such incidents could create the perception that investments in Indian companies involve a higher degree of risk and such perception could adversely affect our business and the price of the Equity Shares. We may also face difficulty in accessing certain parts of India at certain times of the year or under adverse or inclement weather conditions.

57. *Changing laws, rules and regulations and legal uncertainties in India and other countries may adversely affect our business and financial performance.*

The regulatory and policy environment in which we operate is evolving and subject to change. Such changes may adversely affect our business, results of operations and prospects, to the extent that we are unable to suitably respond to and comply with any such changes in applicable law and policy. For example, the Government of India implemented a comprehensive national goods and services tax (“GST”) regime with effect from July 1, 2017, that combined multiple taxes and levies by the Central and State Governments into a unified tax structure. Our business and financial performance could be adversely affected by any unexpected or onerous requirements or regulations resulting from the introduction of any changes in laws or interpretation of existing laws, or the promulgation of new laws, rules and regulations relating to GST, as it is implemented. The Government has enacted the GAAR which have come into effect from April 1, 2017.

Further, the Government of India has announced the union budget for the Fiscal 2023, pursuant to which the Finance Bill, 2021 (“**Finance Bill**”) has introduced various amendments. The Finance Bill has received assent from the President of India on March 28, 2021, and has been enacted as the Finance Act, 2021 (“**Finance Act**”). There is no certainty on the impact that the Finance Act may have on our business and operations or on the industry in which we operate. We cannot predict whether any amendments made pursuant to the Finance Act would have a material adverse effect on our business, financial condition and results of operations. Unfavourable changes in or interpretations of existing, or the promulgation of new, laws, rules and regulations including foreign investment and stamp duty laws governing our business and operations could result in us being deemed to be in contravention of such laws and may require us to apply

for additional approvals. For instance, the Supreme Court of India has, in a decision clarified the components of basic wages, which need to be considered by companies while making provident fund payments. Our Company has not made relevant provisions for the same, as on date. Any such decisions in future or any further changes in interpretation of laws may have an impact on our results of operations. Uncertainty in the applicability, interpretation or implementation of any amendment to, or change in, governing law, regulation or policy, including by reason of an absence, or a limited body, of administrative or judicial precedent may be time consuming as well as costly for us to resolve and may impact the viability of our current businesses or restrict our ability to grow our businesses in the future.

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

Indian legal principles related to corporate procedures, directors' fiduciary duties and liabilities, and shareholders' rights may differ from those that would apply to a company in another jurisdiction. Shareholders rights including in relation to class actions, under Indian law may not be as extensive as shareholders rights under the laws of other countries or jurisdictions. Investors may have more difficulty in asserting their rights as shareholder in an Indian company than as shareholder of a corporation in another jurisdiction. Further, our Company's Articles of Association, composition of our Company's Board, Indian laws governing our corporate affairs, the validity of corporate procedures, directors' fiduciary duties, responsibilities and liabilities, and shareholders' rights may differ from those that would apply to a company in another jurisdiction. Shareholders' rights under Indian law may not be as extensive and widespread as shareholders' rights under the laws of other countries or jurisdictions. Investors may face challenges in asserting their rights as a shareholder in an Indian company than as a shareholder of an entity in another country or jurisdiction.

59. *Adverse geopolitical conditions such as increased tensions between India and China, could adversely affect our business, results of operations and financial condition.*

Adverse geopolitical conditions such as increased tensions between India and China resulting in any military conflict in the region could adversely affect our business and operations. Such events may lead to countries imposing restrictions on the import or export of products or raw materials, among others, and affect our ability to procure raw materials required for our manufacturing operations. We could also be affected by the introduction of import tariffs in India, or in the countries to which we export our products, or changes in trade agreements between countries.

60. *Significant differences exist between Ind AS used to prepare our financial information and other accounting principles, such as IFRS and U.S. GAAP, with which investors may be more familiar.*

Our audited financial statements contained in this Letter of Offer have been prepared and presented in accordance with Ind AS and no attempt has been made to reconcile any of the information given in this Letter of Offer to any other principles or to base it on any other standards. Ind AS differs from accounting principles with which prospective investors may be familiar, such as IFRS and U.S. GAAP. We have not attempted to quantify the impact of U.S. GAAP or IFRS on the financial information included in this Letter of Offer, nor do we provide a reconciliation of our financial statements to those of U.S. GAAP or IFRS. U.S. GAAP and IFRS differ in significant respects from Ind AS. Accordingly, the degree to which the financial information included in this Letter of Offer will provide meaningful information is dependent on your familiarity with Ind AS and the Companies Act. Any reliance by persons not familiar with Ind AS on the financial disclosures presented in this Letter of Offer should accordingly be limited.

61. *Conditions in the Indian securities market and stock exchanges may affect the price and liquidity of our Equity Shares.*

Indian stock exchanges, which are smaller and more volatile than stock markets in developed economies, have in the past, experienced problems which have affected the prices and liquidity of listed securities of Indian companies. These problems include temporary exchange closures to manage extreme market volatility, broker defaults, settlement delays and strikes by brokers. In addition, the governing bodies of the Indian stock exchanges have from time-to-time restricted securities from trading, limited price movements

and restricted margin requirements. Further, disputes have occurred on occasion between listed companies and the Indian stock exchanges and other regulatory bodies that, in some cases, have had a negative effect on market sentiment. If similar problems occur in the future, the market price and liquidity of the Equity Shares could be adversely affected. Further, a closure of, or trading stoppage on, either of the Stock Exchanges could adversely affect the trading price of our Equity Shares.

RISKS IN RELATION TO EQUITY SHARES

62. *A significant portion of the Net Proceeds is proposed to be utilized for repaying outstanding borrowings to Sampati Securities Limited who are part of our Promoters and Promoter Group.*

The Net Proceeds of the Issue are proposed to be utilised for repayment or prepayment of all or a portion of certain outstanding borrowings availed by our Company to the extent of ₹1950.00 Lakhs of which a significant portion is proposed to be adjusted towards the right entitlement of our member of our Promoter Group, consequent to non-receipt of fund to the extend. For further details, see “*Objects of the Issue*” on page 53 of this Letter of Offer.

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

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

64. *SEBI has recently streamlined the process of rights issues. You should follow the instructions carefully, as stated in such SEBI circulars, and in this Letter of Offer.*

The concept of crediting Rights Entitlements into the demat accounts of the Eligible Equity Shareholders has recently been introduced by the SEBI. Accordingly, the process for such Rights Entitlements has been recently devised by capital market intermediaries. Eligible Equity Shareholders are encouraged to exercise caution, carefully follow the requirements as stated in the SEBI Rights Issue circulars and ensure completion of all necessary steps in relation to providing/updating their demat account details in a timely manner. Further, while in accordance with the SEBI Rights Issue Circulars, the credit of Rights Entitlements shall be made into the demat accounts of the Eligible Equity Shareholders as on the Record Date, such Eligible Equity Shareholders shall be participate in the Issue only in accordance with the applicable laws in their respective jurisdictions.

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

Shares in physical form as on Record Date where details of demat accounts are not provided by Eligible Equity Shareholders to our Company or Registrar; or (d) credit of the Rights Entitlements returned/reversed/failed; or (e) the ownership of the Equity Shares currently under dispute, including any court proceedings, if any; or (f) non-institutional equity shareholders in the United States.

65. *No market for the Right Entitlements may develop and the price of the Right Entitlements may be volatile.*

No assurance can be given that an active trading market for the Rights Entitlements will develop on the Stock Exchanges during the Renunciation Period or that there will be sufficient liquidity in Rights Entitlements trading during this period. The trading price of the Rights Entitlements will not only depend on supply and demand for the Rights Entitlements, which may be affected by factors unrelated to the trading in the Equity Shares, but also on the quoted price of the Equity Shares, amongst others. Factors affecting the volatility of the price of the Equity Shares, as described herein, may magnify the volatility of the trading price of the Rights Entitlements, and a decline in the price of the Equity Shares will have an adverse impact on the trading price of the Rights Entitlements. Since the trading of the Rights Equity Shares will be on a separate segment compared to the Equity Shares on the floor of the Stock Exchanges, the trading of Rights Equity Shares may not track the trading of Equity Shares. The trading price of the Rights Entitlements may be subject to greater price fluctuations than that of the Equity Shares.

66. *We cannot guarantee that the Equity Shares issued under this Issue will be listed on the Stock Exchanges in a timely manner, if at all.*

In accordance with Indian law and practice, after our Board or committee passes the resolution to allot the Equity Shares but prior to crediting such Equity Shares into the Depository Participant accounts of the investors, we are required to apply to the Stock Exchanges for final approval for listing and trading of the Equity Shares. There could be a failure or delay in obtaining these approvals from the Stock Exchanges, which in turn could delay the listing of the Equity Shares on the Stock Exchanges. There can be no assurance that the Equity Shares allocated to you will be credited to your demat account, or that trading in the Equity Shares will commence within the specified time period, subjecting you to market risk for such period. Any failure or delay in obtaining these approvals would restrict your ability to dispose of your Equity Shares. Further, historical trading prices, may not be indicative of the prices at which the Equity Shares will trade in the future.

67. *Any future issuance of Equity Shares by us or sales of our Equity Shares by any of our significant shareholders may adversely affect the trading price of our Equity Shares.*

Any future issuance of our Equity Shares by us could dilute your shareholding. Any such future issuance of our Equity Shares or sales of our Equity Shares by any of our significant shareholders may also adversely affect the trading price of our Equity Shares and could impact our ability to raise capital through an offering of our securities. There can be no assurance that we will not issue further Equity Shares or that the shareholders will not dispose of, pledge or otherwise encumber their Equity Shares. In addition, any perception by investors that such issuances or sales might occur could also affect the trading price of our Equity Shares.

68. *Foreign investors are subject to foreign investment restrictions under Indian law that limit our ability to attract foreign investors, which may adversely affect the trading price of our Equity Shares.*

Under the foreign exchange regulations currently in force in India, transfers of shares between non-residents and residents are freely permitted (subject to certain exceptions) if they comply with the requirements specified by the RBI. If the transfer of shares is not in compliance with such requirements or falls under any of the specified exceptions, then prior approval of the RBI will be required. In addition, shareholders who seek to convert the Rupee proceeds from a sale of shares in India into foreign currency and repatriate that foreign currency from India will require a no-objection or tax clearance certificate from the income tax authority. Additionally, the Indian government may impose foreign exchange restrictions in certain emergency situations, including situations where there are sudden fluctuations in interest rates or exchange rates, where the Indian government experiences extreme difficulty in stabilizing the balance of payments or

where there are substantial disturbances in the financial and capital markets in India. These restrictions may require foreign investors to obtain the Indian government's approval before acquiring Indian securities or repatriating the interest or dividends from those securities or the proceeds from the sale of those securities. There can be no assurance that any approval required from the RBI or any other government agency can be obtained on any particular terms or at all.

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

Under current Indian tax laws and regulations, capital gains arising from the sale of shares in an Indian company are generally taxable in India. Previously, any gain realized on the sale of listed equity shares on or before March 31, 2018 on a stock exchange held for more than 12 months was not subject to long-term capital gains tax in India if securities transaction tax ("STT") was paid on the sale transaction. However, the Finance Act, 2018, now seeks to tax on such long-term capital gains exceeding ₹ 100,000 arising from sale of equity shares on or after April 1, 2018, while continuing to exempt the unrealized capital gains earned up to January 31, 2018 on such Equity Shares. Accordingly, you may be subject to payment of long-term capital gains tax in India, in addition to payment of STT, on the sale of any Equity Shares held for more than 12 months. STT will be levied on and collected by a domestic stock exchange on which our Equity Shares are sold. Further, any gain realized on the sale of listed equity shares held for a period of 12 months or less will be subject to short term capital gains tax in India. Capital gains arising from the sale of our Equity Shares will be exempt from taxation in India in cases where the exemption from taxation in India is provided under a treaty between India and the country of which the seller is resident. Generally, Indian tax treaties do not limit India's ability to impose tax on capital gains. As a result, residents of other countries may be liable for tax in India as well as in their own jurisdiction on a gain upon the sale of our Equity Shares Rights Entitlements.

Further, the Finance Act, 2019, which has been notified with effect from April 1, 2019, stipulates the sale, transfer and issue of securities through exchanges, depositories or otherwise to be charged with stamp duty. The Finance Act has also clarified that, in the absence of a specific provision under an agreement, the liability to pay stamp duty in case of sale of securities through stock exchanges will be on the buyer, while in other cases of transfer for consideration through a depository, the onus will be on the transferor. The stamp duty for transfer of securities other than debentures, on a delivery basis is specified at 0.015% and on a non-delivery basis is specified at 0.003% of the consideration amount. These amendments have been notified on December 10, 2019; however, these amendments will come into effect from July 1, 2020. The Finance Act, 2020 has also provided a number of amendments to the direct and indirect tax regime, including, without limitation, a simplified alternate direct tax regime and that dividend distribution tax will not be payable in respect of dividends declared, distributed or paid by a domestic company after March 31, 2020, and accordingly, such dividends would not be exempt in the hands of the shareholders, both resident as well as non-resident.

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

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

We may complete the Allotment even if such events may limit the Applicants' ability to sell our Equity Shares after this Issue or cause the trading price of our Equity Shares to decline.

71. *Overseas shareholders may not be able to participate in the Company's future rights offerings or certain other equity issues.*

If our Company offers or causes to be offered to holders of its Equity Shares rights to subscribe for additional Equity Shares or any right of any other nature, our Company will have discretion as to the procedure to be followed in making such rights available to holders of the Equity Shares or in disposing of such rights for the benefit of such holders and making the net proceeds available to such holders. For instance, our Company may not offer such rights to the holders of Equity Shares who have a registered address in the United States. Our Company has no obligation to prepare or file any registration statement. Accordingly, shareholders who have a registered address in the United States may be unable to participate in future rights offerings and may experience a dilution in their holdings as a result.

72. *The Issue Price of the Rights Equity Shares may not be indicative of the market price of the Equity Shares after the Issue.*

The Issue Price of the Rights Equity Shares will be determined by our Company in consultation with the Lead Manager. This price may not be indicative of the market price for the Equity Shares after the Issue. The market price of the Equity Shares could be subject to significant fluctuations after the Issue, and may decline below the Issue Price. We cannot assure you that you will be able to resell your Equity Shares at or above the Issue Price. There can be no assurance that an active trading market for the Equity Shares will be sustained after this Issue, or that the price at which the Equity Shares have historically traded will correspond to the price at which the Equity Shares will trade in the market subsequent to this Issue.

73. *You may not receive the Equity Shares that you subscribe in the Issue until fifteen days after the date on which this Issue closes, which will subject you to market risk.*

The Equity Shares that you subscribe in the Issue may not be credited to your demat account with the depository participants until approximately 15 days from the Issue Closing Date. You can start trading such Equity Shares only after receipt of the listing and trading approval in respect thereof. There can be no assurance that the Equity Shares allocated to you will be credited to your demat account, or that trading in the Equity Shares will commence within the specified time period, subjecting you to market risk for such period.

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

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

75. *Holders of Equity Shares could be restricted in their ability to exercise pre-emptive rights under Indian law and could thereby suffer future dilution of their ownership position.*

Under the Companies Act, any company incorporated in India must offer its holders of equity shares pre-emptive rights to subscribe and pay for a proportionate number of shares to maintain their existing ownership percentages prior to the issuance of any new equity shares, unless the pre-emptive rights have been waived by the adoption of a special resolution by holders of three-fourths of the shares voted on such resolution, unless our Company has obtained government approval to issue without such rights. However, if the law of the jurisdiction that you are in does not permit the exercise of such pre-emptive rights without us filing an offering document or registration statement with the applicable authority in such jurisdiction, you will be unable to exercise such pre-emptive rights unless we make such a filing. We may elect not to file a registration statement in relation to pre-emptive rights otherwise available by Indian law to you. To the extent that you are unable to exercise pre-emptive rights granted in respect of the Equity Shares, your

proportional interests in us would be reduced.

- 76. *Any future issuance of Equity Shares, or convertible securities or other equity-linked securities by our Company may dilute your shareholding and any sale of Equity Shares by our Promoter or members of our Promoter Group may adversely affect the trading price of the Equity Shares.***

Any future issuance of the Equity Shares, convertible securities or securities linked to the Equity Shares by our Company may dilute your shareholding in our Company; adversely affect the trading price of the Equity Shares and our ability to raise capital through an issue of our securities. In addition, any perception by investors that such issuances or sales might occur could also affect the trading price of the Equity Shares. We cannot assure you that we will not issue additional Equity Shares. The disposal of Equity Shares by any of our Promoter and Promoter Group, or the perception that such sales may occur may significantly affect the trading price of the Equity Shares. We cannot assure you that our Promoter and Promoter Group will not dispose of, pledge or encumber their Equity Shares in the future.

SECTION III – INTRODUCTION
THE ISSUE

This Issue has been authorized by way of a resolution passed by our Board on September 28, 2022 read with resolution passed by our Board on August 12, 2021 and by our Rights Issue Committee vide its resolution dated November 17, 2022 pursuant to section 62(1)(a) of the Companies Act, 2013 and other applicable provisions. The terms of the Issue including the Record Date and Rights Entitlement Ratio has been determined by the Rights Issue Committee in their meeting held on December 19, 2022.

The following is a summary of the Issue. This summary should be read in conjunction with, and is qualified in its entirety by, detailed information included in “*Terms of the Issue*” beginning on page 204 of this Letter of Offer.

Rights Equity Shares being offered by our Company	17,41,03,116 Rights Equity Shares
Rights Entitlement	110 Rights Equity Share for every 100 fully paid-up Equity Share(s) held on the Record Date.
Record Date	Friday, December 23, 2022
Face value per equity share	₹ 1.00 each
Issue Price per Rights Equity Shares	₹2.75 per Equity Share (including a premium of ₹1.75 per Equity Share).
Dividend	Such dividend as may be declared by our Board and our shareholders, as per applicable law
Issue Size (Rights Size)	17,41,03,116 Equity Shares of face value of ₹ 1 each for cash at a price of ₹2.75 (Including a premium of ₹1.75) per Rights Equity Share for an amount of ₹ 4787.84 Lakhs [#] . <i>#To be adjusted as per the Rights Entitlement ratio</i>
Voting Rights	The Rights Equity Shares issued pursuant to this Issue shall rank pari passu in all respects with the Equity Shares of our Company.
Equity Shares subscribed, paid-up and outstanding prior to the Issue	15,82,75,560 Equity Shares. For details, see “ <i>Capital Structure</i> ” beginning on page 58 of this Letter of Offer.
Equity Shares subscribed, paid-up and outstanding after the Issue (assuming full subscription for and Allotment of the Rights Entitlement)	Up to 33,23,78,676 Equity Shares
Security codes for the Equity Shares	ISIN for Equity Shares: INE482J01021 NSE Code: GAL BSE Scrip ID: GAL and BSE Code: 533275
ISIN for Rights Entitlements	INE482J20013
Terms of the Issue	For details, see “ <i>Terms of the Issue</i> ” beginning on

	page 204 of this Letter of Offer.
Use of Issue Proceeds	For details, see “ <i>Objects of the Issue</i> ” beginning on page 61 of this Letter of Offer.
Terms of Payment	The full amount is payable on application

*For further details of Fractional Entitlements, please see “**Terms of Issue – Fractional Entitlements**” on page 184 of this Letter of Offer. .*

GENERAL INFORMATION

Our Company was originally incorporated as Shreenath Mineral Metal Private Limited on September 29, 1999 under the erstwhile Companies Act, 1956 as a private limited company by the Deputy Registrar of Companies, Gujarat, Dadra & Nagar Haveli. Further, the name of the Company was changed to Gyscoal Alloys Private Limited and a fresh certificate of incorporation was issued by Registrar of Companies, Gujarat on June 21, 2004. Subsequently, our Company was converted into a Public Limited Company pursuant to a special resolution passed by the members at the extraordinary general meeting dated February 3, 2006 and the name of our Company was changed to Gyscoal Alloys Limited to reflect the legal status of our Company pursuant to its conversion vide a fresh certificate of incorporation issued by the Assistant Registrar of Companies, Gujarat dated March 21, 2006 bearing corporate identification number U27209GJ1999PLC036656. The Equity Shares of our Company were listed on BSE Limited and National Stock Exchange of India Limited on October 27, 2010 through Initial Public Offer.

Registered Office of Company	Plot No. 2/3 GIDC Ubkhal, Kukarwada, Tal. Vijapur, Dist. Mehsana Kukarwada – 382830, Mahesana, Gujarat- 382830 India.
Corporate Office of Company	2 nd Floor, Mrudul Tower B/h Times of India, Ashram Road, Ahmedabad, 380009, Gujarat.
Company Registration Number	036656
Corporate Identity Number	L27209GJ1999PLC036656
Email ID	cs@gyscoal.com
Website	www.gyscoal.com
Telephone	+079 66614508

REGISTRAR OF COMPANIES

Our Company is registered with Registrar of Companies, Ahmedabad, Gujarat.

RoC Bhavan, Opposite Rupal Park Society,

Behind Ankur Bus Stop,

Naranpura, Ahmedabad-380013, Gujarat.

CHIEF FINANCIAL OFFICER

Name : Neelesh Bhutara

Address: 2nd Floor, Mrudul Tower B/h Times of India, Ashram Road, Ahmedabad, 380009, Gujarat India.

Tel No : +079 66614508

Email ID: cfo@gyscoal.com

COMPANY SECRETARY & COMPLIANCE OFFICER

Name : Hiral Patel

Address: 2nd Floor, Mrudul Tower B/h Times of India, Ashram Road, Ahmedabad,380009, Gujarat India.

Tel No : +079 66614508

Email ID: cs@gyscoal.com

BOARD OF DIRECTORS

The following table sets out the brief details of our Board as on the date of this Letter of Offer:

NAME	DIN	DESIGNATION	AGE	ADDRESS
Mona Viral Shah	02343194	Executive Director and Chairperson	46	B/701, Shiromani Flats, S.M. Road, Satellite, Ahmadabad City, Manekbag, Ahmadabad, Gujarat, 380015.
Mahendra Kumar Shukla	09461897	Executive Director	57	Flat J 502 Venus Pahal, O.P. Road, Near Relince Mega Mall, Vadodara Gujarat 390020.

NAME	DIN	DESIGNATION	AGE	ADDRESS
Dipali Manish Shah	08845576	Non-Executive Non-Independent Director	45	701 Shiromani Flat, Nehrunagar Cross Road, Satellite, Ahmadabad City, Gujarat – 380015
Hemang Harshadbhai Shah	08740598	Non-Executive Independent Director	33	5-3-80, Shamlani Sherry, Dabhoi, Vadodara – 391110 Gujarat India.
Laxmi Shikandar Jaiswal	09616917	Non-Executive Independent Director	30	18/18, Rohini Nagar, Peth Road, Panchavati, Near Samrudhi Hospital, Nashik-422003.
Ravikumar Manojkumar Thakkar	09620074	Non-Executive Independent Director	28	A-203, Saaga Residency, SG Highway, Tragad, Ahmedabad, Gujarat-382470

For further details of our Board of Directors, please see to the section titled “**Our Management**” beginning on page 94 of this Letter of Offer.

The details of Intermediaries are as follows:

LEAD MANAGER TO THE OFFER	REGISTRAR TO THE COMPANY
<p>Fedex Securities Private Limited 3rd Floor, B Wing, Jay Chambers, Dayaldas Road, Vile Parle (East), Mumbai – 400 057, Maharashtra, India. Tel No.: +91 81049 85249 E-mail: mb@fedsec.in Website: www.fedsec.in Contact Person: Yash Kadakia SEBI Registration Number: INM000010163 Investor Grievance E-Mail: mb@fedsec.in</p>	<p>Link Intime India Pvt. Ltd C 101, 1st floor, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai – 400083, Maharashtra, India Tel No: + 022 - 4918 6200 Fax No.: 022 - 4918 6060 E-mail: gyscoal.rights@linkintime.co.in Contact Person: Sumeet Deshpande Website: www.linkintime.co.in SEBI Registration No.: INR000004058</p>
INTERNAL AUDITOR	REGISTRAR TO THE ISSUE
<p>Radheshyam I Shah & Associates, Chartered Accountant 403, Shailly House, 3 Hari Har Park Society, Nr. Income Tax under Bridge, Navrangpura, Ahmedabad -380009 Tel No: +91 9724004143 E-mail: atikshaikhahd@gmail.com Contact Person: CA Atik Akilah med Shaikh Firm Registration No: 128398W Membership No: 159072</p>	<p>Purva Sharegistry (India) Private Limited Unit No. 9, Ground Floor, Shiv Shakti Industrial Estate, J. R. Boricha Marg, Lower Parel (East), Mumbai – 400011, Maharashtra, India Tel No: + 91 22 2301 0771 / 4961 4132 Fax No: NA Email : support@purvashare.com ; Contact Person: Ms. Deepali Dhuri; Website: www.purvashare.com ; SEBI Registration Number: INR000001112</p>

STATUTORY & PEER REVIEW AUDITOR	LEGAL ADVISORS AS TO LEGAL CHAPTERS
<p>Ashok Dhariwal & Co Chartered Accountants A-611, Ratnaakar Nine Square, Opp. Keshavbaug Party Plot, Vastrapur, Ahmedabad-380015 Telephone: +91 94620 01221 Contact Person: CA Ashok Dhariwal Peer Review No.: 014323 Firm Registration No.: 100648W Membership No.: 036452</p>	<p>Rajani Associates & Solicitors 204 – 207, Krishna Chambers, 59, New Marine Lines, Mumbai – 400 020 Maharashtra, India Tel: +91 22 4096 1000 Email Id: sangeeta@rajaniassociates.net Contact Person: Ms. Sangeeta Lakhi</p>
BANKERS TO THE ISSUE	BANKERS TO THE COMPANY
<p>ICICI Bank Limited Address: Capital market Division, 5th floor, HT Parekh marg, Churchgate, Mumbai- 400 020 Tel No: 022-68052182 Email Id: sagar.welekar@icicibank.com / ipocmg@icicibank.com Website: www.icicibank.com Contact Person: Sagar Welekar SEBI Registration No.: INBI00000004</p>	<p>ICICI Bank Limited Shop No.3, Ground Floor, Dev Auram, 100 FT Road, Ahmedabad - 380015 Tel No: +91 9512021085 Email Id: mitul.rathod@icicibank.com Website: www.icicibank.com Contact Person: Mr. Mitul Rathod</p>
BANKERS TO THE COMPANY	
<p>YES Bank Limited Shop No.1, Shapath --3, Nr. GNFC Tower, S.G. Highway, Bodakdev, Ahmedabad - 380054 Tel No: +91 97251 49648 Email Id: ketul.shahl@yesbank.in Website: www.yesbank.in Contact Person: Mr. Ketul Shah</p>	<p>State Bank of India Gujarat Vidhyapith Premises, Ashram Hoad, Ahmedabad 380014 Tel No: 079-27540400 Email Id: sbi.02628@sbi.co.in Website: www.sbi.co.in Contact Person: Navin Kumar Singh</p>

Investor Grievances

Investors may contact the Registrar to the Offer or our Company Secretary and Compliance Officer for any pre-Issue or post- Issue related matters. All grievances relating to the ASBA process may be addressed to the Registrar to the Issue , with a copy to the SCSB (in case of ASBA process), giving full details such as name, address of the applicant, contact number(s), e-mail address of the sole/ first holder, folio number or demat account, number of Equity Shares applied for, amount blocked (in case of ASBA process), ASBA Account number and the Designated Branch of the SCSB where the Application Forms, or the plain paper application, as the case may be, was submitted by the Investors along with a photocopy of the acknowledgement slip (in case of ASBA process).

For details on the ASBA process, see “*Terms of the Issue*” beginning on page 204 of this Letter of Offer.

Expert

Our Company has received written consent dated September 15, 2022 from the Statutory Auditors, M/s Ashok Dhariwal & Co., Chartered Accountants to include their name as required under Section 26(5) of the Companies Act 2013 read with SEBI ICDR Regulations in this Letter of Offer as an “*expert*” as defined under Section 2(38) of the Companies Act 2013 to the extent and in its capacity as an independent Statutory Auditor and in respect of its (i) examination report dated September 28, 2022 on our Restated Financial Statement for the financial years ended March 31, 2022, March 31, 2021 and March 31, 2020; (ii) limited reviewed report dated November 11, 2022 on the Limited Reviewed Financial Results for the six months period ended September 30, 2022 ; and (iii) the statement of tax benefits dated September 30, 2022 included in this Letter of Offer and such consent has not been withdrawn as on the date of this Letter of Offer.

In addition, our Company has received written consent dated November 15, 2022 from the Mukesh M Shah, Chartered Engineer, to include their name in this Letter of Offer as ‘Expert’ as defined under Section 2(38) of the Companies Act, 2013, in respect of the certificates issued by them in their capacity as an independent chartered engineer. Such consent has not been withdrawn as at the date of this Letter of Offer.

DESIGNATED INTERMEDIARIES

Self-Certified Syndicate Banks (“SCSBs”)

The lists of SCSBs notified by SEBI to act as SCSB for the ASBA process is available on the website of SEBI on <http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>. For details of the Designated Branches of SCSBs collecting the Application Forms, please refer to the above-mentioned SEBI link. On Allotment, the amount will be unblocked, and the account will be debited only to the extent required to pay for the Rights Equity Shares allotted.

Registrar to the Issue and Share Transfer Agents (“RTA”)

In terms of SEBI circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, the list of the RTAs eligible to accept Applications forms at the Designated RTA Locations, including details such as address, telephone number and e-mail address, are provided on the website of the SEBI (www.sebi.gov.in), and updated from time to time. For details on RTA, please refer <http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>.

Collecting Depository Participants (“CDP”)

In terms of SEBI circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, the list of the CDPs eligible to accept Bid cum Application Forms at the Designated CDP Locations, including details such as name and contact details, are provided on the website of Stock Exchange. The list of branches of the SCSBs named by the respective SCSBs to receive deposits of the Bid cum Application Forms from the Designated Intermediaries will be available on the website of the SEBI (**Error! Hyperlink reference not valid.** updated from time to time).

STATEMENT OF INTER-SE ALLOCATION OF RESPONSIBILITIES

Fedex Securities Private Limited being the sole Lead Manager to this Issue, all the responsibilities relating to co-ordination and other activities in relation to the Issue shall be performed by them. Hence, a statement of inter-se allocation of responsibilities is not required.

CREDIT RATING

This being a Rights Issue of Equity Shares, credit rating is not required.

DEBENTURE TRUSTEES

Since this is not a debenture issue, appointment of debenture trustee is not required.

MONITORING AGENCY

Since the Issue size does not exceed ₹10,000.00 lakhs, there is no requirement to appoint a monitoring agency in relation to the Issue under SEBI ICDR Regulation.

UNDERWRITING

This Rights Issue is not underwritten.

CHANGES IN STATUTORY AUDITORS DURING THE LAST THREE YEARS

There has been changes in the Statutory Auditors of our Company during the last three years preceding the date of this Letter of Offer. The details of changes are as mentioned below:

Details of Previous Auditor	Date of Resignation	Details of New Auditor	Date of Appointment	Reasons
Saurabh R. Shah & Co., Chartered Accountants F-8, Ganesh Plaza, Kalikund, Dholka, Ahmedabad, Gujarat – 382225 India Telephone: +91 99740 56675 Contact Person: Nikhil Patel Peer Review No: 008761 Firm Registration No: 127176W Membership No. 151799	June 17, 2021	Ashok Dhariwal & Co., Chartered Accountants A-611, Ratnaakar Nine Square, Opposite Keshavbaug Party Plot, Vastrapur, Ahmedabad- 380015 Gujarat India Telephone: +91 79 29601611 Email ID : ashokdhariwal2004@yahoo.co.i n Contact Person: Ashok Dhariwal Peer Review No.: 014323 Firm Registration No.: 100648W Membership No.: 036452	June 17, 2021	Completion of tenure

FILING

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

MINIMUM SUBSCRIPTION

If our Company does not receive the minimum subscription of at least 90% of the Issue size, or the subscription level falls below 90%, after the Issue Closing Date on account of cheques being returned unpaid or withdrawal of applications, our Company shall refund the entire subscription amount received within 4 days from the Issue Closing Date. If there is delay in making refunds beyond such period as prescribed by applicable laws, our Company will pay interest for the delayed period at rates prescribed under applicable laws.

ISSUE SCHEDULE

Particulars	Day and Date
Last Date for Trading Approval of the Rights Entitlements	Friday, December 30, 2023
Issue Opening Date	Monday, January 02, 2023
Last Date for On Market Renunciation of the Rights Entitlements [#]	Monday, January 09, 2023

Particulars	Day and Date
Issue Closing Date*	Thursday, January 12, 2023
Finalization of Basis of Allotment (on or about)	Thursday, January 19, 2023
Date of Allotment (on or about)	Thursday, January 19, 2023
Date of credit (on or about)	Wednesday, January 25, 2023
Date of receipt of Trading Approval (on or about)	Friday, January 27, 2023

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

** Our Board or the Rights Issue Committee will have the right to extend the Offer Period as it may determine from time to time but not exceeding 30 days from the Offer Opening Date (inclusive of the Offer Opening Date) or such other time as maybe permitted as per applicable law. Further, no withdrawal of Application shall be permitted by any Applicant after the Offer Closing Date.*

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

Please note that if Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date have not provided the details of their demat accounts to our Company or to the Registrar, they are required to provide their demat account details to our Company or the Registrar not later than 2 (Two) Working Days prior to the Offer Closing Date, i.e., January 10, 2023 to enable the credit of the Rights Entitlements by way of transfer from the demat suspense escrow account to their respective demat accounts, at least 1 (One) day before the Offer Closing Date, i.e., January 11, 2023.

Investors are advised to ensure that the Applications are submitted on or before the Offer Closing Date. Our Company, the Lead Manager or the Registrar will not be liable for any loss on account of non-submission of Applications on or before the Offer Closing Date. Further, it is also encouraged that the applications are submitted well in advance before Issue Closing Date. For details on submitting Application Forms, please see to the section titled “**Terms of the Issue**” beginning on page 204 of this Letter of Offer.

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

The details of the Rights Entitlements with respect to each Eligible Equity Shareholders can be accessed by such respective Eligible Equity Shareholders on the website of the Registrar at www.purvashare.com after keying in their respective details along with other security control measures implemented there at. For further details, please see to the paragraph titled see ‘**Credit of Rights Entitlements in demat accounts of Eligible Equity Shareholders**’ under the section titled “**Terms of the Issue**” beginning on page 204 of this Letter of Offer.

CAPITAL STRUCTURE

The Equity Share Capital of our Company as on the date of this Letter of Offer and after the proposed Issue is set forth below:

(Amount in ₹ Lakhs, except the share data)

Sr. No.	Particulars	Aggregate value at	
		Face value	Issue Price
1	AUTHORISED SHARE CAPITAL		
	50,00,00,000 Equity Shares of face value of ₹ 1.00/- each	5,000.00	---
2	ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL		
	15,82,75,560 fully paid-up Equity Shares of face value of ₹ 1.00/- each	1,582.76	---
3	PRESENT ISSUE IN TERMS OF THE LETTER OF OFFER (*)(#)		
	Up to 17,41,03,116 Equity shares of face value of ₹ 1.00 each at a price of ₹2.75 per Equity Share	1741.03	4787.84
4	ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL AFTER THE ISSUE (#)		
	33,23,78,676 fully paid-up Equity Shares of face value ₹ 1.00/- each	3323.79	---
5	SECURITIES PREMIUM ACCOUNT		
	Before the Issue as on March 31, 2022	5260.14	
	After the Issue #	8390.04	

*The present Issue has been authorised by the Board of Directors of vide a resolution at its meeting held on September 28, 2022 read with resolution passed by the Board of Directors on August 12, 2021 and Rights Issue Committee vide a resolution dated November 17, 2022 pursuant to Section 62(1)(a) and other applicable provisions of the Companies Act, 2013.

Assuming full subscription for and allotment of the Rights Entitlement.

Notes to the Capital Structure

- No Equity Shares of our Company held by our Promoters and member of Promoter Group are locked in, pledged & encumbrance.
- Except as mentioned below, no Equity Shares were acquired by the Promoters and member of Promoter Group in the last one year immediately preceding the date of filing of the Letter of Offer.

Sr.no.	Name of the Promoters or member of Promoter Group	Date of Acquisition	Number of Equity Shares	Consideration (₹ in lakhs)	Mode of Transaction
1.	Viral Mukundbhai Shah	September 01, 2022	109057	310359.6	Market
		September 07, 2022	95319	281191.05	Off market
		September 08, 2022	40369	119088.55	Off market
		September 12, 2022	50000	145000	Off market
2.	Mona Shah	August 18, 2022	65289	195102.55	Off market
		August 19, 2022	15000	45000.00	Off market
		August 25, 2022	8035	22899.75	Off market
		August 26, 2022	28900	82365.00	Off market
		September 12, 2022	150000	427500.00	Off market
		September 22, 2022	100000	290000.00	Off market

Sr.no.	Name of the Promoters or member of Promoter Group	Date of Acquisition	Number of Equity Shares	Consideration (₹ in lakhs)	Mode of Transaction
3.	Viral M Shah HUF	August 19, 2022	15000	45000.00	Off market
		September 23, 2022	41659	116645.20	Off market

3. Our Company shall ensure that any transaction in the Equity Shares by our Promoters and member of Promoter Group during the period between the date of filing this Letter of Offer and the Issue Closing Date shall be reported to the Stock Exchanges within 24 hours of such transaction.
4. At any given time, there shall be only one denomination of the Equity Shares, unless otherwise permitted by law. Our Company shall comply with such disclosure and accounting norms as may be specified by SEBI from time to time;
5. The Equity Shares of our Company are fully paid-up and there are no partly paid-up Equity Shares as on the date of this Letter of Offer;
6. As on the date of this Letter of Offer, our Company has not issued any special voting right Shares and there are no outstanding Equity Shares having special voting rights;
7. As on the date of this Letter of Offer, our Company does not have any outstanding warrants, outstanding instruments with an option to convert or securities which are convertible later into Equity Shares;
8. As on the date of this Letter of Offer, our Company does not have an employee stock option scheme or employee stock purchase scheme.
9. The ex-rights price of the Rights Equity Shares as per Regulation 10(4)(b) of the Takeover Regulations is ₹2.78/- per equity share.

Shareholding pattern

Shareholding pattern of our Company as per the last filing with the Stock Exchanges in compliance with the provisions of the SEBI Listing Regulations:

1. The statement showing holding of the Equity Shares as on September 30, 2022, can be accessed on the website of the BSE at <https://www.bseindia.com/stock-share-price/gyscoal-alloys-ltd/gal/533275/qtrid/115.00/shareholding-pattern/Sep-2022/> & on the website of NSE at <https://www.nseindia.com/companies-listing/corporate-filings-shareholding-pattern?symbol=GAL&tabIndex=equity>
2. The statement showing holding of the Equity Shares of the persons belonging category to the “Promoter and Promoter Group” as on September 30, 2022, can be accessed on the website of the BSE at <https://www.bseindia.com/corporates/shpPromoterNGroup.aspx?scripcd=533275&qtrid=115.00&QtrName=Sep-22> & on the website of NSE at <https://www.nseindia.com/companies-listing/corporate-filings-shareholding-pattern?symbol=GAL&tabIndex=equity>
3. The statement showing holding of the Equity Shares of persons belonging to the category “Public shareholders” as on September 30, 2022, can be accessed on the website of the BSE at <https://www.bseindia.com/corporates/shpPublicShareholder.aspx?scripcd=533275&qtrid=115.00&QtrName=Sep-22> & on the website of NSE at <https://www.nseindia.com/companies-listing/corporate-filings-shareholding-pattern?symbol=GAL&tabIndex=equity>
4. The statement showing holding of the Equity Shares of persons belonging to the category “Non-Promoter-Non-Public shareholder” as on September 30, 2022 can be accessed on the website of the BSE at <https://www.bseindia.com/corporates/shpNonProPublic.aspx?scripcd=533275&qtrid=115.00&QtrName=>

[Sep-22](https://www.nseindia.com/companies-listing/corporate-filings-shareholding-pattern?symbol=GAL&tabIndex=equity) & on the website of NSE at <https://www.nseindia.com/companies-listing/corporate-filings-shareholding-pattern?symbol=GAL&tabIndex=equity>

5. The statement showing holding of the Equity Shares of persons belonging to the category “Trading Members” holding more than 1% or more of the Total Shares as on September 30, 2022, can be accessed on the website of the BSE at <https://www.bseindia.com/corporates/shpdrPerent.aspx?scripcd=533275&qtrid=115.00&CompName=GYSCOAL%20ALLOYS%20LTD.&QtrName=Sep-22&Type=TM> & on the website of NSE at <https://www.nseindia.com/companies-listing/corporate-filings-shareholding-pattern?symbol=GAL&tabIndex=equity>
6. The statement showing holding of the Equity Shares of persons belonging to the category significant beneficial owners as on September 30, 2022 can be accessed on the website of the BSE at <https://www.bseindia.com/corporates/SBO.aspx?code=306920&scripcd=533275&qtrid=115.00&CompName=GYSCOAL%20ALLOYS%20LTD.&QtrName=Sep-22> & on the website of NSE at <https://www.nseindia.com/companies-listing/corporate-filings-shareholding-pattern?symbol=GAL&tabIndex=equity>
7. The list of shareholders holding 1% or more of the paid-up capital of our Company as on September 30, 2022, is as under:

Sr. No.	Name of the Shareholder	No. of Equity Shares	Percentage of the pre-Issue capital (in %)
1.	Viral Mukundbhai Shah	3,21,40,651	20.31
2.	Giraben Kishorsinh Solanki	1,41,57,350	8.94
3.	Sampati Securities Limited	1,16,30,582	7.34
4.	Mayurkumar Babubhai Patel	49,59,275	3.13
5.	Monali Samirbhai Patel	1667000	1.05

Intention and extent of participation by our Promoters and Promoter Group:

Our Promoters and members of the Promoter Group, other than Giraben Kishorsinh Solanki and Solanki Zankarsinh Kishorsinh vide their letter dated November 15, 2022 have confirmed their intention to subscribe only to the portion of Rights Entitlement on the shareholding of the Promoters and Promoter Group, jointly and/or severally and not to renounce their Rights Entitlements except to the extent of renunciation within the Promoters and members of the Promoter Group.

Further they would not subscribe to, Additional Rights Equity Shares over and above the Rights Entitlements of the Promoter and Promoter Group including unsubscribed portion of the Issue, if any, subject to compliance with the minimum public shareholding requirements, as prescribed under the SCRR and the SEBI Listing Regulations.

The aforementioned subscription of Rights Equity Shares by our Promoters and members of the Promoter Group shall not result in a change of control of the management of our Company and shall not result in an obligation on our Promoters and members of the Promoter Group to make an open offer to the public shareholders of our Company in terms of the SEBI Takeover Regulations. Further, as on the date of this Letter of Offer, our Company is in compliance with Regulation 38 of the SEBI Listing Regulations and will continue to comply with the minimum public shareholding requirements under applicable laws, pursuant to this Issue.

OBJECTS OF THE ISSUE

The Net Proceeds from the Issue are proposed to be utilised by our Company for the following objects (*collectively referred to as “Objects”*):

1. Payment towards full and final settlement of outstanding loan amount of Omkara Assets Reconstruction Private Limited (“Omkara”);
2. Part repayment or pre-payment of unsecured loans availed by our Company from Sampati Securities Limited, one of the Promoter Group Company; and
3. General corporate purpose

The main objects clause and objects incidental or ancillary to the main objects as set out in the Memorandum of Association enables our Company to undertake its existing activities and the activities for which funds are being raised by our Company through the Issue.

In addition to the aforementioned objects, our Company intends to strengthen its capital base.

Net Proceeds

The details of the proceeds of the Issue are summarised in the table below:

Particulars	Estimated Amount (₹ In lakhs)
Gross Proceeds from the Issue*	4787.84
Less: Issue Related Expenses	60.00
Net Proceeds	4727.84

**Assuming full subscription and subject to finalization of Issue Price and basis of allotment, accordingly, shall be updated in the Letter of Offer.*

Utilization of Net Proceeds and schedule of implementation and deployment

The Net Proceeds are currently expected to be deployed in accordance with the schedule set forth below:

(₹ in Lakhs)

Particulars	Total Amount to be deployed from the Net Proceeds	Estimated utilisation of Net Proceeds in FY 2023 - 24
Payment towards full and final settlement of outstanding loan amount of Omkara Assets Reconstruction Private Limited	1,750.00	1,750.00
Part repayment or pre-payment of unsecured loans availed by our Company from Sampati Securities Limited, one of the Promoter Group Company	1,950.00	1,950.00
General corporate purposes*	1027.84	1027.84
Total**	4727.84	4727.84

**To be finalised upon determination of Issue Price and be updated in the Letter of Offer. The amount shall not exceed 25% of the Gross Proceeds.*

***Proceeds from the Rights issue to the extent of One-Time Settlement (“OTS”) sanctioned amount i.e. ₹1750 Lakhs shall be kept in a ‘No Lien account’ which will be operated with the authorization of Omkara as per the terms of the NOC dated May 20, 2022.*

The funds deployment described herein is based on management estimates and current circumstances of our business and operations. Given the dynamic nature of our business, we may have to revise our funding

requirements and deployment on account of a variety of factors such as our financial condition, business strategy and external factors such as market conditions, competitive environment, interest rate fluctuations, taxes and duties, working capital margin and other external factors which may not be within the control of our management. This may entail rescheduling or revising the planned expenditure and funding requirements, including the expenditure for a particular purpose, at the discretion of our management, except to the extent of payment towards full and final settlement of outstanding loan amount of Omkara Assets Reconstruction Private Limited i.e. ₹1750.00 lakhs Subject to applicable law, if the actual utilisation towards the above objects is lower than the proposed deployment, the balance will be used towards general corporate purposes to the extent that the total amount to be utilized towards general corporate purposes will not exceed 25% of the gross proceeds. In case of a shortfall in raising requisite capital from the Net Proceeds towards meeting the Objects, business considerations may require us to explore a range of options including utilising our internal accruals and seeking additional debt from existing and future lenders. We believe that such alternate arrangements would be available to fund any such shortfalls. To the extent our Company is unable to utilise any portion of the Net Proceeds towards the aforementioned objects, per the estimated scheduled of deployment specified above, our Company shall deploy the Net Proceeds in subsequent financial years towards the aforementioned objects as per the applicable laws.

Details of the Objects of the Issue

1. Payment towards full and final settlement of outstanding loan amount of Omkara Assets Reconstruction Private Limited;

Our Company has availed certain borrowings from various lenders, including UCO Bank. The outstanding amount towards UCO Bank as on September 30, 2017 was ₹ 4672.19 Lakhs. Our Company has defaulted towards repayments of its borrowings and accordingly, the account of the Company was classified as NPA by its lenders. Consequently, UCO Bank assigned its outstanding loan amount of Rs. 3579.75 (excluding interest) Lakhs to Omkara Assets Reconstruction Private Limited “(Omkara)”, under a Deed of Assignment dated October 12, 2017.

Upon such assignment of the aforesaid loan amount, the Board of Directors of our Company has acknowledged the assignment in their meeting held on February 12, 2018. Pursuant to such acknowledgement our Company paid an amount of ₹ 75.00 Lakhs as advance to Omkara. Accordingly, our Company has accounted the loan outstanding of ₹4672.19 Lakhs as payable to Omkara.

Subsequently, our Company entered into a One Time Settlement (“OTS”) arrangement with Omkara on May 20, 2022 whereby the Company agreed to pay a lump sum amount of ₹ 1775 Lakhs towards the full and final settlement amount against the outstanding dues of ₹ 4672.19 Lakhs. As per the terms of the OTS the Company paid an amount of ₹ 25 Lakhs (in tranche) in the month of June 2022 and the balance amount of ₹ 1750.00 Lakhs was to be paid on or before September 25, 2022.

Our Company has initiated process to raise additional capital through rights issue process vide resolution of its board of directors on August 12, 2021. Our Company also sought an NOC from Omkara to proceed with the rights issue. Pending completion of the rights issue, our Company has failed to honour the repayment schedule as per the OTS. Our Company vide their email dated October 10, 2022 has requested Omkara to extend the repayment schedule till the completion of the proposed rights issue. Our Company is awaiting the response from Omkara.

Accordingly, our Company proposes to utilise an aggregate amount ₹ 1750.00 lakhs from the Net Proceeds towards full and final settlement of outstanding debt to Omkara as per the OTS arrangement.

The prepayment or repayment will help reduce our outstanding indebtedness and debt servicing costs, assist us in maintaining a favorable debt to equity ratio and enable utilization of our internal accruals for further investment in business growth and expansion. In addition, we believe that the leverage capacity of our Company will improve our ability to raise further resources at more favorable terms in the future to fund potential business development opportunities and plans to grow and expand our business in the future.

For a complete disclosure of the principal terms and conditions of the loans and assets charged as security for the said loans, please see to the section titled “*Restated Financial Statements*” on page 108 of this Letter

of Offer.

Breakup of Identified Loans proposed to be repaid:

Name of the lender	Purpose / type of loan	Amount sanctioned (₹ in Lakhs) *	Amount outstanding as on September 30, 2022 (₹ in Lakhs) *	Rate of interest (per annum)%	Pre-payment penalty
Omikara Assets Reconstruction Private Limited	Working Capital (as per the OTS arrangement)	1775.00	1750.00	NA	No

* As certified by our Statutory Auditors, vide their certificate dated November 17, 2022.

2. Part repayment or prepayment of unsecured loans availed by our Company from Sampati Securities Limited, one of the Promoter Group Company

Our Company has, from time to time, availed unsecured borrowings in the form of inter corporate deposits (“ICDs”) from Sampati Securities Limited, one of the members of the Promoter Group of our Company to meet our business needs including repayment of certain loans / ICDs including interest thereon availed from banks and related parties and other working capital needs of our Company.

Our Company intends to utilize upto ₹ 1950.00 lakhs of the Net Proceeds towards repayment of these unsecured loans. These unsecured loans are repayable on demand. There are no prepayment penalties for prepayment of such unsecured loans. The following table provides details along with the terms on which these unsecured loans have been availed by our Company, as on September 30, 2022, which are proposed to be repaid from the Net Proceeds:

Name of the lender	Outstanding unsecured loans as on as on September 30, 2022 (₹ in lakhs)*	Purpose of availing unsecured loans*	Interest rate (%) p.a.*	Repayment Terms*	Proposed repayment or prepayment from Net Proceeds (₹ in lakhs)
Sampati Securities Limited	2932.68	Working capital and repayment of loans and interest thereon	2.00%	On Demand	1950.00

* As certified by our Statutory Auditors vide their certificate dated November 17, 2022.

Given the nature of this borrowing and the terms of repayment, the aggregate outstanding unsecured loan amount may vary from time to time. In addition to the above, we may, from time to time, enter into further financing arrangements to avail unsecured loans. In such cases or in case the above unsecured loan are paid or further unsecured loan have been availed prior to the completion of the Issue, we may utilise Net Proceeds of the Issue towards repayment or prepayment of such additional unsecured loans.

One of our member of the Promoter Group, Sampati Securities Limited vide its letter dated November 16, 2022 have requested the Company to adjust an amount aggregating to ₹ 1950.00 lakhs of outstanding loan out of the amount of ₹ 2932.68 lakhs, which has already been brought in to the Company, against the application money to be received by the Company, for the subscription to the extent of its entitlement in the Issue and the extent of any additional Equity Shares to be applied by Sampati Securities Limited with respect to the entitlement of the Promoters and members of the Promoter Group whether or not such right is renounced by the Promoter or member of Promoter Group. Consequently, no fresh Issue proceeds would be received by our Company to such an extent.

3. General Corporate Purposes

Our Company intends to deploy the balance Net Proceeds aggregating to ₹1027.84 Lakhs towards general corporate purposes, pursuant to Regulation 62 (2) of the SEBI ICDR Regulations, which shall not exceed 25% of the Gross proceeds of the Issue. Our Board will have flexibility in applying the balance amount towards general corporate purposes, including meeting our working capital requirements, capital expenditure, funding our growth opportunities, including strategic initiatives, meeting expenses incurred in the ordinary course of business including salaries and wages, administration expenses, insurance related expenses, issue related expenses, meeting of exigencies which our Company may face in course of business and any other purpose as may be approved by the Board or a duly appointed committee from time to time, subject to compliance with the necessary provisions of the Companies Act.

Our management will have flexibility in utilizing any amounts for general corporate purposes under the overall guidance and policies of our Board. The quantum of utilization of funds towards any of the purposes will be determined by the Board, based on the amount actually available under this head and the business requirements of our Company, from time to time.

Means of Finance

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

Issue Related Expenses

The total expenses of the Issue are estimated to be ₹ 60.00 lakhs. The break-up for the Issue expenses is as follows:

Activity	Estimated Amount (₹ In lakhs) *	As a % of total estimated Issue Expenses	As a % of Issue Size
Fees to the Intermediaries (including Lead Manager, Registrar to the Issue, legal advisors, other professional service providers)	25.00	41.67	0.52
Advertising and marketing expenses	5.00	8.33	0.10
Regulators including stock exchanges	20.00	33.33	0.42
Printing and distribution of issue stationary	3.00	5.00	0.06
Others, if any (to be specified)	7.00	11.67	0.15
Total	60.00	100.00	1.25

Notes:

- In case of any difference between the estimated Issue related expenses and actual expenses incurred, the shortfall or excess shall be adjusted with the amount allocated towards general corporate purposes. However, the amount deployed towards general corporate purposes shall not exceed 25% of the Gross proceeds of the Issue.*
- The fund deployed out of internal accruals towards issue expenses up to December 24, 2022 is 28.52 Lakhs as certified by our Statutory Auditors vide certificate dated December 27, 2022. The funds already deployed will be recouped out of issue expenses.*

Interim use of Net Proceeds

Our Company, in accordance with the policies established by the Board, from time to time, will have the flexibility to deploy the Net Proceeds. Pending utilisation for the purposes described above, we undertake to temporarily invest the funds from the Net Proceeds in deposits with one or more scheduled commercial banks included in the Second Schedule of Reserve Bank of India Act, 1934, for the necessary duration. Such investments will be approved by our Board from time to time. Our Company confirms that it shall not use the Net Proceeds for any

buying, trading, or otherwise dealing in the shares of any other listed company or for any investment in the equity markets or providing inter-corporate deposits to any related parties.

Bridge financing facilities and other financial arrangements

Our Company has not raised any bridge loans or entered into any other similar financial arrangements from / with any bank or financial institution as on the date of this Letter of Offer, which are proposed to be repaid from the Net Proceeds.

Monitoring of Utilisation of Funds

Since the Issue size does not exceed ₹10,000.00 lakhs, there is no requirement to appoint a monitoring agency in relation to the Issue under SEBI ICDR Regulation. Our Company will disclose the utilization of the Net Proceeds under a separate head in our balance sheet along with the relevant details, for all such amounts that have not been utilized. Our Company will indicate investments, if any, of unutilized Net Proceeds in the balance sheet of our Company for the relevant Fiscals subsequent to receipt of listing and trading approvals from the Stock Exchanges.

Appraising Agency

None of the Objects for which the Net Proceeds will be utilised, require appraisal from any agency in terms of applicable law.

Other Confirmations

No part of the Net Proceeds will be paid by our Company as consideration to our Promoters, Directors, Key Managerial Personnel of our Company, except for the part of the Net Proceeds that will be utilized towards the repayment/prepayment of certain unsecured loans availed by our Company from Sampati Securities Limited and payments made in the ordinary course of business, there are no material existing or anticipated transactions.

Interest of Promoters, Promoter Group and Directors, as applicable to the Project or objects of the issue.

Sampati Securities Limited, member of the Promoter Group has *vide* its letter dated November 16, 2022 confirmed that against the total outstanding an amount of upto ₹ 1900.00 Lakhs, which has been availed by our Company, in the nature of identified unsecured loans as per the details mentioned in the above table, is proposed to be adjusted towards the application money to be received by the Company, for the subscription to the Rights Equity Shares to be allotted in this Issue, from our Promoter Group, to the extent of its entitlement in the Issue and the extent of any additional Equity Shares to be applied by Sampati Securities Limited with respect to the entitlement of the Promoters and members of the Promoter Group whether or not such right is renounced by the Promoter or member of Promoter Group. Consequently, no fresh Issue proceeds would be received by our Company to such an extent.

Our Promoters and members of the Promoter Group are interested in the Objects of the Issue to the extent of the amount earmarked for the repayment of the unsecured loan. No part of the Net Proceeds will be paid by our Company as consideration to our Promoter, Promoter Group, Directors and Key Managerial Personnel of our Company, except as mentioned under the Objects of the Issue.

STATEMENT OF SPECIAL TAX BENEFITS

To
The Board of Directors
Gyscoal Alloys Limited
Plot No. 2/3, GIDC,
Ubkhal, Kukarwada,
Vijapur, Mehsana,
Gujarat - 382830

Dear Sirs,

Sub: Statement of possible special tax benefits ("the Statement") available to Gyscoal Alloys Limited ("the Company") and its shareholders in accordance with the requirements in Schedule VI (Part A)-Clause (9) (L) of the Securities Exchange Board of India (Issue of Capital Disclosure Requirements) Regulations 2018, as amended ("the Regulations")

We, the statutory auditors of the Issuer, have been requested by the Company to issue a report on the special tax benefits available to the Company and its shareholders attached for inclusion in the Draft Letter of Offer in connection with the proposed rights issue of equity shares of the Company (the "Issue").

We hereby report that the enclosed Annexure prepared by the Management of the Company, states the possible special tax benefits available to the Company and the shareholders of the Company under the Income - Tax Act, 1961 ('Act') including amendments made by Finance Act, 2022 presently in force in India. Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the Act. Hence, the ability of the Company or its shareholders to derive the special tax benefits is dependent upon fulfilling such conditions which, based on business imperatives which the Company may face in the future, the Company may or may not choose to fulfill.

The benefits discussed in the enclosed statement are neither exhaustive nor conclusive. The contents stated in the Statement are based on the information and explanations obtained from the Company. The benefits discussed in the enclosed annexure cover only special tax benefits available to the Company and its shareholders and do not cover any general tax benefits available to the Company or its shareholders. This statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. Each investor is advised to consult his/ her/ its own tax consultant with respect to the tax implications arising out of his/her/its participation in the proposed issue, particularly in view of ever-changing tax laws in India. This statement is only intended to provide general information to guide the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult their own



tax consultant with respect to the specific tax implications arising out of their participation in the Offering. We are neither suggesting nor are we advising the investor to invest money based on this statement.

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

- i. The Company or the shareholders of the Company will continue to obtain these benefits in future;
- ii. The conditions prescribed for availing the benefits have been/would be met;
- iii. The revenue authorities/courts will concur with the views expressed herein.

The statement is intended solely for information and the inclusion in the Draft Letter of Offer in connection with the rights issue of equity shares of the Company and for submission to Securities and Exchange Board of India, BSE Limited and is not be used, referred to or distributed for any other purpose, without our prior consent, provided the below statement of limitation is included in the Draft Letter of Offer.

Limitation

Our views expressed herein are based on the facts and assumptions indicated to us. No assurance is given that the revenue authorities/ courts will concur with the views expressed herein. Our views are based on the existing provisions of the tax laws and its interpretation, which are subject to change from time to time. We do not assume responsibility to update the views consequent to such changes. We shall not be liable to the Company for any claims, liabilities or expenses relating to this assignment except to the extent of fees relating to this assignment, as finally judicially determined to have resulted primarily from bad faith or intentional misconduct. We will not be liable to the Company and any other person in respect of this Statement, except as per applicable law.

For Ashok Dhariwal & Co.
Chartered Accountants



CA Ashok Dhariwal
(Partner)

M. No. 036452

Firm number: 100648W

UDIN: 22036452AYDFDH8606



Date: 30.09.2022

Place: Ahmedabad

ANNEXURE

ANNEXURE TO THE STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS AVAILABLE TO THE COMPANY AND ITS SHAREHOLDERS

Outlined below are the possible special tax benefits available to the Company and its shareholders under the Income Tax Act 1961("the Act") presently in force in India.

A. SPECIAL TAX BENEFITS TO THE COMPANY UNDER THE INCOME TAX ACT, 1961 (THE "ACT")

The Company is not entitled to any special tax benefits under the Act.

B. SPECIAL TAX BENEFITS TO THE SHAREHOLDERS UNDER THE INCOME TAX ACT, 1961 (THE "ACT")

The Shareholders of the Company are not entitled to any special tax benefits under the Act

Note:

- The above statement of Direct Tax Benefits sets out the special tax benefits available to the Company and its shareholders under the current tax laws presently in force in India.
- This statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences, the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the issue.
- This statement does not discuss any tax consequences in the country outside India of an investment in the Shares. The subscribers of the Share in the country other than India are urged to consult their own professional advisers regarding possible income-tax consequences that apply to them.
- In respect of non-residents, the tax rates and the consequent taxation mentioned above shall be further subject to any benefits available under the applicable Double Taxation Avoidance Agreement, if any, between India and the country in which the non-resident has fiscal domicile.
- The above statement covers only above-mentioned tax laws benefits and does not cover any indirect tax law benefits or benefit under any other law.
- Our views expressed in this statement are based on the facts and assumptions as indicated in the statement. No assurance is given that the revenue authorities/courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to change from time to time. We do not assume responsibility to update the views consequent to such changes.



SECTION IV – ABOUT OUR COMPANY

OUR INDUSTRY

The information in this section includes extracts from publicly available information, data and statistics and has been derived from various government publications and industry sources. Neither we, the Lead Manager nor any of our or their respective affiliates or advisors nor any other person connected with Issue have verified this information. The data may have been re-classified by us for the purposes of presentation. The information may not be consistent with other information compiled by third parties within or outside India. Industry sources and publications generally state that the information contained therein has been obtained from sources it believes to be reliable, but their accuracy, completeness and underlying assumptions are not guaranteed, and their reliability cannot be assured. Industry and government publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends. Industry and government sources and publications may also base their information on estimates, forecasts and assumptions which may prove to be incorrect.

*Before deciding to invest in the Equity Shares, prospective investors should read this entire Letter of Offer, including the information in the sections "**Risk Factors**" and "**Restated Financial Statements**" on pages 24 and 108, respectively of this Letter of Offer. An investment in the Equity Shares involves a high degree of risk. For a discussion of certain risks in connection with an investment in the Equity Shares, please see the section '**Risk Factors**' on page 24 of this Letter of Offer. Accordingly, investment decisions should not be based on such information.*

GLOBAL STEEL OVERVIEW

Globally, the steel market after the end of Lunar holiday period in China is looking up. The stimulus measures by the governments appear to be the prime mover. The EU is in the midst of implementing \$2.19-trillion recovery plan to lend support to the region as well as decarbonisation efforts of steel industry. An investment of \$1.9 billion is planned on 55 rail infrastructure projects. A good volume of idle capacities in EU is coming back to action to serve the pick-up of demand in post-Covid market. There is a lot of discussion among member countries in EU on continuation of safeguard measures on steel imports.

Hopefully, the Chinese domestic demand from February onwards is likely to rise on the back of higher construction activity in housing and commercial areas. The stimulus measures by the Chinese government on infrastructure are continuing in railways, bridges, roads, flyovers coastal waterways and infra segments. The proposed cut in export rebate by China is making domestic market relatively more attractive for Chinese producers. In the coming months it may lead to firming up of Chinese export offers. Further, the rising steel production in China is supporting the current high prices of merchant iron ore. Chinese investment in developing infra in ASEAN markets is also helping to boost steel demand in these group of countries.

The Philippines has announced a massive \$ 20.8 billion for public infrastructure. Indonesia is another country receiving Chinese investment in metal sector. In the US, the president is seeking approval on \$1.9-trillion investment primarily for infra sector. It also includes one-off payments to individuals depending on various income levels. It is expected that it would lead to increased spending in the economy. However, the impact of higher infra investment is perceived to contribute to rejuvenate US construction and manufacturing sectors. Steel producers in the US are largely in favour of continuation of 25% duty on steel imports under Section 232 of US Trade Act.

It is, therefore, apparent that public/federal investment on infrastructure in the post-Covid scenario has been accepted as one of the major demand drivers in all developed and emerging economies, and India as the second-largest steel producer has rightly adopted similar capex enhancing measures in the annual budget for FY22. The total capex including IEBC of Rs 11.4 lakh crore for the next year would be spent on roads, railways, metro connectivity, industrial parks, industrial corridors, DFC, transportation of water, oil and gas, transmission towers, affordable housing.

At a challenging time for the steel industry, the United States is committed to providing information to the public in an accessible and transparent manner. The Global Steel Report offers a straightforward interpretation of

currently available statistical data concerning the global steel trade and the regions and countries that play a large role in steel. Information in this report includes global steel export and import trends, production, capacity, and consumption data. This information will provide current, objective, and relevant global steel trade and industry data and may allow for new insights into the global steel marketplace.

Steel is a critical industry worldwide, and steel products are a heavily traded commodity. In recent years, market changes, shifts in import and export levels, and overall weakness in the global demand for steel negatively impacted steel industries across the world. Benchmark steel prices had been generally trending down between 2011 and 2016, before starting to increase in 2016. Benchmark steel prices continued to increase in the early to mid-part of the 2018 before reversing course and experiencing a sharp decrease due to changes in trade policies. At the end of the year, Steel Benchmarker’s USA domestic hot-rolled band benchmark price were lower than both the peak hot-rolled band benchmark price in 2011 and more recent peak in mid-2018. From mid-2018 till the end of the year, prices fell over 15 percent. The 2008-2009 global financial crisis was particularly difficult for steel industries, and this period will feature prominently in the following discussion of global steel indicators. However, 2018 was a period of relative growth for the steel industry, with higher global demand, higher levels of production, and an overall increase in the global capacity utilization rate.

(source: <https://legacy.trade.gov/steel/pdfs/global-monitor-report-2018.pdf>)

STEEL INDUSTRY

INTRODUCTION

As of April 2022, India was the world's second-largest producer of crude steel, with an output of 10.14 MT. In FY22, the production of crude steel and finished steel stood at 133.596 MT and 120.01 MT, respectively. The growth in the Indian steel sector has been driven by the domestic availability of raw materials such as iron ore and cost-effective labour. Consequently, the steel sector has been a major contributor to India's manufacturing output.

The Indian steel industry is modern, with state-of-the-art steel mills. It has always strived for continuous modernisation of older plants and up-gradation to higher energy efficiency levels.

The Indian steel industry is classified into three categories - major producers, main producers and secondary producers.

(Source: https://www.ibef.org/download/1661494261_Steel-Sector-July-2022.pdf)

MARKET SIZE



In FY22, the production of crude steel and finished steel stood at 133.596 MT and 120.01 MT, respectively. The consumption of finished steel stood at 105.751 MT in FY22. In April 2022, India's finished steel consumption stood at 9.072 MT.

In FY22, exports and imports of finished steel stood at 13.49 MT and 4.67 MT, respectively. In FY22, India's export rose by 25.1% YoY, compared with 2021. In FY21, India exported 9.49 MT of finished steel.

(Source: https://www.ibef.org/download/1661494261_Steel-Sector-July-2022.pdf)

INVESTMENTS

The steel industry and its associated mining and metallurgy sectors have seen major investments and developments in the recent past.

According to the data released by the Department for Promotion of Industry and Internal Trade (DPIIT), between April 2000-March 2022, Indian metallurgical industries attracted FDI inflows of US\$ 17.01 billion.

In FY22, demand for steel is expected to increase by 17% to 110 million tonnes, driven by rising construction activities.

Some of the major investments in the Indian steel industry are as follows:

- In May 2022, Tata Steel announced a CAPEX of ₹12,000 crores (US\$ 1.50 billion).
- In October 2021, Tata Steel was planning to set up more scrap-based facilities that will have a capacity of at least a billion tonnes by 2025.
- In October 2021, JSW Steel invested Rs. 150 billion (US\$ 19.9 million) to build a steel plant in Jammu and Kashmir and boost manufacturing in the region.
- In October 2021, ArcelorMittal and Nippon Steel Corp.'s joint venture steel firm in India, announced a plan to expand its operations in the country by investing ~₹ 1 trillion (US\$ 13.34 billion) over 10 years.
- In August 2021, Tata Steel announced to invest ₹ 8,000 crore (US\$ 1.08 billion) in capital expenditure to develop operations in India in FY22.
- In August 2021, ArcelorMittal announced to invest ₹ 1 lakh crore (US\$ 13.48 billion) in Gujarat for capacity expansion.
- In August 2021, Tata Steel announced to invest ₹ 3,000 crore (US\$ 404.46 million) in Jharkhand to expand capacities over the next three years.
- In August 2021, Jindal Steel & Power Ltd. announced plans to invest US\$ 2.4 billion to increase capacity over the next six years to meet the rising demand from customers.
- In the next three years from June 2021, JSW Steel is planning to invest ₹ 47,457 crore (US\$ 6.36 billion) to increase Vijayanagar's steel plant capacity by 5 MTPA and establish a mining infrastructure in Odisha.

(Source: https://www.ibef.org/download/1661494261_Steel-Sector-July-2022.pdf)

GOVERNMENT INITIATIVES

Some of the other recent Government initiatives in this sector are as follows:

- In October 2021, the government announced guidelines for the approved specialty steel production-linked incentive (PLI) scheme.
- In October 2021, India and Russia signed an MoU to carry out R&D in the steel sector and produce coking coal (used in steel making).
- In July 2021, the Union Cabinet approved the production-linked incentive (PLI) scheme for specialty steel. The scheme is expected to attract investment worth ~₹ 400 billion (US\$ 5.37 billion) and expand specialty steel capacity by 25 million tonnes (MT), to 42 MT in FY27, from 18 MT in FY21.

- In June 2021, Minister of Steel & Petroleum & Natural Gas, Mr. Dharmendra Pradhan addressed the webinar on 'Making Eastern India a manufacturing hub with respect to metallurgical industries', organised by the Indian Institute of Metals. In 2020, 'Mission Purvodaya' was launched to accelerate the development of the eastern states of India (Odisha, Jharkhand, Chhattisgarh, West Bengal and the northern part of Andhra Pradesh) through the establishment of an integrated steel hub in Kolkata, West Bengal. Eastern India has the potential to add >75% of the country's incremental steel capacity. It is expected that of the 300 MT capacity by 2030-31, >200 MT can come from this region alone.
- In June 2021, JSW Steel, CSIR-National Chemical Lab (NCL), Scottish Development International (SDI) and India H2 Alliance (IH2A) joined forces to commercialise hydrogen in the steel and cement sectors.
- Under the Union Budget 2022-23, the government allocated ₹ 47 crore (US\$ 6.2 million) to the Ministry of Steel. The budget's focus is on creating infrastructure and manufacturing to propel the economy.
- In addition, enhanced outlays for key sectors such as defence services, railways, roads, transport and highways would provide impetus to steel consumption.
- In January 2021, the Ministry of Steel, Government of India, signed a Memorandum of Cooperation (MoC) with the Ministry of Economy, Trade and Industry, Government of Japan, to boost the steel sector through joint activities under the framework of India–Japan Steel Dialogue.
- The Union Cabinet, Government of India approved the National Steel Policy (NSP) 2017, as it intends to create a globally competitive steel industry in India. NSP 2017 envisage 300 million tonnes (MT) steel-making capacity and 160 kgs per capita steel consumption by 2030-31.
- The Ministry of Steel is facilitating the setting up of an industry driven Steel Research and Technology Mission of India (SRTMI) in association with the public and private sector steel companies to spearhead research and development activities in the iron and steel industry at an initial corpus of ₹ 200 crore (US\$ 30 million).
- The Government of India raised import duty on most steel items twice, each time by 2.5% and imposed measures including anti-dumping and safeguard duties on iron and steel items.

(Source: https://www.ibef.org/download/1661494261_Steel-Sector-July-2022.pdf)

ADVANTAGES TO STEEL SECTOR

1. Robust Demand

- India's finished steel consumption is anticipated to increase to 230 MT by 2030-31 from 105.751 MT in FY22.
- According to Mr. Seshagiri Rao, Joint Managing Director of JSW Steel Ltd., in FY22, demand for steel is expected to increase by 17% to 110 million tonnes, driven by rising construction activities.
- To drive post COVID-19 economic recovery, for the government has planned investments in roads, railways, metro connectivity, industrial parks, industrial corridors, DFC, transportation of water, oil and gas, transmission towers, affordable housing. All these sectors will drive demand for steel.

2. Competitive Advantage

- From January 2022-March 2022, India's crude steel production stood at 31.92 Million Tonnes.
- Easy availability of low-cost manpower and presence of abundant iron ore reserves make India competitive in the global set up.
- India is home to fifth-highest reserves of iron ore in the world.

3. Policy Support

- In October 2021, the government announced guidelines for the approved specialty steel production-linked incentive (PLI) scheme.

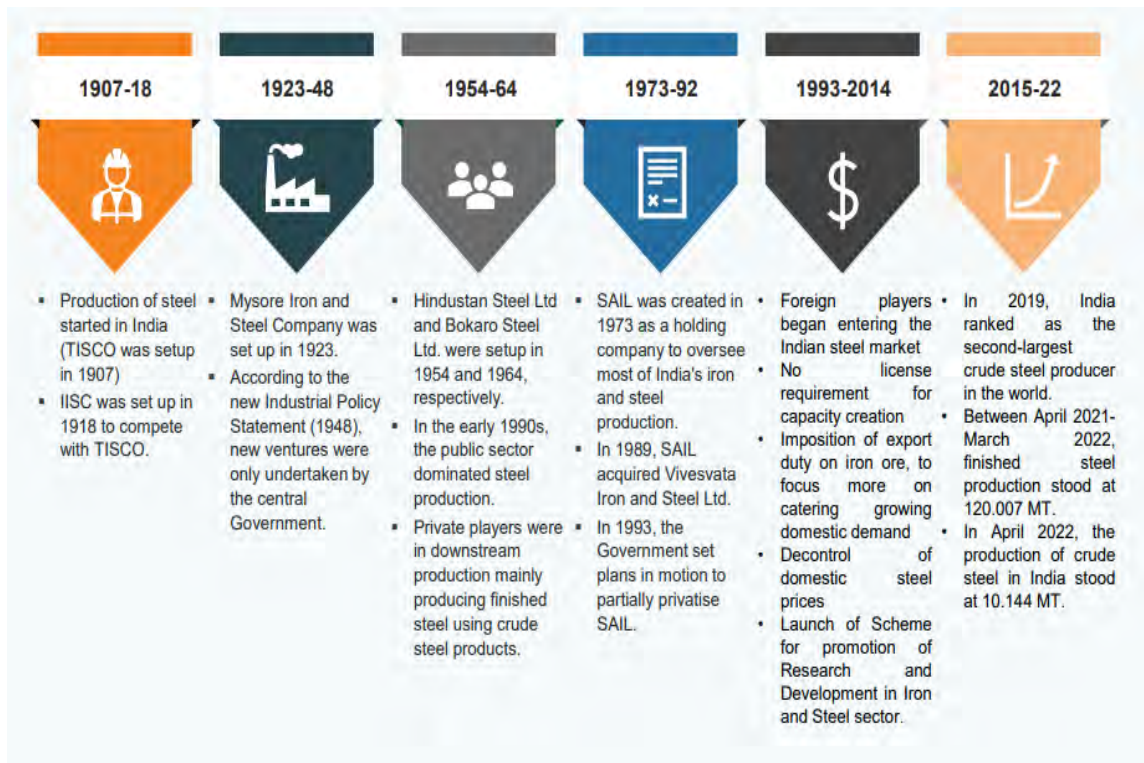
- Export duty of 30% has been levied on iron ore* (lumps and fines) to ensure supply to the domestic steel industry.
- Under the Union Budget 2022-23, the government allocated ₹ 47 crore (US\$ 6.2 million) to the Ministry of Steel.

4. Increasing Investment

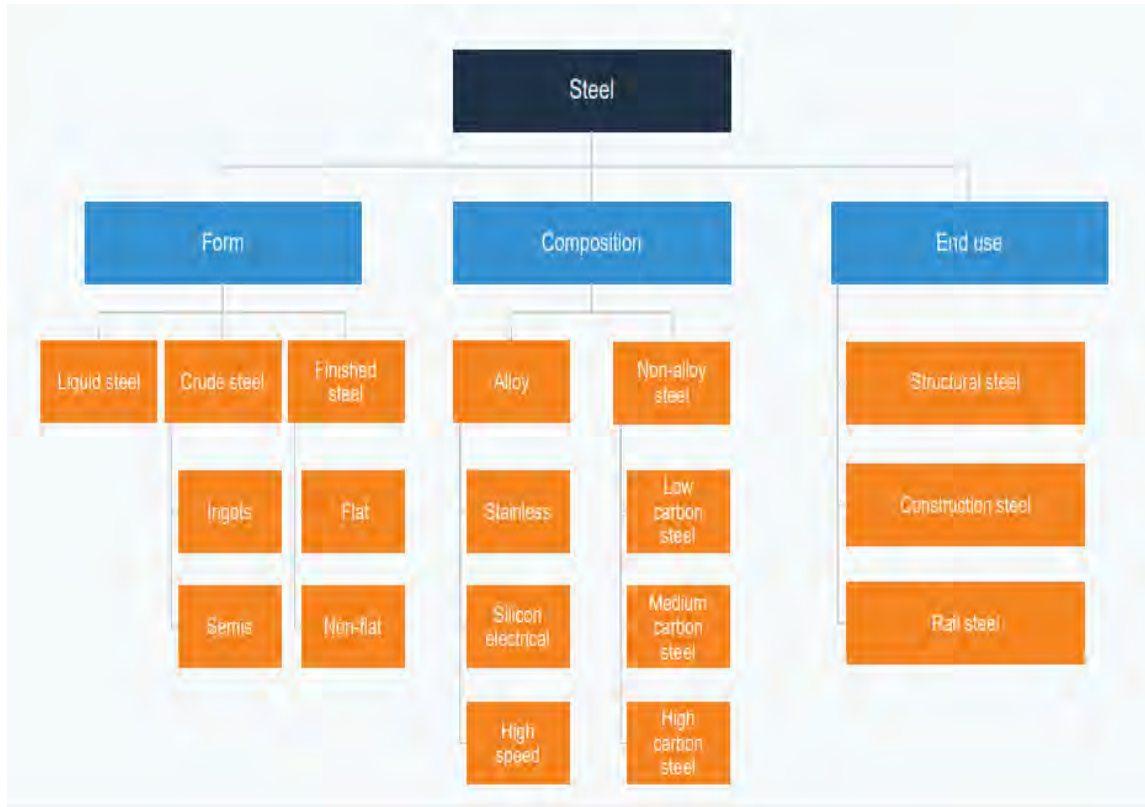
- To achieve steel capacity build-up of 300 MTPA by 2030, India would need to invest US\$ 156.08 billion by 2030- 31.
- The industry is witnessing consolidation of players, which has led to investment by entities from other sectors. The ongoing consolidation also presents an opportunity to global players to enter the Indian market.

(Source: https://www.ibef.org/download/1661494261_Steel-Sector-July-2022.pdf)

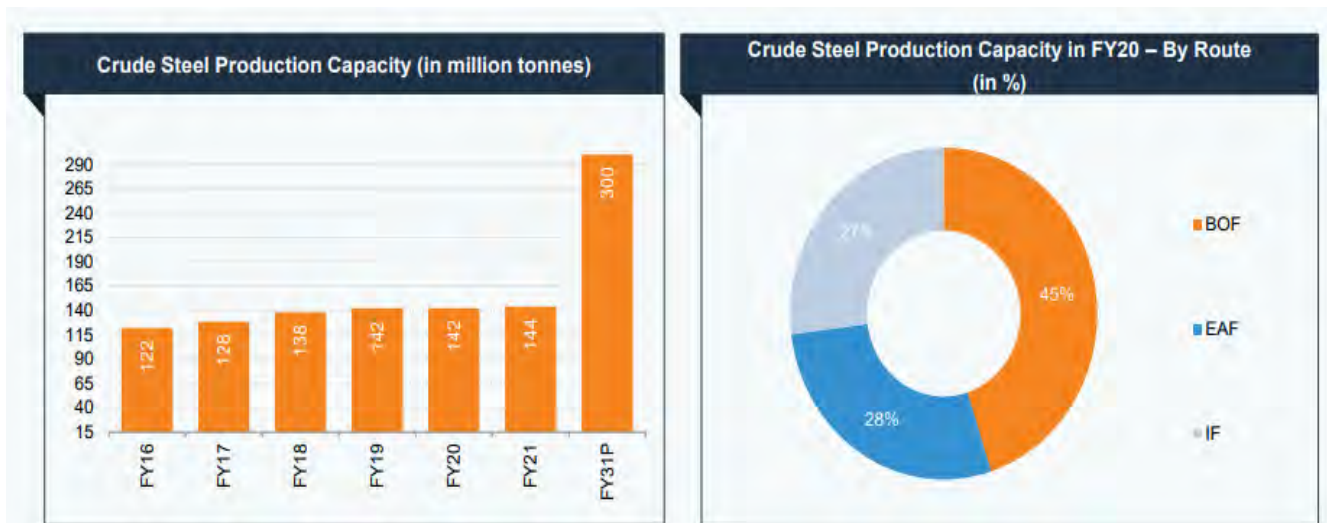
Evolution of the Indian steel sector



Structure of the steel sector



Steel Production Capacity has expanded rapidly



- India's steel production capacity has expanded rapidly over the past few years, growing at a CAGR of 3.93% from 122 MT in FY16 to 143.9 MT in FY21. The National Steel Policy 2017 has envisaged achieving up to 300 MT of production capacity by 2030-31.
- By FY22, India's total steel capacity is likely to increase to 150 MT annually.
- BF-BOF route is expected to contribute 65% of the capacity, while the remaining 35% is expected to come from EAF & IF routes.

- Expansion of production capacity to 300 MT will translate into additional investment of ₹ 10 lakh crore (US\$ 156.08 billion) by 2030-31.
- Steel companies are looking to restart expansion projects on the back of surging steel process with a capacity addition of 29 MT.

Steel production in India has been growing at a fast pace



- In FY22, production of finished steel stood at 133.596 MT.
- In FY22, production of crude steel and finished steel stood a 133.596 MT and 120.01 MT, respectively.
- To support MSMEs, the government has reduced customs duty on stainless steel to 7.5%.
- The Union Budget 2021-22 has a 34.5% YoY increase in allocation for capex at 5.54 lakh crore (US\$ 74.60 billion). The budget’s focus is on creating infrastructure and manufacturing to propel the economy. In addition, enhanced outlays for key sectors such as defence services, railways, and roads, transport and highways would provide impetus to steel consumption.

Demand has outpaced supply over the last five years

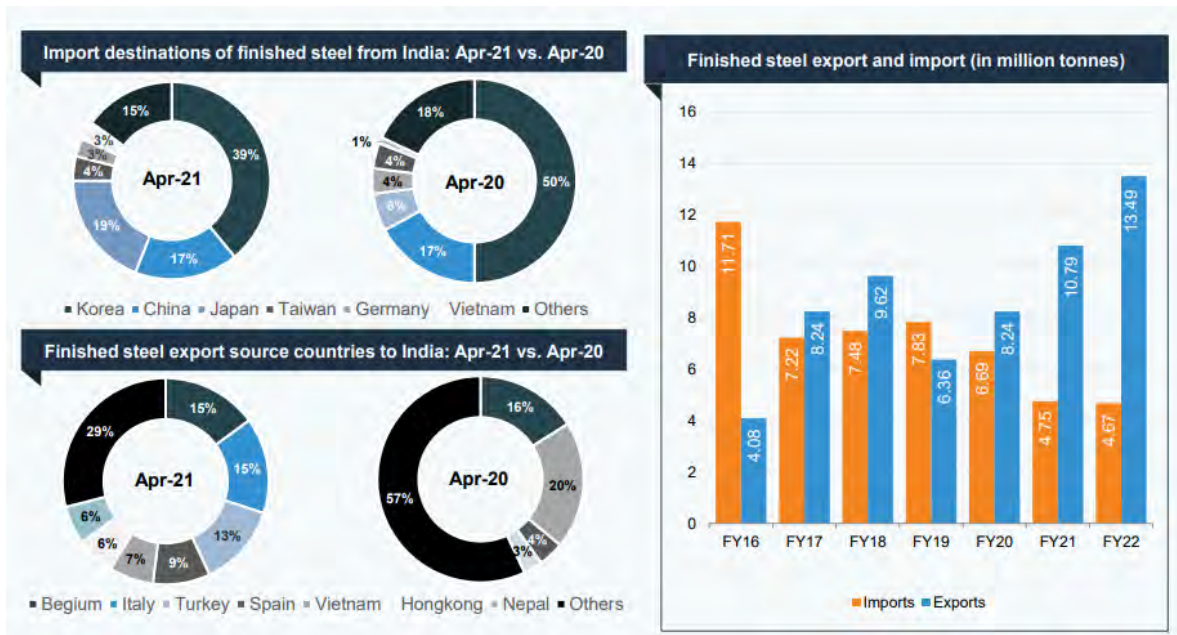


- Between April 2021-March 2022, the consumption of finished steel stood at 105.751 MT.
- In January 2022, India’s finished steel consumption stood at 9.65 MT.
- The National Steel Policy aims to increase per capita steel consumption to 160 kgs by 2030-31.

- It is expected that consumption per capita would increase, supported by rapid growth in the industrial sector and rising infra expenditure projects in railways, roads and highways, etc.
- The government has a fixed objective of increasing rural consumption of steel from the current 19.6 kg/per capita to 38 kg/per capita by 2030-31.

Trends in import and export of steel

In FY22, exports and imports of finished steel stood at 13.49 MT and 4.67 MT, respectively. In FY21, India exported 9.49 MT of finished steel.



Recent Trends and Strategies

1. Growing investment

- In October 2021, JSW Steel invested ₹ 150 billion (US\$ 19.9 billion) to build a steel plant in Jammu and Kashmir and boost manufacturing in the region.
- In October 2021, ArcelorMittal and Nippon Steel Corp.'s joint venture steel firm in India, announced a plan to expand its operations in the country by investing ~₹ 1 trillion (US\$ 13.34 billion), over 10 years.
- In August 2021, Tata Steel announced to invest ₹ 8,000 crore (US\$ 1.08 billion) in capital expenditure to develop operations in India in FY22.
- In August 2021, ArcelorMittal announced to invest ₹ 1 lakh crore (US\$ 13.48 billion) in Gujarat for capacity expansion.
- In August 2021, Tata Steel announced to invest ₹ 3,000 crore (US\$ 404.46 million) in Jharkhand to expand capacities over the next three years.
- In August 2021, Jindal Steel & Power Ltd. announced plans to invest US\$ 2.4 billion to increase capacity over the next six years to meet the rising demand from customers.
- Between April 2000-March 2022, Indian metallurgical industries attracted FDIs of US\$ 17.01 billion.
- In the next three years from June 2021, JSW Steel is planning to invest ₹ 47,457 crore (US\$ 6.36 billion) to increase Vijayanagar's steel plant capacity by 5 MTPA and establish a mining infrastructure in Odisha.

2. Strategic alliances

- In October 2021, Tata Steel and Rail Vikas Nigam Limited (RVNL), signed an MoU to implement infrastructure projects.
- In August 2021, Steel Strips Wheels Limited signed an agreement with Tata Steel Long Products to source round bars of various grades for three years for automotive customers.
- In July 2021, Tata Steel collaborated with start-ups in India to implement electric vehicles (EVs) for steel transportation.
- In July 2021, Jindal Stainless (JSL) signed a memorandum of understanding (MoU) with Tata Steel Mining (TSML) for mining operations of common boundaries in Odisha

3. Entry of international companies

- Attracted by the growth potential of the Indian steel industry, several global steel players have been planning to enter the market.
- In February 2020, GFG Alliance acquired Adhunik Metaliks and its arm, Zion Steel, for ₹ 425 crore (US\$ 60.81 million), marking its entry into the Indian steel market.
- CarVal Investors, the investment arm of US-based agri group, Cargill, has offered around ₹ 2,000 crore (US\$ 277.20 million) along with Asset Reconstruction Company (India) Ltd. for the purchase of Uttam Value Steels and Uttam Galva Metalics.

4. Increased emphasis on technological innovations

- In the wake of COVID-19 pandemic, Tata Steel has geo-fenced its plant premises to track the movement of employees to track and manage any COVID-19 cases amongst its employees.
- Companies are attempting coal gasification and gas-based direct-reduced iron (DRI) production. Other alternative technologies such as Hismelt, Finex and ITmk3 being adopted to produce hot metal. Provisional Worldsteel report indicates that the global DRI output stood at 15.31 MT from January to February 2021, up 0.9% over same period last year, driven by India (6.4 MT, 42% share) at the number one spot.
- The Ministry of Steel has issued necessary direction to the steel companies to frame a strategy for taking up more R&D projects by spending at least 1% of their sales turnover to facilitate technological innovations in the steel sector.
- The Ministry has established a task force to identify the need for technology development and R&D.
- The Ministry has adopted energy efficiency improvement projects for mills operating with obsolete technologies.
- In January 2021, the Ministry of Steel, signed a Memorandum of Cooperation with the Ministry of Economy, Trade and Industry, Government of Japan, to boost the steel sector through joint activities under the framework of India–Japan Steel Dialogue.
- In February 2021, Tata Steel BSL collaborated with FarEye, a software logistics firm, to improve its digital transformation process.

5. Vehicle Scrappage Policy to reduce steel prices

- India is spreading its wings further to foray into another highly potential, yet untapped metal industry.
- The recently announced ‘Vehicle Scrappage Policy’ intends to de-clutter the country of its huge automobile and white goods waste through recycling.
- This proposed policy seeks to phase out unfit vehicles to reduce vehicular pollution, meet the climate commitments, improve road safety and fuel efficiency, formalise the vehicle scrapping industry and recover low-cost materials for the automotive, steel and electronics industries.
- Primarily, this new policy aims to boost new vehicles sales, which will stimulate the economy. Automobile manufacturers and the allied industry will benefit from this policy.

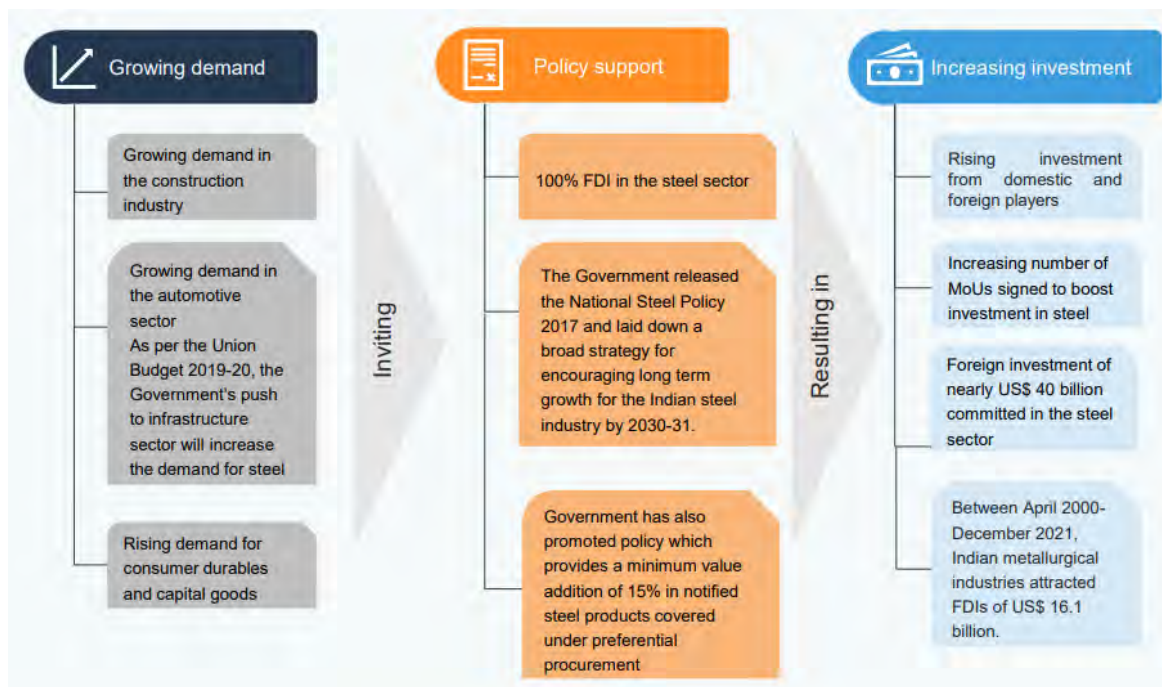
- With the scrapping of old vehicles, raw materials such as plastic, copper, aluminium, steel and rubber will be recycled. This will bring down the cost component and help the industry become more cost competitive.

6. Steel plants as heroes tackling India’s oxygen scarcity

- Steel plants across the country ramped up supply of essential liquid medical oxygen from 538 metric tonnes per day in April 2021, to >4,000 metric tonnes, with supplies touching 4,435 metric tonnes, as of May 17, 2021.
- In April 2021, India faced a severe shortage of oxygen cylinders for COVID patients.
- It was only a year ago that the central government, for the first time ever, permitted manufacturers of industrial oxygen to produce and sell gas for medical use. The decision proved to be a life saver during the pandemic.
- Currently, 28 oxygen units located in major public and private sector steel plants are supplying ~1,500 metric tonnes of medical oxygen per day (MTPD) across the country, as per data by the Ministry of Steel. Some steel plants are also filling oxygen cylinders and supplying to the states and hospitals.

(Source: https://www.ibef.org/download/1661494261_Steel-Sector-July-2022.pdf)

Strong demand and policy support driving investments



(Source: https://www.ibef.org/download/1661494261_Steel-Sector-July-2022.pdf)

Road Ahead

The National Steel Policy, 2017 envisage 300 million tonnes of production capacity by 2030-31. The per capita consumption of steel has increased from 57.6 kgs to 74.1 kgs during the last five years. The government has a fixed objective of increasing rural consumption of steel from the current 19.6 kg/per capita to 38 kg/per capita by 2030-31.

As per Indian Steel Association (ISA), steel demand will grow by 7.2% in 2019-20 and 2020-21.

Huge scope for growth is offered by India's comparatively low per capita steel consumption and the expected rise in consumption due to increased infrastructure construction and the thriving automobile and railways sectors.

(Source: <https://www.ibef.org/industry/steel>)

OUR BUSINESS

Some of the information in this section, including information with respect to our plans and strategies, contain forward-looking statements that involve risks and uncertainties. You should read ‘Forward-Looking Statements’ on page 15 of this Letter of Offer for a discussion of the risks and uncertainties related to those statements and ‘Risk Factors’, ‘Financial Statements’ and ‘Management’s Discussion and Analysis of Financial Condition and Results of Operations’ on pages 24, 108 and 166 respectively, of this Letter of Offer for a discussion of certain factors that may affect our business, financial condition, or results of operations. Our fiscal year ends on March 31 of each year, and references to a particular fiscal are to the twelve months ended March 31 of that year.

Unless otherwise indicated, the financial information included herein is based on our Restated Consolidated Financial Statements included in this Letter of Offer. For further information, see section titled ‘Restated Financial Statements’ on page 108 of this Letter of Offer. We have, in this Letter of Offer, included various operational and financial performance indicators, some of which may not be derived from our Restated Consolidated Financial Statements and may not have been subjected to an audit or review by our Statutory Auditor. The manner in which such operational and financial performance indicators are calculated and presented, and the assumptions and estimates underlying, and used in such calculation, may vary from that used by other similarly placed companies in India and other jurisdictions.

Investors are accordingly cautioned against placing undue reliance on such information in making an investment decision and are cautioned that they should consult their own advisors and evaluate such information in the context of the Restated Consolidated Financial Statements and other information relating to our business and operations included in this Letter of Offer.

Unless the context otherwise requires, in this section, references to “we”, “us”, or “our” refers to Gyscoal Alloys Limited on a consolidated basis and references to “our Company” refers to Gyscoal Alloys Limited on a standalone basis.

BUSINESS OVERVIEW

Our Company was originally incorporated as Shreenath Mineral Metal Private Limited on September 29, 1999 under the Companies Act, 1956 as a private limited company by the Deputy Registrar of Companies, Gujarat, Dadra & Nagar Haveli. Further, the name of the Company was changed to Gyscoal Alloys Private Limited and a fresh certificate of incorporation was granted by Registrar of Companies, Gujarat on June 21, 2004. Subsequently, our Company was converted into a Public Limited Company pursuant to Special Resolution passed by the members at the Extraordinary General Meeting dated February 03, 2006 and the name of our Company was changed to Gyscoal Alloys Limited to reflect the legal status of our Company pursuant to conversion, a fresh certificate of incorporation was granted by the Assistant Registrar of Companies, Gujarat dated March 21, 2006 bearing Corporate Identification Number U27209GJ1999PLC036656. Our Company had listed its Equity Shares on BSE Limited and the National Stock Exchange of India Limited on October 27, 2010 through initial public offer.

Our Company started its business with the trading of iron and steel scraps, billets, CTD Bars, TMT Bars and stainless steel long products. The Company acquired a steel rolling mill business at Ubkhal, Mehsana with a capacity of 6000 MT per annum from Shah Alloys Group and started manufacturing of rolled products in the year 2005. The rolling mill capacity was increased by another 12000 MT per annum to take the total rolling mill capacity to 18000 MT per annum in the financial year 2005-06. In the financial year 2006-07, the Company further started its steel melting shop with a capacity of 12,000 MT per annum which was further increased to 18,000 MT per annum in the year 2008-09. The rolling mill capacity was increased by another 84,000 MT per annum to take the total rolling mill capacity to 1,02,000 MT per annum in the financial year 2014-15. At present, the combined average plant capacity is 1,20,000 MT per annum to manufacture different grades of stainless steel products such as austenitic, ferritic and martensitic ranging between 200 series to 400 series.

Our stainless steel long products include angles, bright bars, black bars, flats, hexagonal and round corner squares (RCS), channels, sections, pata-patti and rectangles in standard sizes at our manufacturing plant. Our Company also manufactures the above said products on job work basis for third party manufacturers based on their specifications of sizes and shapes. In pursuance of its objectives, the Company is committed to maintain high standards of quality, efficient delivery schedules, and competitive prices.

We believe that our products adhere to high quality standards. We have obtained ISO 9001:2015 certification for the manufacture and supply of stainless steel bars, angles, channels, flats, round corner square, bright bars and ingots from TUV SUD South Asia Private Limited. In the past, our Company also exports its products to countries such as Thailand, Bangladesh, Vietnam, Kenya, Malaysia, Yemen, UAE, Philippines, Egypt, Germany, Ecuador, Morocco, Guatemala, Italy, Taiwan, Srilanka, Belgium, Brazil, Turkey, Indonesia, Iran, Russia, Myanmar etc. However, during the last three Fiscals our Company has exported its products only to Egypt, Turkey, Ecuador, Indonesia, Italy, Vietnam and UAE.

Our products have end use applications in various industries such as architecture and construction, automotive and transportation, pharmaceutical and allied industries, energy and heavy industries, food and catering.

We carry our business operations under the guidance of our Promoter and CEO, Viral Mukundbhai Shah, who has an experience of over 20 years in the Steel industry and has been associated with our Company since its incorporation being one of its founding members.

Our manufacturing facility is equipped with scrap melting, rolling, straightening, process controlling and testing. Some of the machineries in our manufacturing facility includes, Induction furnace, rolling mills, reheating furnace, controller, universal testing machine, diesel generator set.

The details of revenue from operations for the six months period ending September 30, 2022, and Financial Year ending March 31, 2022, March 31, 2021 and March 2020 is as under:

(₹ in lakhs)

Particulars	September 30, 2022 (Unaudited)	March 31, 2022 (Restated)	March 31, 2021 (Restated)	March 31, 2020 (Restated)
Export	-	169.92	390.08	1406.21
Domestic	379.80	1830.41	860.19	5037.73
Total	379.80	2000.33	1250.27	6443.94

OUR OPERATIONS

Following is our detailed revenue breakup on restated consolidated basis for the six months period ending September 30, 2022, and for the financial years ending March 31, 2022, 2021 and 2020:

(₹ in lakhs)

Particulars	September 30, 2022 (Unaudited)	March 31, 2022 (Restated)	March 31, 2021 (Restated)	March 31, 2020 (Restated)
Revenue from Operations	381.24	2003.99	1258.33	6472.43
Other Income	611.40	288.39	23.19	875.32
Total	992.64	2292.38	1281.52	7347.75

For further details, please see to the section titled “*Financial Information*” on page 108 of this Letter of Offer.

OUR STRENGTHS

1. Quality Assurance

We will continuously seek to attain operational efficiency in the manufacturing process by having a control on production, ensuring premium quality of our products and upliftment and involvement of our team. Our Company is dedicated towards quality of our products, processes and input raw material. Our Company had been accredited with “ISO 9001:2015” Certification for Quality Management System. We adhere to quality standards as prescribed by our customers to meet the desired results hence we get repetitive orders from our buyers. Delivering Quality products on time is one of our prime objectives. We dedicate resources for quality assurance to ensure that quality norms are continually met. We also have quality control checks before any consignment of Raw material is accepted since it has a direct impact on the quality of Finished Product.

The Company believes that Quality maintains the reputation of our Company. The Company strictly adheres to stringent quality control measures aided by modern process controls, inspection & testing certificates. The quality of our products and raw materials are tested in the in-house laboratory under various parameters. It is well equipped with Universal Testing Machine, Hardness Tester, Impact Tester, Full Chemical & Physical testing equipments.

2. Diversified Client Base

The Company caters to various customers. Customers are based in different geographical locations, both in India and abroad, and are from different industry groups. Our existing relationships help us to get repeat business from our customers. For instance 65 % of our customers are associated with us for more than 5 years. This has helped us to maintain a long term working relationship with our customers and improve our customer retention strategy. We believe that our existing relationship with our clients represents a competitive advantage in gaining new clients and increasing our business.

Further, our customers belong to varied industry segments like engineering, infrastructure, construction, automobiles, etc., which helps in mitigating our risk against downfall in any particular industry. Also, different industries have different requirements in terms of type, quantity, size and dimension of the steel product and hence we are able to keep a rolling stock of all types of products traded by us. Having a customer base from varied industries also helps us in managing our credit risk from a particular sector and in turn enable us to manage our trade receivables more efficiently.

3. Experienced Promoters, Management Expertise and Skilled Workforce

Our Promoters, Viral Mukundbhai Shah and Mona Viral Shah have a combined experience of over 25 years in stainless steel sector. As all the Promoters have technical knowledge, leadership qualities and marketing skills and lead the quality, research development, marketing, purchase and imports exports departments of the company. With their diligence, the Company has established a strong global presence.

For further details regarding the educational qualifications and experience of our Board of Directors and our Key Managerial Personnel please see to section titled “***Our Management***” beginning on page 94 of this Letter of Offer. We believe that our management teams experience and their understanding of the Stainless Steel industry will enable us to continue to take advantage of both current and future market opportunities. It is also expected to help us in addressing and mitigating various risks inherent in our business.

4. Manufacturing of diverse products with flexible manufacturing capabilities

We are global supplier of stainless steel products such as angles, bright bars, black bars, flats, hexagonal and round corner squares (RCS), channels, sections, pata-patti and rectangles in standard sizes. Our products have end use applications in various industries such as architecture and construction, automotive and transportation, pharmaceutical and allied industries, energy and heavy industries, food and catering, in domestic as well as global markets. We continually focus on developing new products within our existing segments.

OUR STRATEGIES

- **Strengthen our position in Indian Markets**

The long-term strategy of the Company is to focus on two key segments, viz. automotive and construction & engineering (catering mainly to pharmaceutical chemical and engineering industry). The Company considers the domestic automotive market as an attractive segment for the growth and opportunity. In construction and general engineering segments, efforts have been made to innovate and improve product quality, develop premium brands and provide technical support to enhance the value experience of the customers.

- **Expansion of our global capabilities**

The Company intends to further expand our global presence, which the Company believes will provide us with greater competitive advantages in acquiring global clients. Our client base exists in Thailand, Bangladesh, Vietnam, Kenya, Malaysia, Yemen, UAE, Philippines, Egypt, Germany, Ecuador, Morocco, Guatemala, Italy, Taiwan, Srilanka, Belgium, Brazil, Turkey, Indonesia, Iran, Russia, Myanmar etc.

We intended to expand our market presence through communications and promotional, interaction with industry research organizations, participation in industry events, public relations and investor relations efforts.

- **Increase profitability by proper product mix**

We plan to increase our profitability by concentrating on our product mix as stainless steel products have higher margin compare to mild steel products. We also intend to maintain our other existing products which had high demand but at optimal levels.

- **Focus on consistently meeting quality standards**

Our Company intends to focus on adhering to the quality standards of the products. Quality of the product is very important for the Company from both customer point of view and regulatory point of view. Continuous quality review of products and timely corrective measures in case of quality diversion are keys for maintaining quality standards of the products. Providing the desired and good quality products help us in enhancing customer trust and maintaining long term relationships with customers.

- **Reduction of Debt**

Our Company intends to reduce its debt burden, consequently high interest cost and release of assets charged. We believe that these initiatives will help us reduce our total outstanding debt and improve our financial position and allow us to expand and improve our business.

- **Leveraging our existing capacity through improvements in production efficiency**

At present, our installed annual manufacturing capacity is 1,20,000 MT. However, in Fiscal 2020, Fiscal 2021 and Fiscal 2022 our average annual production was 2047.50 MT, 1511.344 MT and 8350.525 MT. The Company is taking various measures to ensure seamless production and dispatch to meet the anticipated demand.

DETAILS OF OUR BUSINESS




Products and Services


We are in the business of manufacturing and marketing of Stainless Steel Long Products.

Our Product Portfolio is as follows:

Products		Description
Stainless Steel Equal Angle Bars		<ul style="list-style-type: none"> • Thickness : 3 mm to 6 mm • Width: 20 mm to 150 mm

Products		Description
		<ul style="list-style-type: none"> • Grades: AISI 201,201 AISI 304, 304L, 303, 310, 316, 316 L , 316 Ti, 321 and AISI 410, 430F, 431. • Condition: Hot Rolled & Annealed & Pickled (HRAP) • Tolerance: As per ASTM / DIN or Equivalent • Length: Max 6 meters • Bundle Weight: Min 1 MT Supply • Ability: 1000 MT per month
Stainless Steel Bright Round Bars		<ul style="list-style-type: none"> • Sizes / Diameter : 25 mm to 200 mm • Grades: AISI 201,201 AISI 304, 304L, 303, 310, 316, 316 L , 316 Ti, 321 and AISI 410, 420, 430F, 431. • Condition: Straight/Acid Cleaning /HL Polishing /Peeling /drawn /center-less • Tolerance: As per H9, H10, H11 • Bundle Weight : Min 1 MT • Length: Max 6 meters • Supply Ability: 1000 MT per month
Stainless Steel Flat Bars		<ul style="list-style-type: none"> • Thickness : 3 mm to 10 mm • Width: 20 mm to 150 mm • Grades: AISI 201,201 AISI 304, 304L, 303, 310, 316, 316 L , 316 Ti, 321 and AISI 410, 420, 430F, 431. • Condition: Hot Rolled & Annealed & Pickled (HRAP) • Tolerance: As per ASTM / DIN or Equivalent • Length: Max 6 meters • Bundle Weight : Min 1 MT Supply • Ability: 1000 MT per month

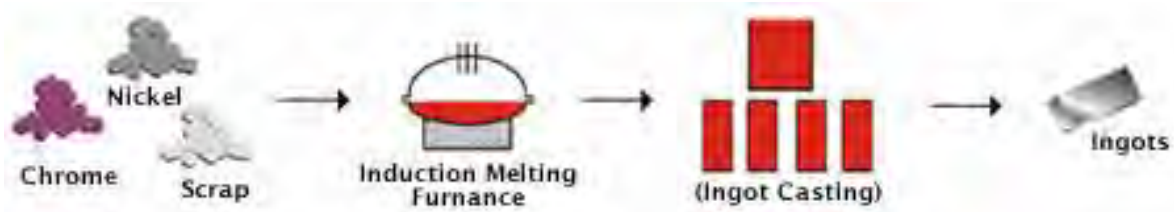
Products		Description
Stainless Steel Flats (Pata)		<p>As Cast Condition- Both ends are marked with special colors.</p>
Stainless Steel Ingots		<ul style="list-style-type: none"> • Sizes: 3" x 4", 4" x 5", 4 1/4" x 5 1/4", 5" x 6", 5 1/4" x 6 1/4", 5 1/2" x 6 1/2" • Condition: As cast condition • Length: 3 meters - 6 meters • Supply Ability: 1500 MT per month
Mild Steel Angles		<ul style="list-style-type: none"> • Thickness : 3 mm to 6 mm • Width: 20 mm to 75 mm • Grades: IS 2062 : 2011, E250A • Condition : As Cast Condition • Rolling Tolerance : Leg Length :Up to 45 mm : ± 1.5 mm, 45 mm to 75mm : ± 2 mm • Sectional weight Over 3 mm thickness : +5/-3% 3 mm thickness : ± 5 % • Length : For fixed length : ± 100 mm • Bundle Weight: Min 1 MT Supply • Ability: 1000 MT per month

Products	Description	
Stainless steel Billets		<ul style="list-style-type: none"> • A billets is a semi finished steel form that is used for “ long products” : bars, channel or other structural shapes. A billets is different from a slab because of its outer dimensions. Billets are normally 2-7 inches square while slabs are 30-80 inches wide and 2-10 inches thick. • Cast: 100 x 100 mm upto 160 x 160 mm • Condition: As cast condition • Length: 6 meters - 12 meters • Supply Ability: 1000 MT per month

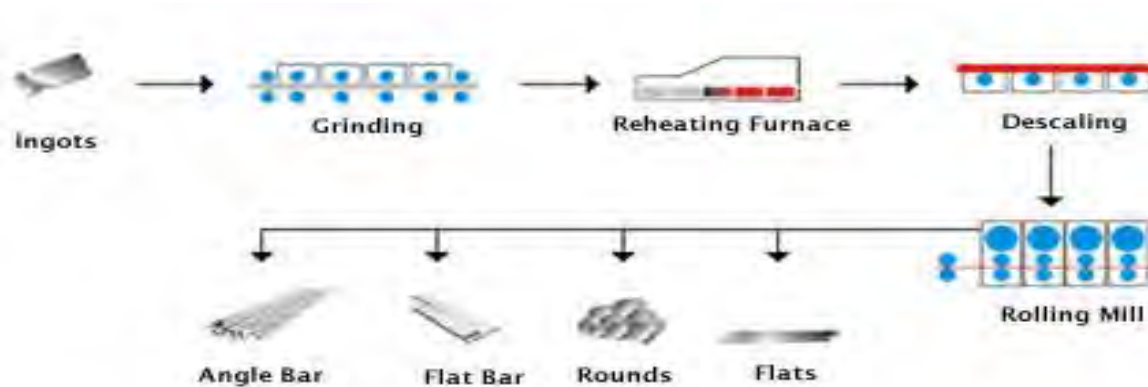
Manufacturing Process

The products manufactured by us has to go through various machines and undergo a number of processes, which are detailed below.

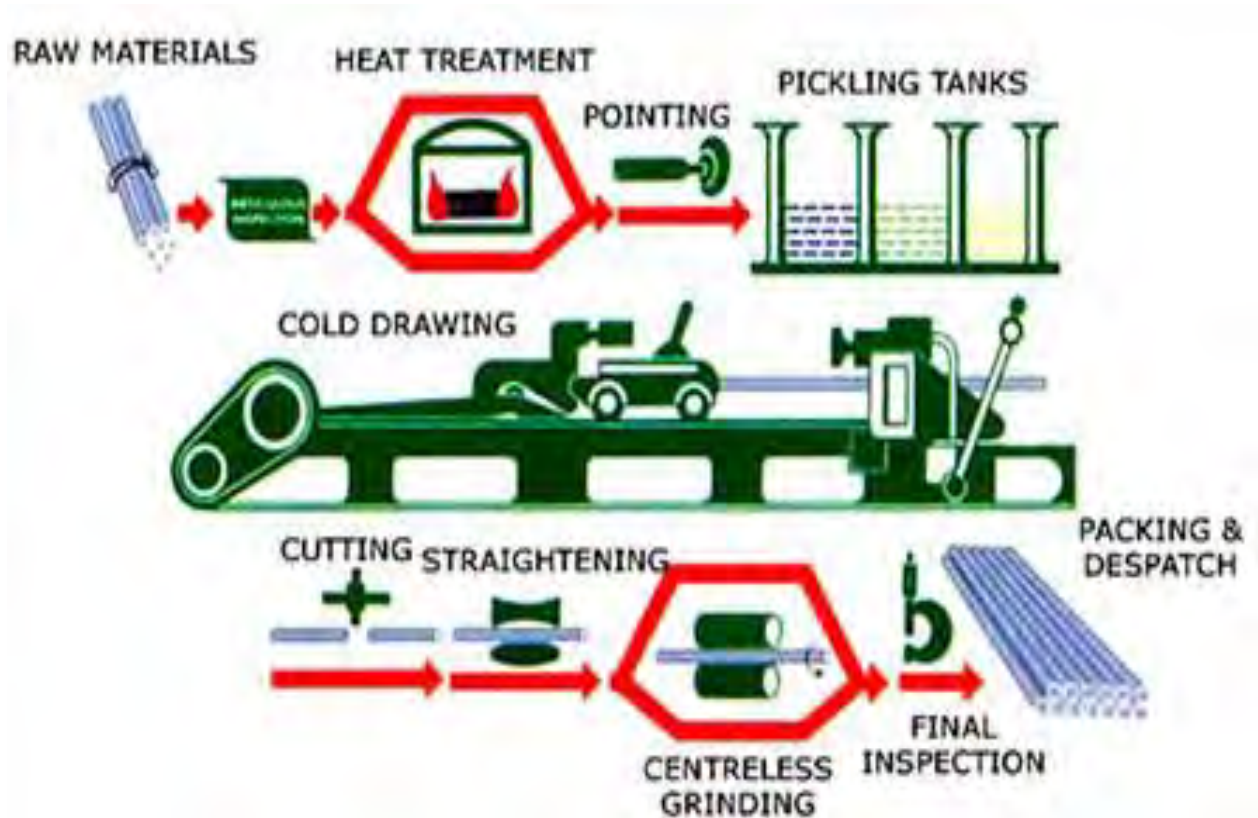
A) Steel Making



B) Hot Rolling



C) *Bright Bars*



Sorting of the scrap and Melting

Graded Steel scrap is melted with the help of electrical energy in the Induction Furnace. Stainless Steel Scrap is fed into induction furnace for melting at the temp of 1550 degree Celsius. Suitable quantity of Ferro Alloys i.e. Ferro Silicon, Ferro manganese aluminium sorts, etc. are added as per required chemical composition.

Melting of Scrap (Induction Furnace)

The Company manufactures the ingot from the scrap mostly for captive consumption and for this function our Company has three induction furnaces. The medium Frequency Coreless Induction Furnace, basically, consists of a refractory lined crucible surrounded by a conductor coil. The coil is made out of a specially designed extruded section of copper. The coil is surrounded by a number of lamination packets made from transformer iron to guide the external magnetic field. Static Frequency Converter produces Medium Frequency Current and Voltage. Three Phase 50 Hz power, at desired voltage, is fed at the input of static frequency converter and output from the same is of single phase at desired voltage and frequency. DM (Dematerialized Water) is used for cooling the Thyristors, DC Choke and other parts of Static Frequency Converter. MF CT and PT feed the instruments i.e., MF Voltmeter, Ammeter, Kilowatt meter to indicate these outputs and Frequency is indicated by Frequency meter. The relays provide the necessary protection against over voltage, over current and frequency etc. The furnace coil has lagging power factor, which varies as the melt proceeds. The power factor is corrected by MF capacitors connected in parallel to the coil and the frequency shifts to resonance frequency as melting progresses. Medium Frequency Power is fed to the furnace crucible through the flexible Water Cooled cables. This medium frequency current is passed through the coil, producing a powerful magnetic field, which induces currents in the metal charge (Scrap) inside the crucible, causing the charge to become heated and eventually to melt. Soft water is passed through the coil; water-cooled cables and bus bar etc. to prevent damage due to overheating.

Billets/Ingots from SMS are received in the Storage Bay and are stacked size-wise as well as grade wise. These are then inspected for surface defects. Minor defects, particularly for stainless steel, are rectified by grinding.

Depending on the product being rolled, blooms are lifted by the EOT crane and placed on the Charging Gate of the Reheating Furnace. After this, following operation is carried out to produce finished products.

Reheating

The Ingots/Billets are charged to reheating furnace for further rolling process. Ingots are heated at the temperature of 1200 to 1250 degree Celsius in oil fired reheating furnace. Hot ingot at the temperature of 1200 degree Celsius is removed from the furnace through discharge door and is fed through to roughing mill.

Rolling

Steel ingots/billets are heated in a Reheating Furnace and then rolled through a sequence of rolling stands (Rolling Mills), which progressively reduce the ingot/billet to the final size and shape of the product. Thereafter, rolling materials are cut as per required size

Quenching

This stage consists of a drastic water cooling applied to the product as it leaves the last finishing stand. The efficiency of the water cooling equipment used at this stage has to be as high as to produce a very hard cooling, on the bar surface, faster than the critical rate to get desired surface.

Straightening

Straightening operation is taken place after the quenching where materials get the desired product shape In straightening steel long products a machine is used having straightening rollers and pressing rollers each formed with a contact surface and arranged oppositely on vertical line of the straightening rollers. The cross-section of the steel section to be straightened is held between the contact surfaces of the rollers, and the pressing rollers are displaced in the reduction direction as well as in the axial direction to adjust the amount of displacement.

Packing and Dispatch

The surface of the product is cleaned with water, dried and the product is ready for packing and dispatch.

RAW MATERIAL

The major raw material required is stainless steel scrap and Ferro alloys. These are used in Billets/ Ingots production. The Company manufactures about eighty to eighty five percent of Ingot in house by melting scrap and other raw material components like ferro alloys for captive consumption. Stainless Steel scrap is required for manufacturing of Stainless Steel bars such as Angles, Flats, Bright Round bars / Flats. There are various types of grade required for manufacturing of our Products:

- Stainless steel melting scrap – Grade SS 201
- Stainless steel melting scrap – Grade AISI 304
- Stainless steel melting scrap – Grade AISI 316
- Stainless steel melting scrap – Grade AISI 430
- Stainless steel melting scrap – Grade AISI 304L & 316L

Raw Material Procurement

The “purchasing” portion of the raw material procurement process kicks off with a purchase requisition submitted to the purchasing department or purchasing manager by the department that requires requesting the goods or services. The purchase requisition contains full details on the items or services to be obtained.

Purchase requests are forwarded to the management for review and approval before they are transferred to Purchase Orders (PO). Rejected purchase requisitions are returned to the issuing department for review and correction or clarification as needed.

POs that receive approval are returned to the purchase department to create requests for quotation. These are dispatched to vendors to solicit bids to fulfill the order for goods or services. Potential suppliers submit their bids, and are carefully reviewed based on their performance history, compliance records such as average lead times, reputation, and price.

The vendor with the most competitive order is then awarded the PO / Sale Contract. The supplier delivers the goods or services within the agreed-upon timeframe. The purchaser carefully reviews the goods and services to ensure they've received what was promised and notifies the vendor of any issues.

Comparison of shipping documents/packing slips with the original purchase order and the invoice issued by the supplier. This comparison is used to ensure all the information related to the transaction is accurate. Discrepancies must be rectified as soon as possible to avoid additional charges, delays etc.

Successfully matched orders are approved for payment. Once approved, payment is issued to the vendor. Completed orders are recorded in the Company's books, and all documents related to the transaction are securely stored in a centralized location.

PLANT AND MACHINERY

All our manufacturing units are equipped with various machinery, technology and equipment for the purpose of effectively carrying out our manufacturing process.

UTILITIES

Power

The Company has been sanctioned a load of 2000 to 4000 KVA from Uttar Gujarat Vij Company Limited.

Fuel

Furnace Oil is required for reheating in reheating furnace. The requirement of furnace oil is 400 Ltr. per MT of finished products. Our Company has underground storage tanks which are sufficient to keep the stock of furnace oil. Our Company procures furnace oil from local suppliers around the manufacturing facility of our Company.

Water

Our Company utilizes water for our manufacturing facility as well as for general drinking and sanitary purposes. Our Company sources its water requirement from the GIDC. Our Company has also installed a water purifier for obtaining the desired level of quality of water for the manufacturing process as well as for the purpose of drinking. The existing approximate requirement of water at our manufacturing facility is 6000-7500 litres per day.

Waste Management

Company has tie-ups with authorized dealers wherein the waste generated during the manufacturing process is disposed of by such authorized dealers.

CAPACITY INSTALLED AND CAPACITY UTILISATION

Set forth below is the detail of the installed and utilized capacity of our manufacturing unit for the last three financial years.

Sr. No.	Details of Machinery	Qty. Nos.	Size/KW	Installed Capacity Per annum	Fiscal 2022 (Production in MT)	Fiscal 2021 (Production in MT)	Fiscal 2020 (Production in MT)
1	Induction Melting Furnaces	2	1.5 MT size, 750 KW each	12,000 MT per Furnace Total: 24000 MT	1,895.240	1,310.360	7,755.170
2	22 " dia. Rolling Mill with 5 Nos. stands	1	2000 HP Main motor	100,000 MT	0	0	0
3	14 "dia. Rolling Mill with 5 Nos. stands	1	1000 HP Main motor	22,000 MT	2,047.507	1,511.344	8,350.525

Sr. No.	Details of Machinery	Qty. Nos.	Size/KW	Installed Capacity Per annum	Fiscal 2022 (Production in MT)	Fiscal 2021 (Production in MT)	Fiscal 2020 (Production in MT)
4	10 “ dia. Rolling Mill with 6 Nos. stands	1	600 HP Main motor	7,000 MT	2047.507	1511.344	8350.525
5	Bright Bar Plant	1	16 to 85 mm size bars	3,000 MT	2047.507	1511.344	8350.525

*As certified by Mukesh Shah & Associates, Chartered Engineer, vide their certificate dated September 22, 2022.

MARKETING

We use the following marketing strategies to promote our Company and the products that it manufactures.

Digital marketing: -

We use online marketing to promote our products and to reach potential customers located across the globe. This basically includes social media marketing, Email marketing, What’sApp etc. This method is useful as majority of the potential customers start their inquiries on search engines.

Exhibition:

We participate in exhibitions worldwide like Wire & Tube (Germany), Stainless Steel World Conference (Maastricht, The Netherlands), Metal Expo’2022 (Russia), Feinox, Sao Paulo Expo, São Paulo, Brazil. It provides us with an opportunity to interact with prospective overseas customers and showcase our Company’s products.

Our Company has been branding its products in such a manner that the customers get to know about them efficiently. It has launched certain advertisements where it plans to appease its customers. For example, advertising in GIDC Directory / GCCI Directory / Exporters India / Indian Yellow Pages / India Marts / SSW Magazine, etc

HUMAN RESOURCES

We believe that our employees are key contributors to our business success. As on September 30, 2022, we have 107 permanent employees including our Directors, who look after our business operations, factory management administrative, secretarial, marketing and accounting functions in accordance with their respective designated goals.


Following is a department wise employee break-up:

Department	Number of Employees
Top level management	6
Accounts	4
Human Resources	1
Secretarial	2
Marketing & Sales	1
Administration	1
Production	81
Maintenance & Electrical	7
Quality	1
Information Technology	1
Legal	1
Store	1
Total	107

INTELLECTUAL PROPERTY RIGHTS

Trademark:

Our Company owns the following trademark:

Sr. No	Brand Name/ Logo/Trademark	Class	Proprietor Name	Application No. & Date	Status	Certificate No	Validity upto/ Renewed upto
1.		6	Gyscoal Alloys Limited	1633844 24/12/2007	Registered	867792	24/12/2027

RISK MANAGEMENT

Effective risk management, in our opinion, is critical to the success of our business. As a result, we've put in place the essential technology, people, and processes to monitor, evaluate, and manage the main risks we face in our business, which include market, credit, and liquidity risks, as well as operational, legal, and reputational risks.

Inadequate risk management can have serious effects for both businesses and individuals. We have a risk management policy in place to keep everything under control. The risk management policy is reviewed on a regular basis and changed as needed to reflect current market conditions.

Exposure is permitted based on the client's margin, which is held in our possession. Our office monitors the exposure limits issued to customers in real time in order to prevent the client from becoming too exposed at any moment.

On a regular basis, we evaluate risk causes and reasons, plan for risk control, choose and execute appropriate risk management instruments, and monitor policies and processes with the goal of continuous improvement

COMPETITION

Our Company faces competition from organized and unorganized domestic and international players in the industry manufacturing similar range of products. Our Company believes in maintaining quality of finished products and therefore create a distinguishing factor in the industry. Our Company is focusing on maintaining the quality of our final products to sustain the competition.

HEALTH AND SAFETY

We aim to comply with applicable health and safety regulations and other requirements in our operations and have adopted an environment, energy, occupational health and safety policy that is aimed at complying with legislative requirements, requirements of our licenses, approvals, various certifications and ensuring the safety of our employees and the people working under our management. We have implemented work safety measures to ensure a safe working environment, such measures include general guidelines for health and safety at our offices and warehouses, accident reporting, wearing safety equipment and maintaining clean and orderly work locations.

OUR IMMOVABLE PROPERTIES

Our Company has defaulted in repayment of Loan and interest and was classified as Non-Performing Assets by the Lenders on January 1, 2016. Pursuant to Assignment Agreement amongst UCO Bank and Omkara Asset Reconstruction Private Limited (Omkara), our office premises and factory premises alongwith plant & machinery have been assigned to Omkara. However, our Company continues to be in possession of these premises.

We carry out business operations from the following material properties:

Owned property:

Sr. No.	Particulars of the Property	Usage	Assignment to ARC
1.	Survey no 356/2 paiki at village ubkhal, Mehasana, Gujarat.	Existing Plant	Yes
2.	2nd Floor, Mrudul Towers, B/h Times of India, Ashram Road, Ahmedabad, Gujarat.	Corporate Office	Yes

Leasehold property:

Sr. no.	Details of the Deed/Agreement	Particulars of the property, description and area	Tenure/ Term	Usage	Assignment to ARC
1.	10/02/2005	Plot no 2 & 3 at GIDC Kukarwada Industial Estate, Ubkhal, Ta. Vijapur, Dist. Mehsana, Gujarat INDIA	99 Years	Existing Plant and Registered Office	Yes
2.	10/02/2004	Plot no 14, 15 & 16 at GIDC Kukarwada Industial Estate, Ubkhal, Ta. Vijapur, Dist. Mehsana, Gujarat INDIA	99 Years	Existing Plant	Yes
3.	17/02/2005	Plot no 17 & 18 at GIDC Kukarwada Industial Estate, Ubkhal, Ta. Vijapur, Dist. Mehsana, Gujarat INDIA	99 Years	Existing Plant	No
4.	01/12/2005	Plot no 1A & 1 at GIDC Kukarwada Industial Estate, Ubkhal, Ta. Vijapur, Dist. Mehsana, Gujarat, India	99 Years	Existing Plant	No

INSURANCE

Since our Company does not have legal rights on the plant and machineries, office and factory premises, our Company has not obtained any insurance coverage.

OUR MANAGEMENT

Our Board of Directors

Our Articles of Association require that our Board of Directors shall comprise of not less than 3 Directors and not more than 12 Directors. As on the date of this Letter of Offer, our Board comprises 6 Directors 2 of whom are Executive Directors, 1 is a Non-Executive Director and 3 are Non-Executive Independent Directors (including 1 Non-Executive Independent Woman Director). Accordingly, the current composition of our Board is in compliance with the Companies Act, 2013 and the SEBI Listing Regulations as applicable.

Set forth below are details regarding our Board as on the date of this Letter of Offer:

Name, Designation, DIN, Date of Birth, Age, Occupation, Address, Nationality, Original date of appointment, Change in designation and Period of Directorship`	Other Directorships in Companies
<p>MONA VIRAL SHAH Designation: Executive Director and Chairman DIN: 02343194 Date of Birth: May 09, 1976 Age: 46 years Occupation: Business Address: B/701, Shiromani Flats, S.M. Road, satellite, Manekbag, Ahmedabad, Gujarat, 380015. Nationality: Indian Original Date of Appointment: February 11, 2022 Re-appointment: May 09, 2022 Period of Directorship: Liable to retire by rotation.</p>	<p>Private Companies:</p> <ol style="list-style-type: none"> 1. Gyscoal Enterprise Private Limited 2. Long View Financial Services Private Limited 3. Tishya Hydro Manufacturing Private Limited <p>Public Companies:</p> <ol style="list-style-type: none"> 1. Sampati Securities Limited
<p>MAHENDRA KUMAR SHUKLA Designation: Executive Director DIN: 09461897 Date of Birth; August 09, 1965 Age: 57 years Occupation: Professional Address: Flat J 502, Venus Pahel, O.P. Road, Near Relince Mega Mall, Vadodara, Gujarat-390020. Nationality: Indian Original Date of Appointment: February 11, 2022 Re-appointment: May 09, 2022 Period of Directorship: Liable to retire by rotation.</p>	<p>Private Companies:</p> <p>NIL</p> <p>Public Companies:</p> <p>NIL</p>

Name, Designation, DIN, Date of Birth, Age, Occupation, Address, Nationality, Original date of appointment, Change in designation and Period of Directorship`	Other Directorships in Companies
<p>DIPALI MANISH SHAH Designation: Non-Executive and Non-Independent Director DIN: 08845576 Date of Birth; March 20, 1977 Age: 45 years Occupation: Business Address B-701, Shiromani Flat, Nehrunagar Cross Road, Satellite, Ahmedabad City, Gujarat – 380015 Nationality: Indian Original Date of Appointment: August 24, 2020 Re-appointment: September 29, 2020 Period of Directorship: Liable to retire by rotation.</p>	<p>Private Companies:</p> <ol style="list-style-type: none"> Gyscoal Enterprise Private Limited Long View Financial Services Private Limited <p>Public Companies:</p> <ol style="list-style-type: none"> Sampati Securities Limited
<p>HEMANG HARSHADBHAI SHAH Designation: Non-Executive Independent Director DIN: 08740598 Date of Birth; May 12, 1989 Age: 33 years Occupation: Business Address :5-3-80, Shamlani Sherry, Dabhoi Vadodara, Gujarat - 391110 Nationality: Indian Original Date of Appointment: April 13, 2022 Re-appointment – May 09, 2022 Period of Directorship: For a term of 5 consecutive years with effect from April 13, 2022, till April 12, 2027 and shall not be liable to retire by rotation.</p>	<p>Private Companies:</p> <p>NIL</p> <p>Public Companies:</p> <ol style="list-style-type: none"> One Global Service Provider Limited Vilas Transcore Limited
<p>LAXMI SHIKANDAR JAISWAL Designation: Non-Executive Independent Woman Director DIN: 09616917 Date of Birth; January 05, 1992 Age: 30 years Occupation: Professional</p>	<p>Public Companies:</p> <p>NIL</p> <p>Private Companies:</p> <p>NIL</p>

Name, Designation, DIN, Date of Birth, Age, Occupation, Address, Nationality, Original date of appointment, Change in designation and Period of Directorship`	Other Directorships in Companies
<p>Address: 18/18, Rohini Nagar, Peth Road, Panchavati, Near Samrudhi Hospital, Nashik-422003.</p> <p>Nationality: Indian</p> <p>Original Date of Appointment: May 25, 2022</p> <p>Re-appointment: August 24, 2022</p> <p>Period of Directorship: For a term of 5 consecutive years with effect from May 25, 2022, till May 24, 2027 and shall not be liable to retire by rotation.</p>	
<p>RAVIKUMAR MANOJKUMAR THAKKAR</p> <p>Designation: Non-Executive Independent Director</p> <p>DIN: 09620074</p> <p>Date of Birth; July 17, 1994</p> <p>Age: 28 years</p> <p>Occupation: Professional</p> <p>Address A-203, Saaga Residency, SG Highway, Tragad, Ahmedabad, Gujarat-382470</p> <p>Nationality: Indian</p> <p>Original Date of Appointment: May 25, 2022</p> <p>Re-appointment: August 24, 2022</p> <p>Period of Directorship: For a term of 5 consecutive years with effect from May 25, 2022, till May 24, 2027 and shall not be liable to retire by rotation.</p>	<p>Public Companies: NIL</p> <p>Private Companies: NIL</p>

Brief Biographies of our Directors

Mona Viral Shah is the Executive Director of our Company since February 11, 2022. She holds a bachelor's degree of Commerce and a master's degree of Commerce from University of Gujarat. She has been on Board of one of our Promoter Group Companies, i.e., Sampati securities Limited since 2014. She is responsible for financial affairs of our Company. She has approximately 7 (seven) years of experience in the field of finance.

Mahendra Kumar Shukla is an Executive Director of our Company since February 11, 2022. He holds a degree of bachelor's in Science and Master of Arts (Final Economics) from Doctor Harisingh Gour Vishwavidyalaya Sagar, Madhya Pradesh. He is responsible for strategic planning and administrative decisions of our Company. He has approximately 23 (twenty-three) years of experience in the field of managing human resources.

Dipali Manish Shah is a Non-Executive Non-Independent Director of our Company since August 2020. She holds a bachelor's degree in Commerce and master's degree in Commerce from University of Gujarat. She is currently associated with our Promoter Group Companies, namely, Gyscoal Enterprise Private Limited and Sampati Securities Limited in the capacity of Director.

Hemang Harshadbhai Shah is a Non-Executive Independent Director of our Company since April 13, 2022. He holds a bachelor's degree in business administration from University of Gujarat and also an Associate member of

the Institute Company Secretaries of India (“**ICSI**”). He is currently, working as Practising Company Secretary in Hemang Shah and Associates, Practising Company Secretaries firm. He is also a Registered Valuer and holds registration bearing registration number IBBI/RV/03/2020/12854 issued by Insolvency and Bankruptcy Board of India (“**IBBI**”).

Laxmi Shikandar Jaiswal is a Non-Executive Independent Woman Director of our Company since May 25, 2022. She holds a bachelor’s degree in commerce and a master’s degree in commerce from Savitribai Phule Pune University. She is an Associate member of ICSI. She is currently working with Satya Sai Pressure Vessel Private Limited as Company Secretary and Compliance Officer since July 2018. She has an experience of 4 (four) years in the field of Secretarial and Corporate Affairs.

Ravikumar Manojkumar Thakkar is a Non-Executive Independent Director of our Company since May 25, 2022. He holds a bachelor’s degree in commerce from University of Gujarat. He is an Associate member of the Institute Company Secretaries of India (ICSI). He is currently working with Indiaix India International Exchange as a Deputy Manager since October 05, 2021.

Confirmations

None of our Directors are or were a Director of any listed companies, whose shares have been or were suspended from being traded on any stock exchanges having nationwide terminals, during the five (5) years preceding from the date of this Letter of Offer, during their term of directorship in such Company.

None of our Directors are or were, a Director in any listed companies, which has been or were delisted from any stock exchange(s), during the five (5) years preceding from the date of this Letter of Offer, during their term of directorship in such Company.

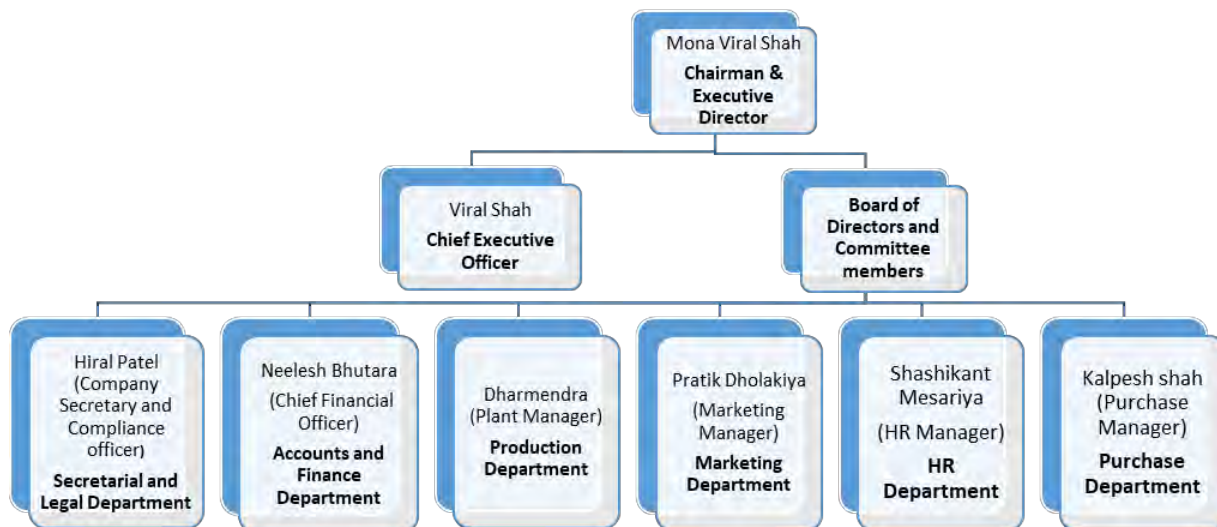
None of our Directors have been debarred or prohibited from accessing or operating in the capital markets or restrained from buying, selling or dealing in securities under any order or direction passed by SEBI.

None of our Directors, have been identified as Wilful Defaulters or Fraudulent Borrowers.

None of our Directors are declared as Fugitive Economic Offenders.

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

Management Organisation Structure



Corporate Governance

The provisions of the Companies Act, 2013 and SEBI Listing Regulations with respect to corporate governance are applicable to us.

We are in compliance with the requirements of the applicable provisions of the Act and the Regulations, including the SEBI Listing Regulations and Companies Act, 2013, in respect of corporate governance including constitution of our Board and Committees thereof. Our corporate governance framework is based on an effective independent Board, separation of the Board's supervisory role from the executive management team and constitution of the Committees, as required under the law.

Our Board undertakes to take all necessary steps to continue to comply with all the requirements of the SEBI Listing Regulations and the Companies Act, 2013. Our Board functions either directly, or through various committees constituted to oversee specific operational areas.

Committees of our Board

Our Board has constituted following committees in accordance with the requirements of the Companies Act and SEBI Listing Regulations:

1. Audit Committee
2. Nomination and Remuneration Committee
3. Stakeholders' Relationship Committee
4. Right Issue Committee

Details of each of these committees are as follows:

Audit Committee

Our Audit Committee was last reconstituted by our Board of Directors in their meeting held on May 25, 2022, with the following members forming a part of the said committee:

Name	Designation	Chairman/Member
Ravikumar Manojkumar Thakkar	Non-Executive Independent Director	Chairman
Hemang Harshadbhai Shah	Non-Executive Independent Director	Member
Mahendra Kumar Shukla	Executive Director	Member
Laxmi Shikandar Jaiswal	Non-Executive Independent Director	Member

The Company Secretary acts as the Secretary of the Audit Committee.

The scope, functions and the terms of reference of our Audit Committee, is in accordance with Section 177 of the companies act, 2013 and Regulation 18 of the SEBI Listing Regulations which are as follows:

1. To investigate any activity within its terms of reference.
2. To seek information from any employee.
3. To obtain outside legal or other professional advice.
4. To secure attendance of outsiders with relevant expertise, if it considers necessary.
5. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
6. Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees.
7. Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
8. Reviewing, with the management, the annual financial statements before submission to the board for approval, with particular reference to:
 - a) Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub section (3) of section 134 of the Companies Act, 2013.
 - b) Changes, if any, in accounting policies and practices and reasons for the same
 - c) Major accounting entries involving estimates based on the exercise of judgment by management

- d) Significant adjustments made in the financial statements arising out of audit findings
 - e) Compliance with listing and other legal requirements relating to financial statements
 - f) Disclosure of any related party transactions
 - g) Qualifications in the draft audit report.
9. Reviewing, with the management, the quarterly financial statements before submission to the board for approval
 10. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.
 11. Reviewing, with the management, performance of statutory and internal auditors, and adequacy of the internal control systems.
 12. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
 13. Discussion with internal auditors any significant findings and follow up there on.
 14. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.
 15. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
 16. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non payment of declared dividends) and creditors.
 17. To review the functioning of the Whistle Blower mechanism, in case the same is existing.
 18. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate.
 19. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
 20. Mandatorily reviews the following information:
 - a) Management discussion and analysis of financial condition and results of operations;
 - b) Statement of significant related party transactions (as defined by the audit committee), submitted by management;
 - c) Management letters / letters of internal control weaknesses issued by the statutory auditors;
 - d) Internal audit reports relating to internal control weaknesses; and
 - e) The appointment, removal and terms of remuneration of the Chief internal auditor shall be subject
 - f) to review by the Audit Committee
 21. Review the Vigil mechanism (whistle blowing) policy.
 22. Review the use/application of funds raised through an issue (public issues, right issues, preferential issues etc) on a quarterly basis as a part of the quarterly declaration of financial results. Further, review on annual basis statements prepared by the Company for funds utilized for purposes other than those stated in the offer document.

In addition, to carry out such other functions/powers as may be delegated by the Board to the Committee from time to time.

The periodic review ensures that all areas within the scope of the Committee are reviewed. All members of the Audit Committee possess strong knowledge of accounting and financial management. The Chairman of the Company, Chief Financial Officer, the Internal Auditors and Statutory Auditors are regularly invited to attend the Audit Committee Meetings. The Company Secretary is the Secretary to the Committee. The Internal Auditor reports to the Chairman of the Audit Committee. The significant audit observations and corrective actions as may be required and taken by the management are presented to the Audit Committee.

As required under the SEBI Listing Regulations, the Audit Committee meets at least four times a year with maximum interval of 120 days between two meetings and the quorum for each meeting of the Audit Committee is two members or one third of the number of members of the Committee, whichever is greater, provided that minimum of two independent directors are present at each of the meetings.

Nomination and Remuneration Committee

Our Nomination and Remuneration Committee was last reconstituted by our Board of Directors in their meeting held on May 25, 2022. The members of the said committee are as follows:

Name	Designation	Chairman/Member
Hemang Harshadbhai Shah	Non-executive Independent Director	Chairman
Dipali Manish Shah	Non-executive Non-Independent Director	Member
Ravikumar Manojkumar Thakkar	Non-executive Independent Director	Member
Laxmi Shikandar Jaiswal	Non-executive Independent Director	Member

The Company Secretary acts as the secretary of the Nomination and Remuneration Committee.

The scope and function of the Nomination and Remuneration Committee is in accordance with Section 178 of the Companies Act, 2013 and Regulation 19 of the SEBI Listing Regulations and the terms of reference, powers and role of our Nomination and Remuneration Committee are as follows:

1. Identify persons who are qualified to become directors and may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall carry out evaluation of every director's performance;
2. formulation of criteria to determining qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the remuneration of directors, key managerial personnel and other employees;
3. for every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description.
 - use the services of external agencies, if required;
 - consider candidates from a wide range of backgrounds, having due regard to diversity; and
 - consider the time commitments of the candidates.
4. formulation of criteria for evaluation of performance of independent directors and the board of directors;
5. devising a policy on diversity of board of directors;
6. decide the salary, allowances, perquisites, bonuses, notice period, severance fees and increment of Executive Directors;
7. Determine our Company's policy on specific remuneration package for the Managing Director /Executive Director including pension rights;
8. Define and implement the Performance Linked Incentive Scheme (including ESOP of the Company) and evaluate the performance and determine the amount of incentive of the Executive Directors for that purpose;
9. identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal;
10. whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;
11. decide the amount of Commission payable to the Whole-Time Directors;
 - Review and suggest revision of the total remuneration package of the Executive Directors keeping in view the performance of the Company, standards prevailing in the industry, statutory guidelines etc; and
 - to formulate and administer the Employee Stock Option Scheme; and
12. recommend to the Board all remuneration, in whatever form, payable to senior management

As required under the SEBI Listing Regulations, the Nomination and Remuneration Committee shall meet at least once a year, and the chairperson of the committee shall be present at the Annual General Meetings to answer queries of the shareholders. The quorum for each meeting of the said committee shall be either two members or one-third of the members of the committee whichever is greater, including at least one independent director in attendance at the meeting.

Stakeholders' Relationship Committee

Our Stakeholders Relationship Committee was last reconstituted on May 25, 2022. The members of the said committee are as follows:

Name	Designation	Chairman/Member
Hemang Harshadbhai Shah	Non-executive Independent Director	Chairman
Dipali Manish Shah	Non-executive Non-Independent Director	Member
Mona Viral Shah	Executive Director	Member
Mahendra Kumar Shukla	Executive Director	Member

The Company Secretary acts as the secretary of the Stakeholders Relationship Committee.

The scope and function of the Stakeholders Relationship Committee is in accordance with Section 178 of the Companies Act, 2013 and Regulation 20 of the SEBI Listing Regulations and the terms of reference, powers and scope of the Stakeholders Relationship Committee of our Company include:

1. Redressal of shareholders' and investors' complaints, including and in respect of:
 - i. Allotment, transfer of shares including transmission, splitting of shares, changing joint holding into single holding and vice versa, issue of duplicate shares in lieu of those torn, destroyed, lost or defaced or where the space at back for recording transfers have been fully utilized.
 - ii. Issue of duplicate certificates and new certificates on split/consolidation/renewal, etc.;
 - iii. Non-receipt of share certificate(s), non-receipt of declared dividends, non-receipt of interest/dividend warrants, non-receipt of annual report and any other grievance/complaints with Company or any officer of the Company arising out in discharge of his duties.
2. Review the process and mechanism of redressal of Shareholders' /Investor's grievance and suggest measures of improving the system of redressal of Shareholders' /Investors' grievances.
3. Efficient transfer of shares; including review of cases for refusal of transfer / transmission of shares and debentures;
4. Reviewing on a periodic basis the approval/refusal of transfer or transmission of shares, debentures or any other securities;
5. Issue of duplicate certificates and new certificates on split/consolidation/renewal;
6. Allotment and listing of shares;
7. Review of measures taken for effective exercise of voting rights by shareholders.
8. Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.
9. Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company.
10. Oversee the implementation and compliance of the Code of Conduct adopted by the Company for prevention of Insider Trading for Listed Companies as specified in the Securities & Exchange Board of India (Prohibition of insider Trading) Regulations, 2015 as amended from time to time.

11. Any other power specifically assigned by the Board of Directors of the Company from time to time by way of resolution passed by it in a duly conducted Meeting, and
12. Carrying out any other function contained in the equity listing agreements as and when amended from time to time.

As required under the SEBI Listing Regulations, the Stakeholders Relationship Committee meets at least once a year, and the chairperson of the committee shall be present at the Annual General Meetings to answer queries of the security holders. The quorum for the meeting of this Committee shall be either two members or one third of the members of the Committee whichever is greater, including at least one independent director in attendance at the meeting.

Right Issue Committee

Our Right Issue Committee was reconstituted on July 30, 2022. The members of the said committee are as follows:

Name	Designation	Chairman/Member
Mona Viral Shah	Executive Director	Chairman
Viral Shah	Chief Executive Officer	Member
Hemang Harshadbhai Shah	Non-executive Independent Director	Member
Dipali Manish Shah	Non-executive Non-Independent Director	Member

The Company Secretary acts as the secretary of the Rights Issue Committee.

The terms of reference, powers and role of our Rights Issue Committee are as follows:

1. To appoint and enter into arrangements with the lead manager for the Rights Issue (the "Lead Manager"), legal advisor(s), registrar, ad- agency, monitoring agency, banker(s) to the Rights Issue and all other intermediaries and advisors necessary for the Rights Issue, to enter into and execute all such arrangements, contracts/agreements, memorandum, documents, etc., in connection therewith;
2. To negotiate, authorize, approve and pay commission, fees, remuneration, expenses and / or any other charges to the applicable agencies/ persons and to give them such directions or instructions as it may deem fit from time to time;
3. to approve and adopt any financial statements prepared for purposes of inclusion in the Issue Documents, pursuant to the requirements outlined by the SEBI ICDR Regulations or any other applicable law for time being in force, including intimating the approval and adoption of such financial statements to the Stock Exchanges, if required;
4. to negotiate, finalize, settle and execute the issue agreement, registrar agreement, monitoring agency agreement, ad-agency agreement, banker to the issue agreement and any other agreement with an intermediary and all other necessary documents, deeds, agreements and instruments in relation to the Rights Issue, including but not limited to any amendments/ modifications thereto;
5. to take necessary actions and steps for obtaining relevant approvals from SEBI, the Stock Exchanges, or such other authorities, whether regulatory or otherwise, as may be necessary in relation to the Rights Issue;
6. to finalize the Issue Documents and any other documents as may be required and to file the same with SEBI, Stock Exchanges and other concerned authorities and issue the same to the Shareholders of the Company or any other person in terms of the Issue Documents or any other agreement entered into by the Company in the ordinary course of business;
7. to approve, finalize and issue in such newspapers as it may deem fit and proper all notices, including any advertisement(s)/ supplement(s)/ corrigenda required to be issued in terms of SEBI ICDR Regulations or other applicable SEBI guidelines and regulations or in compliance with any direction from SEBI and/or such other applicable authorities;
8. to decide in accordance with applicable law, the terms of the Rights Issue, including the nature of the Securities, the total number, issue price and other terms and conditions for issuance of the Securities to be offered in the Rights Issue, and suitably vary the size of the Rights Issue, if required, in consultation with the Lead Manager(s);

9. to fix the record date for the purpose of the Rights Issue for ascertaining the names of the eligible Shareholders who will be entitled to the Securities, in consultation with the Stock Exchanges;
10. to decide the rights entitlement ratio in terms of number of Securities which each existing Shareholder on the record date will be entitled to, in proportion to the Securities held by the eligible Shareholder on such date;
11. to open bank accounts with any nationalized bank/ private bank/ scheduled bank for the purpose of receiving applications along with application monies and handling refunds in respect of the Rights Issue;
12. to appoint the collecting bankers for the purpose of collection of application money for the Rights Issue at the mandatory collection centers at the various locations in India;
13. to decide on the marketing strategy of the Rights Issue and the costs involved;
14. to decide in accordance with applicable law on the date and timing of opening and closing of the Rights Issue and to extend, vary or alter or withdraw the same as it may deem fit at its absolute discretion or as may be suggested or stipulated by SEBI, the Stock Exchanges or other authorities from time to time;
15. to issue and allot Securities in consultation with the Lead Manager, the registrar, the designated Stock Exchange and the Stock Exchanges and to do all necessary acts, execution of documents, undertakings, etc. with National Securities Depository Limited and Central Depository Services (India) Limited, in connection with admitting the Securities issued in the Rights Issue;
16. to sign the listing applications, print share certificates, issue ASBA instructions and share certificates.
17. to apply to regulatory authorities seeking their approval for allotment of any unsubscribed portion of the Rights Issue (in favour of the parties willing to subscribe to the same);
18. to decide, at its discretion, the proportion in which the allotment of additional securities shall be made in Rights Issue;
19. to take such actions as may be required in connection with the creation of separate ISIN for the credit of rights entitlements in the Rights Issue;
20. to dispose of the unsubscribed portion of the Securities in such manner as it may think most beneficial to the Company, including offering or placing such Securities with promoter and / or promoter group / banks / financial institutions / investment institutions / mutual funds / foreign institutional investors / bodies corporate or such other persons as the Rights Issue Committee may in its absolute discretion deem fit;
21. to make necessary changes and to enter the names of the renounees, if they are not members of the Company in the register of members of the Company;
22. to decide the mode and manner of allotment of the Securities if any not subscribed and left / remaining unsubscribed after allotment of the Securities and additional Securities applied by the Shareholders and renounees;
23. to finalise the basis of allotment of the Securities in consultation with Lead Manager, registrar and the designated Stock Exchange and Stock Exchanges, if necessary, including to decide the treatment of fractional entitlement, if any, in relation to the Securities to be issued pursuant to the Rights Issue;
24. to settle any question, difficulty or doubt that may arise in connection with the Rights Issue including the Issue and allotment of the Securities as aforesaid and to do all such acts, deeds and things as the Rights Issue Committee may in its absolute discretion consider necessary, proper, desirable or appropriate for settling such question, difficulty or doubt and making the said Rights Issue and allotment of the Securities; and
25. to take all such steps or actions and give all such directions as may be necessary or desirable in connection with the Rights Issue and also to settle any question, difficulty or doubt that may arise in connection with the Rights Issue including the issuance and allotment of Securities as aforesaid and to do all such acts and deeds in connection therewith and incidental thereto, as the Rights Issue Committee may in its absolute discretion deem fit."

OUR KEY MANAGERIAL PERSONNEL

Our Company is managed by our Board of Directors, assisted by qualified and experienced professionals, who are permanent employees of our Company. Following are the Key Managerial Personnel of our Company:

Details of Key Managerial Personnel and Senior management Personnel

In addition to our Executive Directors, viz, Mona Viral Shah and Mahendra Kumar Shukla whose details have been provided under paragraph above titled '*Brief Biographies of our Directors*', given below are the details of our Key Managerial Personnel as on the date of filing of this Letter of Offer:

Mr. Viral Mukundbhai Shah is Chief Executive Officer of our Company. He is the founding member of our Company. He holds a Bachelor's Degree in Commerce from University of Gujarat. He possesses more than 20 (twenty) years of experience in the manufacturing, processing, supplying and exporting of steel.

Mr. Neelesh Bhutara, aged 30 years, has been appointed as the Chief Financial Officer of our Company on July 30, 2022. He holds a Bachelor's Degree in Commerce from Maharshi Dayanand Saraswati University, Ajmer. He is an Associate member of the Institute of Chartered Accountants of India. Prior to joining the Company, he was associated with M/s B C Textiles. He has an overall work experience of 3 (three) years in the field of accounts and finance.

Ms. Hiral Vinodbhai Patel, aged 32 years, is the Company Secretary and Compliance Officer of our Company. She holds a bachelor's degree and a master's degree in Commerce from Pune University. She is also an Associate member of the Institute of Company Secretaries of India ("ICSI"). Prior to joining the Company, she has an experience of 1(one) year of working with CA Rajendra Shete & Co, Chartered Accountants.

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

None of our Key Managerial Personnel are entitled to receive any termination or retirement benefits.

Relationship Between Key Managerial Personnel / Directors

None of the Key Managerial Personnel / Directors are related to each other except following:

Name of the KMP/ Directors	Name of the Related KMP/ Directors	Relation
Viral Shah	Mona Viral Shah	Spouse
Dipali Manish Shah	Viral Shah	Sister in Law

OUR PROMOTERS

Our Promoters are Viral Mukundbhai Shah, Mona Viral Shah, Solanki Zankarsinh Kishorsinh, Giraben Solanki, General Capital Holding Company Private Limited. As on date of this Letter of Offer, our Promoters and members of the Promoter Group holds in aggregate 6,04,49,786 Equity Shares representing 38.19% of our issued, subscribed and paid-up equity share capital, respectively.

Brief Description of Promoters:

Viral Mukundbhai Shah

Viral Mukundbhai Shah, aged 46 years, is CEO and Promoter of our Company. He has more than 20 years of experience in steel industry. For details of the educational qualifications and experience of Viral Shah, please see section titled “*Our Key Managerial Personnel*” on page 94 of this Letter of Offer.

The other directorship of Viral Mukundbhai Shah are as follows:

1. Western Urja Private Limited
2. Four Seasons Residency Private Limited
3. General Capital and Holding Company Private Limited

Mona Viral Shah

For details of the educational qualifications, experience, other directorships, positions / posts held by Mona Viral Shah, please see section titled “*Our Management*” on page 94 of this Letter of Offer.

Solanki Zankarsinh Kishorsinh,

Solanki Zankaesinh Kisorshinh is Promoter of our Company. He holds a Bachelor of Engineering (Electrical) degree from “The Maharaja Sayajirao University of Baroda.”

The other directorship of Solanki Zankarsinh Kishorsinh are as follows:

1. Western Urja Private Limited
2. General Capital And Holding Company private Limited

Giraben Solanki

Giraben Solanki is Promoter of our Company. She possess a degree of Graduate in Arts (B.A.) from Gujarat University.

The other directorship of Giraben Solanki in Companies

1. Four Seasons Residency Private Limited
2. Sampati Securities Limited

General Capital and Holding Company Private Limited

General Capital and Holding Company Private Limited (GHCPL) is one of the Promoters of our Company As on date of this Letter of Offer, GHCPL does not hold any Equity Shares in our Company. Our GHCPL was originally incorporated as a private limited company under the provisions of the erstwhile Companies Act, 1956, and received a certificate of incorporation from the RoC of Gujarat, Dadra and Nagar Havelli dated April 01, 2008. The registered office of GHCPL is situated at 2nd Floor, Mrudul Tower B/h Times of India, Ashram Road, Ahmedabad, 380009, Gujarat. The corporate identity number of GHCPL is U70100GJ2008PTC053445. GHCPL has not listed its equity shares or any other securities on any Stock Exchange. Brief financial details of GHCPL are set out below:

(₹ in lakhs, except earnings per share)

Particular	2022	2021	2020
Issued and paid-up Equity Share Capital	1.20	1.20	1.20
Revenue from Operations	NIL	NIL	NIL
Profit after Tax	(3.19)	(4.35)	0.10
Reserves and Surplus (excluding revaluation reserves)	1402.83	1406.01	1410.38
Basic Earnings per share (in ₹)	(2.66)	(3.63)	0.10
Diluted earnings per share (in ₹)	(2.66)	(3.63)	0.10
Net worth*	1404.02	1407.21	1407.21

*Sum of equity share capital and other equity (excluding revaluation reserves).

Confirmations

1. Our Promoters have not been declared as a Wilful Defaulter or a Fraudulent Borrower by the RBI or any other governmental authority and there are no violations of securities laws committed by it in the past or is currently pending against it.
2. Our Promoters have not been declared as a Fugitive Economic Offender under Section 12 of the Fugitive Economic Offenders Act, 2018.
3. Our Promoter have not been debarred or prohibited from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority. Our Promoters are not and have never been a Promoter, Director, or person in control of any other company, which is debarred or prohibited from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority.
4. Save and except as disclosed in “**Outstanding Litigations and Defaults – Litigation involving our Promoter**” on page 191 of this Letter of Offer, there are no litigation or legal action pending or taken by any Ministry, Department of the Government or statutory authority during the last 5 years preceding the date of the Issue against our Promoters.

DIVIDEND POLICY

Our Company does not have a formal dividend policy.

The declaration and payment of dividends will be recommended by our Board and approved by our Shareholders, at their discretion, subject to the provisions of the Articles of Association and applicable law, including the Companies Act. The dividend, if any, will depend on a number of factors, including but not limited to working capital requirements, profit earned during the Fiscal, capital expenditure requirements, cash flow to meet contingencies, liquidity, and applicable taxes payable by our Company. In addition, our ability to pay dividends may be impacted by a number of factors, including restrictive covenants under the loan or financing arrangements our Company may enter into to finance our fund requirements for our business activities.

Dividends paid on Equity Shares:

Our Company has not declared any dividends for the last 3 Fiscals and from April 1, 2022 till the date of this Letter of Offer. In the future and there is no guarantee that any dividends will be declared or paid.

SECTION V –FINANCIAL INFORMATION

RESTATED FINANCIAL STATEMENTS

SR. NO.	PARTICULARS	PAGE NO.
1.	Unaudited Limited Reviewed Consolidated Financial Statements for the six months periods ended September 30, 2022	109
3.	Restated Financial Statements as at and for the Financial Years ended March 31, 2022, March 31, 2021 and March 31, 2020	116
4.	Consolidated Accounting Ratios	162
5.	Consolidated Statement of Capitalisation	165

Limited Review Report on the Quarterly Unaudited Consolidated Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

To the Board of Directors of
GYSOAL ALLOYS LIMITED

1. We have reviewed the accompanying Statement of Unaudited Ind AS Consolidated Financial Results of **GYSOAL ALLOYS LIMITED** ("the parent") and its associate (hereinafter together referred to as the "the Group"), for the quarter ended June 30, 2022 and year to date from July 01, 2022 to September 30, 2022 ("the Statement"), being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, read with Circular No. CIR/CFD/CMD1/44/2019 dated March 29, 2019.
2. This statement is the responsibility of the Company's Management and has been approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. Our responsibility is to issue a report on these financial statements based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, '*Review of Interim Financial Information performed by the Independent Auditor of the Entity*', issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of Company personnel and analytical procedures and other review procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
4. **Basis for Qualified Conclusions**
 - a) In respect of Inventories, during the reporting period, the management has not undertaken physical verification of Inventories at periodic intervals and has not obtained any technical /market/commercial evaluation for the inventories. Hence, we are unable to comment on the realizable value of the same, which may be lower than the amount at which it has been reflected in the balance sheet in view of non-availability of adequate records of inventory at factory. The Company has not maintained adequate inventory records at the factory. No provision has been made on diminution in the value of old and slow-moving inventory. The impact of the above remarks, presently not ascertainable and, therefore, cannot be commented upon.



- b) In respect of Trade Receivables amounting to Rs. 2,519.42 Lakhs, we have not received balance confirmations from the debtors. The realisability of these amounts is doubtful and company has not made any provision for Bad and Doubtful debts in respect of these receivables. In our opinion, the provision made is inadequate and the impact on loss and carrying value of trade receivables could not be ascertained.
- c) Physical inspection of Property, Plant & Equipment was not conducted by any technical personnel and the said assets are not tested for impairment. Hence no provision for impairment has been made. In absence of any alternative corroborative evidence, we are unable to comment on the recoverability of the same.

5. Material Uncertainty Related to Going Concern

The company has accumulated losses of Rs. 12,277.50 lakhs till the quarter ended September 30, 2022 and the company's net worth is fully eroded as on that date. These conditions indicate that a material uncertainty exist that may cast significant doubt regarding on the company's ability to continue as a going concern and therefore the company may be unable to realise its assets and discharge its liabilities in the normal course of business. The ultimate outcome of these matters is at present not ascertainable. Accordingly, we are unable to comment on the consequential impact, if any.

The above factors cast a significant uncertainty on the Company's ability to continue as a going concern.

Our opinion is not modified in respect of this matter.

6. Emphasis of Matter

We draw attention to the following notes forming part of the Unaudited Ind AS Consolidated Financial Results for the quarter ended September 30, 2022:

- a) Note No. 4 in respect of Company not recognizing its share of further losses of the associate and not considering the effect of accounting losses reported by the associate.
- b) Note No. 6 with respect to One Time Settlement ("OTS") agreement for Rs. 1,775 Lakhs with M/s Omkara Asset Reconstruction Company on 20.05.2022.

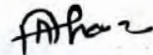
Our conclusion on the Statement is not modified in respect of above matter.



7. Based on our review conducted as above, nothing has come to our notice that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the applicable Indian Accounting Standards ('Ind AS') specified under Section 133 of the Companies Act, 2013, read with relevant rules issued there under and other recognized accounting practices and policies, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with SEBI Circular No. CIR/CFD/CMD1/44/2019 dated March 29, 2019 including the manner in which it is to be disclosed, or that it contains any material misstatement.



For Ashok Dhariwal & Co.
Chartered Accountants
(Registration No. 100648W)


CA Ashok Dhariwal
Partner
Membership No. 036452
UDIN: 22036452BCVRUE6834

Place: Ahmedabad

Date: 11.11.2022

GYSCOAL ALLOYS LIMITED

Regd Office: Plot No. 2/3 GIDC, Ubkhal, Kukarwada, Tal. Vijapur, Dist. Mehsana 382830

Phone : 079-26574878, Email : info@gyscoal.com CIN: L27209GJ1999PLC036656 website: www.gyscoal.com


STATEMENT OF CONSOLIDATED UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED ON 30TH SEPTEMBER, 2022 (` in Lacs Except EPS)

Particulars		Consolidated					
		Quarter Ended			Half Year Ended		Year Ended
		30-Sep-2022	30-Jun-2022	30-Sep-2021	30-Sep-2022	30-Sep-2021	31-Mar-2022
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
I	Revenue from Operations	324.85	56.39	482.09	381.24	993.52	2,003.99
II	Other Income	287.42	323.98	200.12	611.40	368.16	288.39
III	Total Revenue (I + II)	612.27	380.37	682.21	992.64	1,361.68	2,292.38
IV	Expenditure						
	(a) Cost of materials consumed	304.92	102.19	238.69	407.11	535.94	1,901.78
	(b) Purchases of stock-in-trade	0.00	0.00	0.00	0.00	0.00	0.00
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	32.17	67.77	20.37	99.94	50.64	-52.84
	(d) Employee benefits expense	41.98	12.17	84.61	54.15	153.69	262.48
	(e) Finance costs	13.43	4.23	87.90	17.66	169.68	54.03
	(f) Depreciation and amortisation expense	73.88	75.67	92.30	149.55	183.80	366.99
	(g) Other expenses	67.06	80.77	156.46	147.83	282.23	846.15
	Total Expenses (IV)	533.45	342.80	680.33	876.25	1,375.98	3,378.59
V	Profit / (Loss) before Exceptional Items and Tax (III - IV) before share of associate	78.83	37.57	1.88	116.39	-14.30	-1,086.21
VI	Share in Profit of associate	0.00	0.00	0.00	0.00	0.00	0.00
VII	Exceptional Items	0.00	0.00	1,122.85	0.00	1,122.85	1,122.85
VIII	Profit / (Loss) before Tax (V-VI)	78.83	37.57	1,124.73	116.39	1,108.55	36.64
IX	Tax expense						
	(a) Current Tax	0.00	0.00	0.00	0.00	0.00	0.00
	(b) Deferred Tax	-19.31	-49.61	606.03	-68.92	582.30	606.16
	(c) Adjustment of Earlier Year Tax	0.00	0.00	0.00	0.00	0.00	-6.31
IX	Profit / (Loss) from continuing operations (VII-VIII)	98.14	87.18	518.70	185.31	526.25	-563.21
X	Profit/(Loss) from discontinued operations (VII-VIII)	0.00	0.00	0.00	0.00	0.00	0.00
XI	Tax expense of discontinued operations	0.00	0.00	0.00	0.00	0.00	0.00
XII	Profit/(Loss) from discontinued operations after tax (X-XI)	0.00	0.00	0.00	0.00	0.00	0.00
XIII	Profit / (Loss) for the Period (IX+XII)	98.14	87.18	518.70	185.31	526.25	-563.21
XIV	Other Comprehensive Income	0.00	2.88	1.88	2.88	1.88	0.00
XV	Total Comprehensive Income for the period (XIII+XIV) (Comprising Profit / (Loss) and Other Comprehensive Income for the Period)	98.14	90.06	520.58	188.19	528.13	-563.21
	Loss after tax attributable to						
	Owners of the company	98.14	87.18	518.70	188.19	528.13	-563.21
	Non Controlling Interest	0.00	0.00	0.00	0.00	0.00	0.00
	Other Comprehensive Income attributable to						
	Owners of the company	0.00	2.88	1.88	2.88	1.88	0.00
	Non Controlling Interest	0.00	0.00	0.00	0.00	0.00	0.00
	Total Comprehensive Income attributable to						
	Owners of the company	98.14	90.06	520.58	191.07	530.01	-563.21
	Non Controlling Interest	0.00	0.00	0.00	0.00	0.00	0.00
XVI	Paid up Equity Share Capital (Face Value of ` 1/- each)	1,582.76	1,582.76	1,582.76	1,582.76	1,582.76	1,582.76
XVII	Earning per Share - Not Annualised (in `)						
	1) Basic	0.06	0.06	0.33	0.12	0.33	-0.36
	2) Diluted	0.06	0.06	0.33	0.12	0.33	-0.36

NOTES TO STATEMENT OF CONSOLIDATED UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED ON 30TH SEPTEMBER, 2022

- 1 The above unaudited Consolidated Financial Results were reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on 11th November, 2022.
- 2 These Unaudited Consolidated Financial Results have been prepared in accordance with the Indian Accounting Standard ("Ind-AS") as specified under section 133 of the Companies Act, 2013 read with rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and the provisions of the Companies Act, 2013 and other recognized accounting practice and policies to the extent applicable.
- 3 The Consolidated Financial Results include the Financial Result of the associate company viz. Goldman Hotels & Resorts Private Limited.
- 4 As the Company's share of losses of an associate viz. "Goldman Hotel & Resorts Private Limited" exceeds its investment value in the associate, the Company has not recognized its share of further losses of an associate. Our Associate company "Goldman Hotels & Resorts Private Limited" is not in operation since Incorporation due to its Hotel Project is still under pipeline. As company's share of loss in associates exceeds the carrying amount of the investment, the company has reported investment at nil value. In view of this, the company did not consider accounting of loss reported by associates for the Quarter and half year ended 30th Sept, 2022.
- 5 The principal business of the Company is of manufacturing and sale of S.S. Products. The Board of Director of the Company evaluates the Company's performance, allocate the resources based on analysis of the various performance indicator of the Company as a single unit. Accordingly it is concluded that there is only one reportable operating segment as defined by Ind AS 108, i.e. S. S. Products. As there is only one reportable segment, the company has not given segment information.
- 6 Total number of Investor complaints received and resolved were NIL. Complaints left unattended as on 30th September, 2022 is NIL.
- 7 The figures for the corresponding previous period have been regrouped/ reclassified wherever necessary, to make them comparable.

Place : Ahmedabad
Date : 11-11-2022


Mona Shah
Director
DIN - 02343194


GYSCOAL ALLOYS LIMITED

Regd Office: Plot No. 2/3 GIDC, Ubkhal, Kukarwada, Tal. Vijapur, Dist. Mehsana 382830


Phone : 079-26574878, Email : info@gyscoal.com


STATEMENT OF ASSETS & LIABILITIES AS AT 30TH SEPTEMBER, 2022

(In ` Lacs)

Particulars	Standalone		Consolidated	
	As on	As on	As on	As on
	30-09-2022	31-03-2022	30-09-2022	31-03-2022
	Un Audited	Audited	Un Audited	Audited
A ASSETS				
(1) Non-Current Assets				
a Property, Plant and Equipment				
a (i) Tangible Asset	1,925.36	2,074.71	1,925.36	2,074.71
(ii) Goodwill on Consolidation	0.00	0.00	0.00	0.00
b Financial Assets				
Investments	0.26	0.26	0.00	0.00
Other Financial Assets	193.55	254.42	193.55	254.42
c Deferred Tax Asset (Net)	2,029.19	1,960.27	2,029.19	1,960.27
d Other Non Current Assets	69.29	64.81	69.29	64.81
	4,217.65	4,354.47	4,217.39	4,354.21
(2) Current Assets				
a Inventories	1,222.86	1,494.80	1,222.86	1,494.80
b Financial Assets				
Trade Receivables	2,519.42	1,975.90	2,519.42	1,975.90
Cash and Cash Equivalents	38.61	33.28	38.61	33.28
Loans & Advances	0.50	2.00	0.50	2.00
Other Financial Assets	0.00	3.17	0.00	3.17
c Income Tax Assets (Net)	1.73	6.41	1.73	6.41
d Other Current Assets	866.95	833.66	866.95	833.66
	4,650.07	4,349.22	4,650.07	4,349.22
Total Assets	8,867.72	8,703.69	8,867.46	8,703.43
B EQUITY AND LIABILITIES				
I EQUITY				
a Equity Share Capital	1,582.76	1,582.76	1,582.76	1,582.76
b Other Equity	-4,543.19	-4,728.51	-4,543.45	-4,728.77
	-2,960.43	-3,145.75	-2,960.69	-3,146.01
Minoirty Interest	0.00	0.00	0.00	0.00
II LIABILITIES				
(1) Non-Current Liabilities				
a Financial Liabilities				
Borrowings	7,828.71	7,561.76	7,828.71	7,561.76
b Provisions	35.32	28.40	35.32	28.40
	0.00	0.00	0.00	0.00
	4,903.60	4,444.41	4,903.34	4,444.15
(2) Current Liabilities				
a Financial Liabilities				
Borrowings	369.71	347.58	369.71	347.58
Trade Payables due to				
Micro & Small Enterprises	0.00	0.00	0.00	0.00
Other than Micro & Small Enterprise	1,728.16	2,045.94	1,728.16	2,045.94
Other Financial Liabilities	1,643.06	1,643.48	1,643.06	1,643.48
b Other Current Liabilities	219.03	215.35	219.03	215.35
c Provisions	4.15	6.92	4.15	6.92
d Current Tax Liabilities (Net)	0.00	0.00	0.00	0.00
	3,964.11	4,259.27	3,964.11	4,259.27
Total Equity and Liabilities	8,867.71	8,703.68	8,867.45	8,703.42

For, Gyscoal Alloys Limited


 Mona Shah
 Director
 (DIN : 02343194)


Place : Ahmedabad

Date : 11-11-2022

GYSCOAL ALLOYS LIMITED


Regd Office: Plot No. 2/3 GIDC, Ubkhal, Kukarwada, Tal. Vijapur, Dist. Mehsana 382830

Phone : 079-26574878, Email : info@gyscoal.com

STATEMENT OF UNAUDITED CASH FLOW FOR THE HALF YEAR ENDED ON 30TH SEPTEMBER, 2022

(In ` Lacs)

Particulars	Standalone		Consolidated	
	As on	As on	As on	As on
	30-09-2022	30-09-2021	30-09-2022	30-09-2021
	Un Audited	Un Audited	Un Audited	Un Audited
(A) Cash Flow from Operating Activities :				
Net Loss before Tax	116.40	1,108.55	116.40	1,108.55
Adjustments for :				
Depreciation	149.55	183.80	149.55	183.80
Write off of interest	0.00	0.00	0.00	0.00
Interest Income	1.39	-8.01	1.39	-2.23
Interest expenses	17.25	166.01	17.25	295.68
Provision for Employee Benefits - Remeasurement of Defined Benefit Obligations	0.00	0.00	0.00	0.00
Loss Allowance for Trade Receivables	0.00	-0.27	0.00	0.00
	0.00	0.00	0.00	0.00
Operating Profit Before Working Capital Changes	284.59	1,450.08	284.59	1,585.80
Adjustments for:				
Non-current/current financial and other assets	-240.81	-59.59	-240.80	-59.59
Trade Receivables	-543.52	9,770.12	-543.52	9,770.12
Inventories	271.94	483.54	271.94	483.54
Non-current/current financial and other liabilities/p	-5,140.98	226.44	-5,140.98	226.44
Cash Generated from/(used in) Operating Activities	-5,368.79	11,870.59	-5,368.78	12,006.31
Direct Taxes Paid (Net)	8.61	0.00	8.61	0.00
Nat Cash from Operating Activities (A)	-5,360.17	11,870.59	-5,360.16	12,006.31
(B) Cash Flow from Investing Activity :				
Purchase of property, plant and equipments	-1.01	-1.77	-1.01	-1.77
Interest Received	-1.39	2.23	-1.39	2.23
Net Cash form Investing Activities (B)	-2.40	0.46	-2.40	0.46
(C) Cash Flow from Financial Activities :				
Proceeds from Issue of Equity Share Capital	-1,045.48	0.00	-1,045.48	0.00
Proceeds from Premium on Issue of Equity Share Ca	3,543.09	0.00	3,543.09	0.00
Interest Paid	-166.01	-295.68	-166.01	-295.68
Net Cash Flow from/(used in) Financing Activities (C)	2,331.60	-295.68	2,331.60	-336.81
Net Increase/(Decrease) in Cash and Bank Balance	-3,030.97	8.41	-3,030.97	11,669.96
Add : Opening Cash & Bank Balances	15.97	35.49	15.97	35.49
Closing Cash & Bank Balances	-3,015.00	43.90	-3,015.00	11,705.45

Note: The above cash flow statement has been prepared under 'Indirect method' as set out in the Ind AS-7 statement of Cash Flow

For, Gyscoal Alloys Limited


 Mona Shah
 Director
 (DIN - 02343194)

Place : Ahmedabad

Date : 11-11-2022

To the Board of directors of Gyscoal Alloys Limited

Independent Auditor's Examination Report on the Restated Statement of Assets and Liabilities as at March 31, 2022, March 31, 2021, March 31, 2020 and for the financial years ending on March 31, 2022, March, 2021 and March, 2020 the Restated Statement of Profit and Loss (including Other Comprehensive Income), Restated Statement of Changes in Equity, Restated Cash-flow Statement, Summary Statement of Significant Accounting Policies and Other Explanatory Information of Gyscoal Alloys Limited

Dear Sirs,

1. We have examined the attached Restated Statements of Gyscoal Alloys Limited (the "Company" or the "Issuer"), as at March 31, 2022, March 31, 2021 and March 31, 2020 as approved by the Board of Directors of the Company at their meeting held on September 28, 2022 for the purpose of inclusion in the Letter of Offer (the "LOF") in connection with its proposed rights issue of equity shares of Rs. 1 each ("Rights Issue"), prepared in terms of the requirements of prospectus
 - a) Section 26 of Part I of Chapter III of the Companies Act, 2013 (the "Act");
 - b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("ICDR Regulations"); and
 - c) The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India ("ICAI"), as amended from time to time (the "Guidance Note")
2. The Company's Board of Directors is responsible for the preparation of the Restated Statements for the purpose of inclusion in the Letter of Offer (the "LOF") to be filed with Securities and Exchange Board of India, The Bombay Stock Exchange Limited ("BSE") and The Calcutta Stock Exchange Limited ("CSE") and in connection with the Rights Issue. The Restated Statements have been prepared by the management of the Company on the basis of preparation stated in relevant annexures to the Restated Statements. The responsibility of the respective Board of Directors of the companies included in the Group includes designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Financials Statements. The Board of Directors are also responsible for identifying and ensuring that the group complies with the Act, ICDR Regulations and the Guidance Note.
3. We have examined such Restated Financials Statements taking into consideration:
 - a) The terms of reference and terms of our engagement agreed upon with you in accordance with our engagement letter in connection with the Rights Issue of the Company;
 - b) The Guidance Note issued by the ICAI. The Guidance Note also requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI;
 - c) Concepts of test checks and materiality to obtain reasonable assurance based on verification of evidence supporting the Restated Statements; and
 - d) The requirements of Section 26 of the Act and the ICDR Regulations.

Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act, the ICDR Regulations and the Guidance Note in connection with the Rights Issue.

4. These Restated Financials Statements have been compiled by the management from:
 - a) Audited Consolidated Financial Statements of the company as at and for the year ended as at March 31, 2022 prepared in accordance with the Indian Accounting Standards (referred to as "Ind AS") as prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, as amended, and other accounting principles generally accepted in India, which have been approved by the Board of Directors at their meeting held on May 11, 2022.
 - b) Audited Consolidated Financial Statements of the Company as at and for the year ended March 31, 2021, and as at March 31, 2021, prepared in accordance with the Ind AS as prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, as amended, and other accounting principles generally accepted in India, which have signed by the Board of Directors at their meeting held on June 17, 2021.
 - c) Audited Consolidated Financial Statements of the Company as at and for the year ended March 31, 2020, and as at March 31, 2020, prepared in accordance with the Ind AS as prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, as amended, and other accounting principles generally accepted in India, which have signed by the Board of Directors at their meeting held on July 31, 2020.

5. For the purpose of our examination, we have relied on:
 - a) Auditor's report issued by us dated May 11, 2022 on the Ind AS financial statements of the company as at and for the year ended March 31, 2022 as referred in Paragraph 4(a) above;
 - b) Auditor's Reports issued by Saurabh R Shah & Co. dated June 11, 2021 on the Ind AS financial statements of the company as at and for the year ended March 31, 2021, and as at March 31, 2020 respectively, as referred in Paragraph 4(b) above; and
 - c) Auditor's Reports issued by Saurabh R Shah & Co. dated July 31, 2020 on the Ind AS financial statements of the company as at and for the year ended March 31, 2020, and as at March 31, 2019 respectively, as referred in Paragraph 4(c) above.

6. The audit reports referred to in paragraph 5 above included the following matters:
 - a) The audit report for the year ended March 31, 2022 included the below '**Basis for Qualified Opinion**' and '**Emphasis of Matter**':

'Basis of Qualified Opinion'

1. In respect of Inventories, during the reporting period, the management has not undertaken physical verification of Inventories at periodic intervals and has not obtained any technical /market/commercial evaluation for the inventories. Hence, we are unable to comment on the realizable value of the same, which may be lower than the amount at which it has been reflected in the balance sheet. The Company has not maintained adequate inventory records at the factory. No provision has been made on diminution in the value of old and slow-moving inventory. The impact of the above remarks, presently not ascertainable and, therefore, cannot be commented upon.
2. In respect of Trade Receivables amounting to Rs. 8,430.29 Lakhs, we have not received balance confirmations from the debtors. The realisability of these amounts is doubtful and company has not made any provision for Bad and Doubtful debts in respect of these receivables, other than specified in Note no. 11. In our opinion, the provision made is inadequate and the impact on loss and carrying value of trade receivables could not be ascertained.
3. In respect of Property, Plant & Equipment as per Note 6 to the Consolidated financial statements, physical inspection was not conducted by any technical personnel and the fair value report of gross fixed assets of Rs. 5,825 lakhs for Tangible Assets as at March 31, 2022 is not available. The said assets are not tested for impairment and hence no provision for impairment has been made. In absence of any alternative corroborative evidence, we are unable to comment on the recoverability of the same.

'Emphasis of Matter'

- i. Note no. 16 in respect of One-time settlement ("OTS") of SBI cash credit account and the resultant waiver of Principal & Interest amounts with respect to the OTS.
- ii. Note no. 16 to the financial statements in respect of assignment of debts of UCO bank to M/s Omkara Assets Reconstruction Private Limited.
- iii. Note no. 3.2 to the financial statements in respect of Company not recognizing its share of further losses of the associate and did not considering effect of accounting loss reported by the associate.

Our opinion is not modified in respect of the above matters.

7. Based on our examination and according to the information and explanations given to us, we report that the Restated Financials Statements:
 - a) have been prepared after incorporating adjustments for the changes in accounting policies and regrouping/reclassifications retrospectively in the financial year ended March 31, 2021 reflect the same accounting treatment as per the accounting policies and grouping / classifications followed as at and for the year ended March 31, 2022;
 - b) have been prepared in accordance with the Act, ICDR Regulations and the Guidance Note.
8. The Restated Financials Statements do not reflect the effects of events that occurred subsequent to the respective dates of the reports on the audited Ind AS financial statements mentioned in paragraph 4 above.
9. This report should not in any way be construed as a reissuance or re-dating of any of the previous audit report issued by us, nor should this report be construed as a new opinion on any of the financial statements referred to herein.
10. We have no responsibility to update our report for events and circumstances occurring after the date of the report.

Our report is intended solely for use of the Board of Directors for inclusion in the LOF to be filed with Securities and Exchange Board of India and the Stock Exchanges in connection with the proposed Rights Issue. Our report should not be used, referred to, or distributed for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come.

For Ashok Dhariwal & Co.
Chartered Accountants
(Registration No. 100648W)

CA Ashok Dhariwal
(Partner)
M. No. 036452
UDIN: 22036452AYEHOE4480

Place: Ahmedabad
Date: 28.09.2022

GYSCOAL ALLOYS LIMITED

CIN: L27209GJ1999PLC036656



Restated Consolidated statement of Assets and Liabilities

(In ` Lacs)

Particulars	Note No.	As at		
		March 31, 2022	March 31, 2021	March 31, 2020
A ASSETS				
(1) Non-Current Assets				
a Property, Plant and Equipment	6	2,074.71	2,439.92	2,887.29
b Financial Assets				
Investments	7	-	-	-
Other Financial Assets	8.1	254.42	247.14	256.25
c Deferred Tax Asset (Net)	31	1,960.27	2,570.30	783.85
d Other Non Current Assets	9.1	64.81	129.14	127.14
Total Non-Current Assets		4,354.21	5,386.50	4,054.53
(2) Current Assets				
a Inventories	10	1,494.80	1,198.29	2,508.43
b Financial Assets				
Trade Receivables	11	1,975.90	4,022.19	11,002.08
Cash and Cash Equivalents	12	33.27	15.97	35.52
Loans	13	2.00	12.50	12.43
Other Financial Assets	8.2	3.17	128.56	79.84
c Income Tax Assets (Net)	31	6.41	-	-
d Other Current Assets	9.2	833.66	691.82	707.33
Total Current Assets		4,349.21	6,069.33	14,345.63
Total Assets		8,703.42	11,455.83	18,400.16
B EQUITY AND LIABILITIES				
I EQUITY				
a Equity Share Capital	14	1,582.76	1,582.76	1,582.76
b Other Equity	15	(4,728.77)	(6,597.31)	804.85
Total Equity		(3,146.01)	(5,014.55)	2,387.61
II LIABILITIES				
(1) Non-Current Liabilities				
a Financial Liabilities				
Borrowings	16.1	7,561.76	3,157.36	704.28
b Provisions	17.1	28.40	35.00	67.14
c Deferred Tax Liabilities (Net)	31	-	-	-
Total Non-Current Liabilities		7,590.16	3,192.36	771.42
(2) Current Liabilities				
a Financial Liabilities				
Borrowings	16.2	347.58	6,108.51	6,855.88
Trade Payables due to	18			
Micro & Small Enterprises		-	-	-
Other than Micro & Small Enterprise		2,045.94	2,501.13	4,383.12
Other Financial Liabilities	19	1,643.48	3,872.32	3,283.05
b Other Current Liabilities	20	215.35	780.36	698.92
c Provisions	17.2	6.92	9.39	14.06
d Current Tax Liabilities (Net)	31	-	6.31	6.09
Total Current Liabilities		4,259.27	13,278.02	15,241.12
Total Equity and Liabilities		8,703.42	11,455.83	18,400.15

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

As per our report of even date attached

For and on behalf of the Board

For, ASHOK DHARIWAL & CO.

Chartered Accountants

Firm Reg. No. 100648W

Mona Shah

Director

DIN : 02343194

Dipali Shah

Director

DIN : 08845576

CA Ashok Dhariwal

Partner

Membership No. 036452

UDIN : 22036452AYEH0E4480

Place : Ahmedabad

Date : 28-09-2022

Neelesh Bhutara

Chief Financial Officer

Place : Ahmedabad

Date : 28-09-2022

Hiral Patel

Company Secretary

GYSCOAL ALLOYS LIMITED

CIN: I.27209GJ1999PLC036656



Restated Consolidated Statement of Profit and Loss

(In ` Lacs)

Particulars	Note No.	As at		
		March 31, 2022	March 31, 2021	March 31, 2020
I Revenue from Operations	22	2,003.99	1,258.33	6,472.44
II Other Income	23	288.39	23.19	875.32
III Total Income (I + II)		2,292.38	1,281.52	7,347.76
IV Expenses				
a Cost of Materials Consumed	24	1,901.78	1,502.76	5,345.58
b Purchase of Stock-in-Trade		-	-	-
c Changes in Inventories of Finished Goods, Stock-in-Process & Stock-in-Trade	25	(52.84)	830.70	555.59
e Employees Benefit Cost	26	262.48	216.31	458.91
f Finance Cost	27	54.03	617.33	596.33
g Depreciation and Amortisation Expenses	28	366.99	454.46	553.95
h Other Expenses	29	846.15	6,895.84	1,403.28
Total Expenses		3,378.59	10,517.40	8,913.64
V (Loss) before exceptional items and tax (III - IV)		(1,086.21)	(9,235.88)	(1,565.88)
VI Exceptional Items (Refer Note no 16.2.2)	16.2.2	1,122.85	-	-
VII (Loss) before tax (V - VI)		36.64	(9,235.88)	(1,565.88)
VIII Tax Expenses	31			
a Current Tax		-	-	-
b Deferred Tax		606.16	(1,798.74)	(199.38)
c Adjustment of Earlier Year Tax		(6.31)	-	0.53
		599.85	(1,798.74)	(198.85)
IX (Loss) after Tax (VII - VIII)		(563.21)	(7,437.14)	(1,367.03)
X Other Comprehensive Income				
A Items that will not be reclassified to profit or loss				
Remeasurement of Defined Benefit Obligations		15.39	47.24	7.00
Income tax on items that will not be reclassified subsequently to profit or loss		(3.87)	(12.28)	(1.82)
Total Comprehensive Income (IX + X)		(551.69)	(7,402.18)	(1,361.85)
Earning per Equity Share of face value of ` 1/- each				
Basic	(In `)	(0.35)	(4.68)	(0.86)
Diluted	(In `)	(0.35)	(4.68)	(0.86)

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

As per our report of even date attached

For and on behalf of the Board

For, ASHOK DHARIWAL & CO.

Chartered Accountants
Firm Reg. No. 100648W

Mona Shah
Director
DIN : 02343194

Dipali Shah
Director
DIN : 08845576

CA Ashok Dhariwal

Partner
Membership No. 036452
UDIN 22036452AYEH0E4480
Place : Ahmedabad
Date : 28-09-2022

Neelesh Bhutara
Chief Financial Officer
Place : Ahmedabad
Date : 28-09-2022

Hiral Patel
Company Secretary

GYSOAL ALLOYS LIMITED

CIN: L27209GJ1999PLC036656



Restated Consolidated Statement of Cash Flows

(In ` Lacs)

Particulars	For the Year Ended		
	31.03.2022	31.03.2021	31.03.2020
(A) Cash Flow from Operating Activities :			
Net Loss before Tax	(1,086.21)	(9,235.86)	(1,565.89)
Adjustments for :			
Depreciation	366.99	454.46	553.95
Interest Income	(13.30)	(15.12)	(15.43)
Interest expenses	47.99	610.41	589.92
Loss Allowance for Trade Receivables	245.35	6,209.05	-
Investment in Subsidiary Company Written off	-	-	-
Provision for Employee Benefits - Remeasurement of Defined Benefit Obligations	15.39	47.24	7.00
Operating Profit Before Working Capital Changes	(423.79)	(1,929.83)	(430.45)
Adjustments for:			
Non-current/current financial and other assets	51.09	(26.13)	216.89
Decrease/(Increase) in Other Financial Assets	118.10	(39.60)	216.86
Decrease/(Increase) in Loans	10.50	(0.07)	-
Decrease/(Increase) in Other Non-Current Assets	64.33	(2.00)	-
Decrease/(Increase) in Other Current Assets	(141.83)	15.51	-
Trade Receivables	1,800.95	770.84	19.45
Inventories	(296.51)	1,310.15	821.03
Non-current/current financial and other liabilities/provisions	(3,258.12)	(1,248.08)	(227.90)
Increase/(Decrease) in Trade Payables	(455.19)	(1,881.98)	-
Increase/(Decrease) in Other Current Liabilities	(565.01)	81.44	-
Increase/(Decrease) in Other Financial Liabilities	(2,228.85)	589.26	-
Increase/(Decrease) in Short Term Provisions	(9.07)	(36.81)	(227.91)
Cash Generated from/(used in) Operating Activities	(2,126.38)	(1,123.05)	399.02
Direct Taxes Paid (Net)	(6.41)	0.22	5.89
Nat Cash from Operating Activities (A)	(2,132.79)	(1,122.83)	404.91
(B) Cash Flow from Investing Activity :			
Purchase of property, plant and equipments	(1.78)	(7.10)	(14.73)
Interest Received	13.30	15.12	15.43
Net Cash form Investing Activities (B)	11.52	8.02	0.70
(C) Cash Flow from Financial Activities :			
Proceeds / (Repayment) of Long Term Borrowings (Net)	5,022.62	2,453.08	187.43
Repayment of Long Term Borrowings	-	-	-
Proceeds / (Repayment) from Short Term Borrowings (Net)	(2,836.04)	(747.37)	-
Interest Paid	(47.99)	(610.41)	(589.92)
Net Cash Flow from/(used in) Financing Activities (C)	2,138.59	1,095.31	(402.49)
Net Increase/(Decrease) in Cash and Bank Balance (A+B+C)	17.30	(19.52)	3.11
Add : Opening Cash & Bank Balances	15.97	35.49	32.41
Closing Cash & Bank Balances	33.27	15.97	35.52

As per our report of even date attached

For and on behalf of the B

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(0.00)

For, ASHOK DHARIWAL & CO.

Chartered Accountants

Firm Reg. No. 100648W

Mona Shah

Director

DIN : 02343194

Dipali Shah

Director

DIN : 08845576

CA Ashok Dhariwal

Partner

Membership No. 036452

UDIN : 22036452AYEHIOE4480

Place : Ahmedabad

Date : 28-09-2022

Neelesh Bhutara

Chief Financial Officer

Place : Ahmedabad

Date : 28-09-2022

Hiral Patel

Company Secretary

GYSKOAL ALLOYS LIMITED

CIN: L27209GJ1999PLC036656

Restated Consolidated Statement of Changes in Equity

A Equity Share Capital

(In ` Lacs)

Year to Date	March 31, 2022	March 31, 2021	March 31, 2020
Balance at the beginning of reporting period	1,582.76	1,582.76	1,582.76
Changes during the year	-	-	-
Balance at the end of reporting period	1,582.76	1,582.76	1,582.76

B Other Equity

(In ` Lacs)

Particulars	Reserves and Surplus				Total
	Securities Premium	General Reserve	Other Comprehensive Income	Retained Earnings	
Balance as at April 01, 2021	5,260.14	7.45	40.14	(11,905.04)	(6,597.31)
(Loss) for the year	-	-	-	(563.21)	(563.21)
Addition During the Year	-	2,420.24	-	-	2,420.24
Items of OCI for the year	-	-	-	-	-
Remeasurement of Defined Benefit Obligations	-	-	15.39	-	15.39
Income tax on items that will not be reclassified subsequently to profit or loss	-	-	(3.87)	-	(3.87)
Total Comprehensive Income for the year	-	-	11.51	(563.21)	(551.69)
Balance as at March 31, 2022	5,260.14	2,427.69	63.17	(12,468.25)	(4,728.76)
Balance as at April 01, 2020	5,260.14	7.45	5.18	(4,467.92)	804.85
(Loss) for the year	-	-	-	(7,437.12)	(7,437.12)
Items of OCI for the year	-	-	-	-	-
Remeasurement of Defined Benefit Obligations	-	-	47.24	-	47.24
Income tax on items that will not be reclassified subsequently to profit or loss	-	-	(12.28)	-	(12.28)
Total Comprehensive Income for the Year	-	-	34.96	(7,437.12)	(7,402.16)
Balance as at March 31, 2021	5,260.14	7.45	40.14	(11,905.04)	(6,597.31)
Balance as at April 01, 2019	5,260.14	7.45	-	(3,100.87)	2,166.71
(Loss) for the year	-	-	-	(1,367.04)	(1,367.04)
Items of OCI for the year	-	-	-	-	-
Remeasurement of Defined Benefit Obligations	-	-	7.00	-	7.00
Income tax on items that will not be reclassified subsequently to profit or loss	-	-	(1.82)	-	(1.82)
Total Comprehensive Income for the Year	-	-	5.18	(1,367.04)	(1,361.86)
Balance as at March 31, 2020	5,260.14	7.45	5.18	(4,467.91)	804.85

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

As per our audit report of even date attached

For and on behalf of the Board

For, ASHOK DHARIWAL & CO.

Chartered Accountants
Firm Reg. No. 100648W

Mona Shah
Director
DIN : 02343194

Dipali Shah
Director
DIN : 08845576

CA Ashok Dhariwal

Partner
Membership No. 036452
UDIN : 22036452AYEH0E4480
Place : Ahmedabad
Date : 28-09-2022

Neelesh Bhutara
Chief Financial Officer

Place : Ahmedabad
Date : 28-09-2022

Hiral Patel
Company Secretary

GYSCOAL ALLOYS LIMITED

Notes to the Restated Consolidated Financial Statements

1 Company Information

The consolidated financial statements (herein after referred to as "financial statements") comprise financial statements of Gyscoal Alloys Limited ("the Company" or the "the holding Company") and its associate (collectively, the Group) for the year ended March 31, 2022.

Gyscoal Alloys Limited (the 'Company') is a public limited Company and domiciled in India and is incorporated under the provisions of the Companies Act with its registered office located at Plot No. 2/3 GIDC, Ubkhal, Kukarwada, Tal. Vijapur, Dist.: Mehsana - 382 830. The Company is listed on the Bombay Stock Exchange (BSE) and the National Stock Exchange (NSE). The Parent company is engaged in the manufacturing and selling of diverse range of SS products.

2 Basis of Preparation and Presentation

2.1 Statement of Compliance

(i) Compliance with Indian Accounting Standards (Ind AS)

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the provisions of the Companies Act, 2013 ("the Act") and guidelines issued by the Securities and Exchange Board of India (SEBI). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter.

(ii) Historical Cost Convention

The Financial Statements have been prepared on the historical cost convention on the accrual basis except for following assets and liabilities which have been measured at fair value amount:

- i) Certain Financial Assets and Liabilities
- ii) Defined Benefit Plans - Present value of defined benefit obligations Less Plan Assets

(iii) Current and Non-Current Classification

The Company presents assets and liabilities in the Balance Sheet based on Current/ Non-Current classification.

An asset is treated as Current when it is :-

- Expected to be realised or intended to be sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when :-

- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

(iv) Operating Cycle

Based on the nature of products/activities of the Company and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

2.2 Functional and Presentation Currency

Indian rupee is the functional and presentation currency.

2.3 Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs as per the requirement of Schedule III, unless otherwise stated.

GYSKOAL ALLOYS LIMITED

Notes to the Restated Consolidated Financial Statements

3 Significant Accounting Policies

3.1 Revenue Recognition

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration entitled in exchange for those goods or services. The Company is generally the principal as it typically controls the goods or services before transferring them to the customer.

3.1.1 Sale of Goods

Revenue is generated primarily from sale of S. S. Products. Revenue is recognised at the point in time when the performance obligation is satisfied and control of the goods is transferred to the customer in accordance with the terms of customer contracts. In case of domestic customers, generally revenue recognition take place when goods are dispatched and in case of export customers when goods are shipped onboard based on bill of landing as per the terms of contract. Revenue is measured based on the transaction price, which is the consideration, adjusted for trade discounts, if any, as specified in the contract with the customer. Revenue also excludes taxes collected from customers.

A contract liability is the obligation to transfer goods to the customer for which the Company has received consideration from the customer. Contract liabilities are recognised as revenue when the Company performs under the contract.

The Company does not expect to have any contracts where the period between the transfer of the promised goods to the customer and payment by the customer exceed one year. As a consequence, the Company does not adjust any of the transaction prices for the time value of money.

3.1.2 Sale of Services

Revenue is recognized from rendering of services when the performance obligation is satisfied and the services are rendered in accordance with the terms of customer contracts. Revenue is measured based on the transaction price, which is the consideration, as specified in the contract with the customer. Revenue also excludes taxes collected from customers.

A contract liability is the obligation to render services to the customer for which the Company has received consideration from the customer. Contract liabilities are recognised as revenue when the Company performs under the contract.

The Company does not expect to have any contracts where the period between the rendering of promised services to the customer and payment by the customer exceed one year. As a consequence, the Company does not adjust any of the transaction prices for the time value of money.

3.1.3 Export Incentive

Export incentives are accounted on accrual basis at the time of export of goods, if the entitlement can be estimated with reasonable accuracy and conditions precedent to claim are fulfilled.

3.1.4 Job Work

Revenue from job work services is recognised based on the services rendered in accordance with the terms of contracts.

3.1.5 Other Income

a Interest Income

Interest income is recognized using effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through expected life of the financial asset to the gross carrying amount of the financial asset. When calculating the effective interest rate, the company estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses.

b Dividend income

Dividends are recognised in the Statement of Profit and Loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Company, and the amount of the dividend can be measured reliably.

c Gain or loss on derecognition of Financial Assets

Gain or Loss on derecognition of financial asset is determined as the difference between the sale price (net of selling costs) and carrying value of financial asset.

d All other Incomes are recognised and accounted for on accrual basis

GYSCOAL ALLOYS LIMITED

Notes to the Restated Consolidated Financial Statements

3.2 Property, Plant and Equipment

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at historical cost less accumulated depreciation and accumulated impairment losses, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

The cost comprises the purchase price, borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for its intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

Subsequent expenditures relating to property, plant and equipment is capitalized only when it is probable that future economic benefits associated with these will flow to the company and the cost of the item can be measured reliably.

All other expenses on existing fixed assets, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred.

For transition to Ind AS, the carrying value of Property Plant and Equipment under previous GAAP as on 01 April 2016 is regarded as its cost. The carrying value was original cost less accumulated depreciation and cumulative impairment.

Property, Plant and Equipment not ready for the intended use on the date of the Balance Sheet are disclosed as "Capital work-in-progress".

Gains or losses arising from derecognition of fixed assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset at the time of disposal and are recognized in the statement of profit and loss when the asset is derecognized.

Depreciation on Property, Plant and Equipment is calculated on written down value method basis using the ratio arrived as per the useful life prescribed under Schedule II to the Companies Act, 2013.

In respect of Property, Plant and Equipment purchased during the year, depreciation is provided on a pro-rata basis from the date on which such asset is ready to use.

The residual value, useful live and method of depreciation of Property, Plant and Equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

3.3 Financial Instruments

3.3.1 Initial recognition

The company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument.

All financial assets and liabilities are recognized at fair value on initial recognition.

Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, which are not at fair value through profit or loss, are added to or deducted from the fair value of financial assets or financial liabilities on initial recognition.

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

Regular way purchase and sale of financial assets are accounted for at trade date.

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Notes to the Restated Consolidated Financial Statements

3.3.2 Subsequent Measurement

a Non-derivative financial instruments

i Financial assets measured at amortized cost

A financial asset is subsequently measured at amortized cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

ii Financial assets measured at fair value through other comprehensive income (FVOCI)

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

iii Financial assets measured at fair value through profit or loss (FVTPL)

A Financial Asset which is not classified in any of the above categories are measured at FVTPL. Financial assets are reclassified subsequent to their recognition, if the Company changes its business model for managing those financial assets. Changes in business model are made and applied prospectively from the reclassification date which is the first day of immediately next reporting period following the changes in business model in accordance with principles laid down under Ind AS 109 – Financial Instruments.

iv Financial liabilities

Financial liabilities are subsequently carried at amortized cost using the effective interest method. . For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

v Investment in subsidiaries, associate and joint ventures

Investments in subsidiary companies, associate and joint venture companies are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in subsidiary companies, associate and joint venture companies, the difference between net disposal proceeds and the carrying amounts are recognised in the Statement of Profit and Loss.

b Equity instruments

An equity instrument is a contract that evidences residual interest in the assets of the company after deducting all of its liabilities. Incremental costs directly attributable to the issuance of equity instruments are recognized as a deduction from equity instrument net of any tax effects.

3.3.3 De-recognition

The company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability is derecognized when obligation specified in the contract is discharged or cancelled or expires.

3.3.4 Off-setting

Financial assets and liabilities are offset and the net amount is presented in the balance sheet when the company currently has a legally enforceable right to offset the recognized amounts and intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

3.4 Fair Value Measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The fair value measurement assumes that the transaction to sell the asset or transfer the liability takes place either:
- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefit by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The company uses valuation techniques that are appropriate in the circumstances and for which sufficient data is available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

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Notes to the Restated Consolidated Financial Statements

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy. The fair value hierarchy is based on inputs to valuation techniques that are used to measure fair value that are either observable or unobservable and consists of the following three levels:

Level 1 – inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities

Level 2 – inputs are other than quoted prices included within level 1 that are observable for the asset or liability either directly (i.e. as prices) or indirectly (i.e. derived prices)

Level 3 – inputs are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part using a valuation model based on assumption that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data

3.5 Income Tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate, adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

3.5.1 Current Tax

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions, wherever appropriate, on the basis of amounts expected to be paid to the tax authorities.

Current tax is recognised in the Statement of Profit and Loss, except to the extent that it relates to items recognized in Other Comprehensive Income or directly in equity. In this case, the tax is also recognised in Other Comprehensive Income or directly in equity, respectively.

Current tax for current and prior periods is recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date.

Current tax assets and current tax liabilities are offset, where company has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

3.5.2 Deferred Tax

Deferred tax is recognized in profit or loss, except when it relates to items that are recognized in other comprehensive income or directly in equity, in which case, the deferred tax is also recognized in other comprehensive income or directly in equity, respectively.

Deferred tax liabilities are recognized for all taxable temporary differences, except to the extent that the deferred tax liability arises from initial recognition of goodwill; or initial recognition of an asset or liability in a transaction which is not a business combination and at the time of transaction, affects neither accounting profit nor taxable profit or loss.

Deferred tax assets are recognized for all deductible temporary differences, carry forward of unused tax losses and carry forward of unused tax credits to the extent that it is probable that taxable profit will be available against which those temporary differences, losses and tax credit can be utilized, except when deferred tax asset on deductible temporary differences arise from the initial recognition of an asset or liability in a transaction that is not a business combination and at the time of the transaction, affects neither accounting profit nor taxable profit or loss.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on the tax rules and tax laws that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets and deferred tax liabilities are offset, where company has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

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Notes to the Restated Consolidated Financial Statements

Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

3.6 Impairment

3.6.1 Financial assets other than investments in subsidiary and associates

The company recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss.

Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL.

For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL.

The impairment loss allowance (or reversal) recognized during the period is recognized as income / expense in the statement of profit and loss.

3.6.2 Financial assets - investment in subsidiary and associates

The company assesses at each reporting date whether there is an indication that an asset may be impaired. Such indication include, though are not limited to, significant or sustained decline in revenues or earnings and material adverse changes in the economic environment.

If any indication exists, the company estimates the asset's recoverable amount based on value in use.

To calculate value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market rates and the risk specific to the asset

Where the carrying amount of an asset exceeds its value in use amount, the asset is considered impaired and is written down to its recoverable amount. The impairment loss is recognized in statement of profit and loss.

3.6.3 Non financial assets - Tangible assets

The company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists the company estimates the asset's recoverable amount

An asset's recoverable amount is the higher of an assets net selling price and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets.

Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. The impairment loss is recognized in the statement of profit and loss.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

3.7 Borrowing Costs

Borrowing cost includes interest and other costs that company has incurred in connection with the borrowing of funds.

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset.

All other borrowing costs are charged to the Statement of Profit and Loss for the period for which they are incurred.

Investment income earned on temporary investment of specific borrowing pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

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Notes to the Restated Consolidated Financial Statements

3.8 Employee Benefits

Short term employee benefits for salary and wages including accumulated leave that are expected to be settled wholly within 12 months after the end of the reporting period in which employees render the related service are recognized as an expense in the statement of profit and loss.

The company measures the expected cost of absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date. As per Company's policy, no leave is expected to be carried forward beyond 12 months from the reporting date.

Retirement benefit in the form of provident fund is a defined contribution scheme. The company has no obligation, other than the contribution payable to the provident fund. The company recognizes contribution payable to the provident fund scheme as an expenditure, when an employee renders the related service.

The company operates one defined benefit plan for its employees, viz., gratuity plan. The costs of providing benefits under the plan are determined on the basis of actuarial valuation at each year-end. Actuarial valuation is carried out using the projected unit credit method made at the end of each reporting date. Re-measurement of the net defined benefit liability (asset) comprise of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability (asset) and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability / (asset)). Re-measurement are recognized in other comprehensive income and will not be reclassified to profit or loss in a subsequent period.

3.9 Provisions

A provision is recognized when the company has a present obligation as a result of past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

3.10 Contingent Liability

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The company does not recognize a contingent liability but discloses its existence in the financial statements.

3.11 Contingent Asset

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the company. Contingent assets are neither recognised nor disclosed in the financial statements.

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Notes to the Restated Consolidated Financial Statements

3.12 Foreign Currency

a Initial recognition

Foreign currency transactions are recorded in the functional currency, by applying to the foreign currency amount the exchange rate between the functional currency and the foreign currency at the date of the transaction.

b Conversion

Foreign currency monetary items are retranslated using the exchange rate prevailing at the reporting date. Non-monetary items, which are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction.

c Exchange difference

All exchange differences are recognized as income or as expenses in the year in which they arise.

3.13 Cash and cash equivalent

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank (including demand deposits) and in hand and short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

3.14 Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

3.15 Inventories

Items of inventory are valued at cost or net realizable value, whichever is lower. Cost for raw materials, traded goods and stores and spares is determined on FIFO basis. Cost includes all charges in bringing the goods to their present location and condition. Net realizable value is the estimated selling price in the ordinary course of business less the estimated cost of completion and the estimated costs necessary to make the sale.

3.16 Lease

Effective April 1, 2019, the Company adopted Ind AS 116 "Leases" and applied the standard to all lease contracts existing on April 1, 2019 using the modified retrospective approach.

The effect of this adoption is insignificant on the profit before tax, profit for the year and earnings per share.

(i) As a lessee

Leases of property, plant and equipment where the Company, as lessee, has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lease's inception at the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding rental obligations, net of finance charges, are included in borrowings or other financial liabilities as appropriate. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to the Statement of Profit and Loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Company as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the Statement of Profit and Loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

(ii) As a lessor

Lease income from operating leases where the Company is a lessor is recognised in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. The respective leased assets are included in the balance sheet based on their nature.

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Notes to the Restated Consolidated Financial Statements

3.17 Segment Reporting

An operating segment is component of the company that engages in the business activity from which the company earns revenues and incurs expenses, for which discrete financial information is available and whose operating results are regularly reviewed by the chief operating decision maker, in deciding about resources to be allocated to the segment and assess its performance. The company's chief operating decision maker is the managing Director.

Assets and liabilities that are directly attributable or allocable to segments are disclosed under each reportable segment. All other assets and liabilities are disclosed as un-allocable.

Revenue and expenses directly attributable to segments are reported under each reportable segment. All other expenses which are not attributable or allocable to segments have been disclosed as un-allocable expenses.

The company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the company as a whole.

3.18 Cash Flow Statement

Cash flows are reported using indirect method whereby profit for the period is adjusted for the effects of the transactions of non-cash nature, any deferrals or accruals of past or future operating cash receipts and payments and items of income or expenses associated with investing and financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

3.19 Events after reporting date

Where events occurring after the Balance Sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such events is adjusted within the financial statements. Otherwise, events after the Balance Sheet date of material size or nature are only disclosed.

3.20 Basis of consolidation and equity method

The Parent Company consolidates entities which it owns or controls and applies equity method of accounting where the Company has significant influence over the other entity.

a Consolidation of subsidiary

The Company controls an entity when it is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Power is demonstrated through existing rights that give the current ability to direct the relevant activities of the entity that significantly affect the entity's returns.

Subsidiary is consolidated from the date control commences until the date control ceases.

Consolidated financial statements combine like items of assets, liabilities, equity, income, expenses and cash flows of the Company with those of the subsidiary. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the consolidated financial statements at the acquisition date. Offset the carrying amount of the Company's investment in subsidiary and the Company's portion of the equity of each subsidiary. Intragroup transactions, balances and unrealized gains and losses on transactions between entities of group are eliminated. Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS 12, Income taxes, applies to temporary differences that arise from the elimination of profit and losses resulting from intragroup transactions.

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Notes to the Restated Consolidated Financial Statements

Consolidated financial statements are prepared using uniform accounting policies for like transactions and events in Non-controlling interests in the profit or loss and equity of subsidiary are shown separately in the consolidated In case of foreign subsidiaries, revenue items are consolidated at the average rate prevailing during the year. All Equity method of accounting for investment in associate

An associate is an entity over which the Company and its subsidiary have significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over the policies.

Investments in associates are accounted for using the equity method of accounting. The investments are initially recognized at cost, and the carrying amount is increased or decreased to recognize the Company's share of the profit or loss and other comprehensive income of the investee after the acquisition date. Distributions received from an investee reduce the carrying amount of the investment.

When Company's share of losses of an associate equal or exceeds its interest in the associate, the Company discontinues recognizing its share of further losses unless it has incurred obligations or made payments on behalf of associate.

Unrealized gains and losses on transactions between entities of group are recognised to the extent of the group's interest in these entities.

Investments in associate are accounted for using equity method from the date significant influence commences until the date significant influence ceases.

Accounting policies of the associate are in line with the Company's accounting policies.

Details of associate companies that have been considered in the preparation of the consolidated financial statements:

1. Name of the associates :	Goldman Hotels and Resorts Private Limited	
2. Relationship :	Associates	
3. Country of Incorporation and principal place of business:	India	
4. % of Holding and voting power	As on March 31, 2022 26%	As on March 31, 2021 26%

As company's share of loss in associates exceeds the carrying amount of the investment in shares of associates i.e. Goldman Hotels and Resorts Private Limited, the company has reported investment at nil value. In view of this, the company did not consider accounting of loss reported by associates in the financial years 2021-22.

GYSOAL ALLOYS LIMITED
Notes to the Restated Consolidated Financial Statements

4 Use of Estimates

The preparation of the financial statements in conformity with Ind AS requires management to make estimates, judgments and assumptions.

These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period.

Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

Application of accounting policies that require critical accounting estimates involving complex and subjective judgments and the use of assumptions in these financial statements are:

- Useful lives of Property, plant and equipment
- Valuation of financial instruments
- Provisions and contingencies
- Income tax and deferred tax
- Measurement of defined employee benefit obligations
- Export Incentive
- Provision for Loss Allowance using Expected Credit Loss Model in respect of Trade Receivables

5 Recent Accounting Developments

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, applicable from April 1st, 2022, as below:

Ind AS 16 - Proceeds before intended use

The amendments mainly prohibit an entity from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use. Instead, an entity will recognise such sales proceeds and related cost in profit or loss. The Company does not expect the amendments to have any impact in its recognition of its property, plant and equipment in its financial statements.

Ind AS 37 - Onerous Contracts - Costs of Fulfilling a Contract

The amendments specify that that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts. The amendment is essentially a clarification and the Company does not expect the amendment to have any significant impact in its financial statements.

Ind AS 103 - Reference to Conceptual Framework

The amendments specify that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India at the acquisition date. These changes do not significantly change the requirements of Ind AS 103. The Company does not expect the amendment to have any significant impact in its financial statements.

Ind AS 109 - Annual Improvements to Ind AS (2021)

The amendment clarifies which fees an entity includes when it applies the '10 percent' test of Ind AS 109 in assessing whether to derecognise a financial liability. The Company does not expect the amendment to have any significant impact in its financial statements.

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Notes to the Restated Consolidated Financial Statements

6. Property, Plant and Equipment

Particulars	(In 'Lacs)											Total						
	Factory Land	Building - Factory	Building - Office	Furniture	Office Equipments	Plant & Machinery	Vehicles	Computers	Total	Factory Land	Building - Factory		Building - Office	Furniture	Office Equipments	Plant & Machinery	Vehicles	Computers
Gross Carrying Value	103.66	940.82	64.89	28.41	32.96	4,494.13	144.73	6.52	5,816.12	1,03,66,262	9,40,82,140	64,89,580	28,41,761	32,95,524	44,94,12,129	1,44,72,425	6,52,321	58,16,12,142
As on April 01, 2020	-	-	-	-	1,86	5,09	-	0.15	7.10	-	-	-	-	1,86,334	5,08,370	-	15,253	7,10,157
Additions during the year	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Disposals during the year	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
As on March 31, 2021	103.66	940.82	64.89	28.41	34.82	4,499.22	144.73	6.67	5,823.22	1,03,66,262	9,40,82,140	64,89,580	28,41,761	34,81,858	44,99,20,699	1,44,72,425	6,67,574	58,23,22,999
Additions during the year	-	-	-	-	1.05	0.73	-	-	1.78	-	-	-	-	1,05,423	72,755	-	-	1,78,178
Disposals during the year	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
As on March 31, 2022	103.66	940.82	64.89	28.41	35.87	4,499.95	144.73	6.67	5,825.00	1,03,66,262	9,40,82,140	64,89,580	28,41,761	35,87,281	44,99,93,454	1,44,72,425	6,67,574	58,25,00,477
Accumulated Depreciation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
As on April 01, 2020	-	299.97	11.48	18.46	26.51	2,457.90	109.80	4.71	2,928.84	-	2,99,96,698	11,48,222	18,45,531	26,51,348	24,57,89,959	1,09,80,456	4,71,377	29,28,83,591
Depreciation charged during the year	-	60.97	2.67	2.34	3.20	374.90	9.33	1.05	454.46	-	60,97,467	2,66,954	2,34,191	3,19,681	3,74,90,206	9,32,522	1,04,870	4,54,45,891
Accumulated Depreciation on disposal	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
As on March 31, 2021	-	360.94	14.15	20.80	29.71	2,832.80	119.13	5.76	3,383.30	-	3,60,94,165	14,15,176	20,79,722	29,71,029	28,32,80,165	1,19,12,978	5,76,247	33,83,29,482
Depreciation charged during the year	-	13.54	2.51	1.72	2.33	342.78	3.66	0.44	366.99	-	13,54,432	2,50,872	1,71,719	2,33,002	3,42,78,880	3,65,914	44,336	3,66,98,735
Accumulated Depreciation on disposal	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
As on March 31, 2022	-	374.48	16.66	22.52	32.04	3,175.58	122.79	6.20	3,750.29	-	3,74,48,597	16,66,048	22,51,441	32,04,031	31,75,58,045	1,22,78,892	6,20,583	37,50,28,237
Net Carrying Value	103.66	640.85	53.41	9.96	6.44	2,036.22	34.92	1.81	2,887.29	1,03,66,262	6,40,85,442	53,41,358	9,96,230	6,44,176	20,36,22,170	34,91,969	1,80,944	28,87,28,551
As on April 01, 2020	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
As on March 31, 2021	103.66	579.88	50.74	7.62	5.11	1,666.52	25.59	0.91	2,439.92	1,03,66,262	5,79,87,975	50,74,404	7,62,039	5,10,829	16,66,40,534	25,59,447	91,327	24,39,92,817
As on March 31, 2022	103.66	566.34	48.23	5.89	3.83	1,324.37	21.94	0.47	2,074.71	1,03,66,262	5,66,33,543	48,23,532	5,90,320	3,83,250	13,24,34,809	21,93,533	46,991	20,74,72,440

6.1 The Company has elected to measure all its property, plant and equipment at the IGAAP carrying amount i.e. March 31, 2016 as its deemed cost (Gross Block Value) on the date of transition to Ind AS i.e. April 01, 2016.

6.2 The Title deeds of Immovable Properties are in the name of the Company.

6.3 The company has not revalued its Property, Plant and Equipment and intangible assets during the year under review.

6.4 As reported in Note 06 to the standalone financial statements, physical inspection conducted by any technical personnel and the fair value report of gross fixed assets of Rs. 5,825 lakhs for Tangible Assets as at March 31, 2022 is not available. The said assets are not tested for impairment and hence no provision for impairment has been made.

GYSCOAL ALLOYS LIMITED				
Notes to the Restated Consolidated Financial Statements				
		(In ` Lacs)		
Sr. No.	Particulars	As at		
		March 31, 2022	March 31, 2021	March 31, 2020
7	Investments	As at 31/03/2022	As at 31/03/2021	As at 31/03/2020
	Investments carried at cost			
	In Associate			
	Equity shares - Unquoted			
	Goldman Hotels & Resorts Pvt. Ltd. - fully paid-up (2600 shares of `10/- each)	-	-	-
	Total	-	-	-
	Aggregate amount of unquoted investments	-	-	-
	Aggregate amount of impairment in value of investments	-	-	-
	As company's share of loss in associates exceeds the carrying amount of the investment, the company has reported investment at nil value. In view of this, the company did not consider accounting of loss reported by associates in the financial years 2020-21.			
8	Other Financial Assets			
8.1	Non-Current Other Financial Assets (Unsecured, Considered Good)			
	Security Deposits	128.45	128.49	128.49
	Fixed Deposits with the Bank having maturity more than 12 months and given as Security Deposit	125.97	118.65	127.76
	Total Non-Current	254.42	247.14	256.25
8.2	Current Other Financial Assets (Unsecured, Considered Good)			
	Interest Receivable	3.17	3.56	4.84
	Advance for Borrowing to be taken over by ARC	-	125.00	75.00
	Total Current	3.17	128.56	79.84
	Total Other Financial Assets	257.59	375.70	336.09
9	Other Assets			
9.1	Non Current Assets			
	Capital Advances	64.81	129.14	127.14
	Total Non-Current	64.81	129.14	127.14
9.2	Current Assets			
a	Advances other than Capital Advances			
	Prepaid Expenses	0.52	0.37	2.17
	Advances to Suppliers and Others	392.16	377.06	382.56
b	Others			
	Balance with Revenue Authorities	440.98	314.40	322.61
	Total Current	833.66	691.82	707.33
	Total Other Assets	898.47	821.96	835.47
10	Inventories			
	Raw Material	916.96	673.29	1,152.73
	Finished Goods	577.84	525.00	1,355.70
	Total	1,494.80	1,198.29	2,508.43
11	Trade Receivables			
	Trade Receivable : Unsecured, Considered Good	1,975.90	4,022.19	11,002.08
	Trade Receivable : Unsecured, Considered Doubtful	6,454.39	6,209.05	0.00
	Total	8,430.29	10,231.24	11,002.08
	Less : Allowance for Credit Loss	6,454.39	6,209.05	0.00
	Total	1,975.90	4,022.19	11,002.08
	Dues from company where directors are interested (included above)	240.34	0.14	-

GYSCOAL ALLOYS LIMITED

Notes to the Restated Consolidated Financial Statements

		(In ` Lacs)		
Sr. No.	Particulars	As at		March 31, 2020
		March 31, 2022	March 31, 2021	
	The Company has used a practical expedient and analysed the recoverable amount of receivables on an individual basis by computing the expected loss allowance for financial assets based on historical credit loss experience and adjustments for forward looking information.			
	The Company has made assessment of Allowance for Credit Loss in respect of Trade Receivables for the first time. The Company has analysed its trade receivables for aging analysis and grouped them accordingly and then applied year wise percentage to calculate the amount of Allowance for Credit Loss in respect of the same. (Also see Note No. 34)			
12	Cash and Cash Equivalents			
a	Balance with Bank In Current Accounts	7.90	7.91	18.07
b	Cash on Hand	25.37	8.06	17.45
	Total	33.27	15.97	35.52
13	Loans			
	Unsecured, considered good To employees	2.00	12.50	12.43
		-	-	-
	Total	2.00	12.50	12.43
14	Equity Share Capital			
14.1	Authorised Capital			
	50 00 00 000 Equity Shares of `1 each ⁽¹⁾ (27 00 00 000 Equity Shares of `1 each) ⁽²⁾	5,000.00	2,700.00	2,700.00
	⁽¹⁾ Represents number of shares as at March 31, 2022 ⁽²⁾ Represents number of shares as at March 31, 2021			
	Issued, subscribed and fully paid-up equity Shares			
	15 82 75 560 Equity shares of ` 1 each ⁽¹⁾ (15 82 75 560 Equity shares of ` 1 each) ⁽²⁾	1,582.76	1,582.76	1,582.76
		1,582.76	1,582.76	1,582.76
	⁽¹⁾ Represents number of shares as at March 31, 2022 ⁽²⁾ Represents number of shares as at March 31, 2021			
14.2	Reconciliation of number of shares outstanding			
		As at		
	Particulars	March 31, 2022	March 31, 2021	March 31, 2020
	At the beginning of the period	1,582.76	1,582.76	158.28
	Changes during the year	-	-	-
	At the end of the year	1,582.76	1,582.76	158.28

GYSCOAL ALLOYS LIMITED

Notes to the Restated Consolidated Financial Statements

(In ` Lacs)

Sr. No.	Particulars	As at		
		March 31, 2022	March 31, 2021	March 31, 2020

14.3 Rights, preferences and restrictions attached to shares

The Company has only one class of equity shares referred to as equity shares having a par value of ` 1. Each holder of equity share is entitled to one vote per share.

Dividends, if any, is declared and paid in Indian Rupees. The dividend, if any, proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the company, the holders of equity shares will be entitled to receive any of the remaining assets of the company, after distribution of all preferential amounts. However, no such preferential amounts exist currently. The distribution will be in proportion to the number of equity shares held by the shareholders.

14.4 Shareholding of Promoters

Name of Shareholder	% Change in Holding	March 31, 2022		March 31, 2021	
		No. of Shares held (in Lacs)	% of Holding	No. of Shares held	% of Holding
Viral M. Shah	-2.57%	485.49	30.67%	526.10	33.24%
Giraben K. Solanki	0.00%	141.57	8.94%	141.57	8.94%
Sampati Securities Limited	-10.81%	166.52	10.52%	337.60	21.33%
Solanki Zankarsinh Kishorsinh	0.00%	15.49	0.98%	15.49	0.98%
Mona Viral Shah	0.00%	2.83	0.18%	2.83	0.18%
Dipali Manish Shah	0.00%	2.81	0.18%	2.81	0.18%
Viral M Shah Huf	0.06%	1.35	0.09%	0.35	0.02%

14.5 Details of shareholders holding more than 5% shares in the Company:

Name of Shareholder	March 31, 2022		March 31, 2021		March 31, 2020	
	No. of Shares held (in Lacs)	% of Holding	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Viral M. Shah	485.49	30.67%	526.10	33.24%	518.71	32.77%
Giraben K. Solanki	141.57	8.94%	141.57	8.94%	141.57	8.94%
Sampati Securities Limited	166.52	10.52%	337.60	21.33%	336.60	21.27%

GYSCOAL ALLOYS LIMITED

Notes to the Restated Consolidated Financial Statements

Sr. No.	Particulars	(In ` Lacs)		
		As at		March 31, 2020
		March 31, 2022	March 31, 2021	
15	Other Equity			
		As at	(In Lacs)	
		March 31, 2022	March 31, 2021	March 31, 2020
	Securities Premium	5,260.14	5,260.14	5,260.14
	General Reserve	2,427.69	7.45	7.45
	Retained Earnings	(12,468.25)	(11,905.04)	(4,467.91)
	Other Comprehensive Income	63.17	40.14	5.18
	Total	(4,717.25)	(6,597.31)	804.86

Discription of Reserves

- (a) **Securities Premium** : The amount received in excess of face value of the equity shares is recognised in Securities Premium. The reserve is utilised in accordance with the provisions of the Companies Act, 2013.
- (b) **General Reserve** : General Reserves are free reserves of the Company which are kept aside out of Company's profits to meet the future requirements as and when they arise. The Company had transferred a portion of the profit after tax (PAT) to general reserve. Mandatory transfer to general reserve is not required under the Companies Act, 2013.
- (c) **Retained Earnings** : Retained earnings are the accumulated profits earned by the Company till date, less transfer to general reserves, dividend (including dividend distribution tax) and other distributions made to the shareholders.

15.1 Capital Management

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other reserves attributable to the equity holders of the Company. The Company's objective for capital management is to maximize shareholder value and safeguard business continuity. The Company determines the capital requirement based on annual operating plans and other strategic plans. The funding requirements are met through equity and operating cash flows.

Summary of Quantitative Data is given hereunder:

Particulars	31/03/2022	31/03/2021	31/03/2020
Equity	1,582.76	1,582.76	1,582.76
Other Equity	(4,728.76)	(6,597.31)	804.85
Total	(3,146.00)	(5,014.55)	2,387.61

16 Borrowings

16.1 Non Current Secured

From Others (Refer Note 16.2.1 & 16.2.3 below)	2,924.89	-	
Unsecured			
From Others	2,565.46	2,177.36	
Loans from Related Parties	2,071.41	980.00	704.28
Total Non-Current	7,561.76	3,157.36	704.28

GYSCOAL ALLOYS LIMITED

Notes to the Restated Consolidated Financial Statements

		(In ` Lacs)		
Sr. No.	Particulars	As at		March 31, 2020
		March 31, 2022	March 31, 2021	
16.1.1	Details of securities			
	loans received from related parties are unsecured.			
16.2	Current			
	Secured			
	Working Capital Loan from Banks	-	5,719.43	6,499.20
	Unsecured			
	Loan from Related Parties	347.58	389.08	356.68
	Total Current	347.58	6,108.51	6,855.88
	Total Borrowings	7,909.34	9,265.87	7,560.16

16.2.1 Details of securities

Working capital loans from Banks are secured by way of hypothecation of Raw Materials, Work-in-Process, Finished Goods, Stores & Spares, Book Debts etc., and by way of second charge on Company's immovable properties.

Working capital loans are guaranteed by some of the directors of the Company as well as corporate guarantee of other group companies.

16.3.1 One Time Settlement (OTS) & Assignment of Debt

Debts due to State Bank of India:

The Company has entered in to One time Settlement (OTS) with State bank of India, and also State bank of India has issued NO Due Certificate dated 23-07-2021. Accordingly, The company has accounted for the Waiver of Principal portion of Loan facilities under General Reserve Account and Waiver of Interest portion (as per books of the company) as Income in the statement of Profit and loss (Extra Ordinary items). As per the said OTS the entire outstanding dues have been settled for the payment of Rs. 1355.30 lakhs towards full and final settlement against the total liability (Principal and Interest as per the books of the company) of Rs 4898.39 lakhs resulting in to the waiver of liability (Principal and Interest) amounting to Rs. 3543.09 lakhs. Out of the said waiver of liability (Principal and Interest) of Rs 3543.09 lakhs, the waiver of Principal portion of Rs 2420.24 lakhs has been accounted under general reserve account in the Consolidated Balance Sheet as at 31st March 2022 and waiver of Interest Liability of Rs 1122.85 lakhs has been shown as income in the Statement of Profit and loss and has been reflected as an Exceptional Item in the Consolidated Statement of Profit and loss for the year ended on 31st March 2022.

Debts due to UCO Bank :

The Entire dues of UCO Bank has been assigned to M/s Omkara Asset Reconstruction Private limited (Omkara) and necessary forms creating the charge of Omkarar on the assets of the company w.e.f 23-07-2021 has been filed with Registrar of Companies. Accordingly in the books necessary entries are passed during the year under review giving the effect of assignment of dues. The Terms of the final settlement is not finalised upto the date of the approval of the financial statements.

16.3.2 Steps proposed to be taken by Management:

It is pertinent to mention that the company is predominantly engaged in manufacturing and marketing of Stainless-Steel Products specifically SS Angles, SS Channels, Bright Bars, Right Angle Patti and Flat Bars. In March 2022, there was major breakdown in the Machineries which had erupted the production cycle and accordingly the company could not continue its production during March and April, 2022. However, from May, 2022 the company has restarted its production specifically with respect to Bright Bars, Black Bars, and SS Angles. The main Induction Furnace is still under maintenance and it will restart around 10th June, 2022. Therefore, by mid-July, 2022 production from Induction Furnace will commence on a regular basis. The company is also in the process of raising additional capital of Rs.80 Crores (approx.) September, 2022. The funds so raised will be used to finance the working capital needs of the company along with repayment of existing term liabilities.

GYSOAL ALLOYS LIMITED

Notes to the Restated Consolidated Financial Statements

		(In ` Lacs)		
Sr. No.	Particulars	As at		
		March 31, 2022	March 31, 2021	March 31, 2020
16.3.3	Going Concern			
	Further to the steps mentioned above, the company has also taken various steps to reduce cost & improve efficiencies to make its operations profitable. The company is confident that by mid- July, 2022 production from Induction Furnace will commence on a regular basis and additional funds so raised will be used to finance the working capital needs of the company along with repayment of existing term liabilities. The company is also confident that for the debts outstanding with UCO Bank, OTS with Omkara ARC will happen by September, 2022. The company has prepared the financial statements on going concern basis and therefore no adjustments have been made to the carrying values or classification of assets and liabilities.			
17	Provisions			
17.1	Non current			
	Provision for Employee Benefits	28.40	35.00	67.14
	Total	28.40	35.00	67.14
17.2	Current			
	Provision for Employee Benefits	6.92	9.39	14.06
	Total	6.92	9.39	14.06
	Total Provisions	35.32	44.39	81.20
18	Trade Payables			
	Total outstanding dues of micro and small enterprises *	-	-	-
	Total outstanding dues of creditors other than micro and small enterprises	2,045.94	2,501.13	4,383.12
	Total	2,045.94	2,501.13	4,383.12
*	Disclosures as required under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act).			
a	Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end	---	---	---
b	Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end	---	---	---
c	Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year	---	---	---
d	Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	---	---	---
e	Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	---	---	---
f	Interest due and payable towards suppliers registered under MSMED Act, for payments already made	---	---	---
g	Further interest remaining due and payable for earlier years	---	---	---
	The above information has been compiled in respect of parties to the extent to which they could be identified as Micro and Small Enterprise on the basis of information available with the Company. The information regarding Micro or Small Enterprises has been determined on the basis of information available with the management, which has been relied up on by the auditors.			

GYSOAL ALLOYS LIMITED

Notes to the Restated Consolidated Financial Statements

		(In ` Lacs)		
Sr. No.	Particulars	As at		
		March 31, 2022	March 31, 2021	March 31, 2020
19	Other Financial Liabilities			
	Interest Accrued and Due	1,622.31	3,851.15	3,262.67
	Payables for Property Plant and Equipment	21.17	21.17	20.38
	Total	1,643.48	3,872.32	3,283.05
20	Other Current Liabilities			
	Advance from Customers	190.00	754.62	669.07
	Statutory Dues	25.35	25.74	29.85
	Total	215.35	780.36	698.92
21	Contingent Liabilities and commitments (To the extent not provided for)			
	Contingent Liabilities	March 31, 2022	March 31, 2021	March 31, 2020
	Claims against the Company not acknowledged as Debt in respect of :-			
	i) Disputed Income Tax matters	203.82	203.82	203.82
	ii) Disputed VAT and CST matters	16,199.57	16,199.57	15,370.22
	Total	16,403.39	16,403.39	15,574.04
21.1	It is not practicable for the Company to estimate the timings of cash outflows, if any, in respect of the above pending resolution of the respective proceedings as it is determinable only on receipt of judgements/decisions pending with various forums/ authorities.			
21.2	The Company's pending litigations comprise of claims against the Company pertaining to proceedings pending with various direct tax, indirect tax and other authorities. The Company has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed as contingent liabilities where applicable, in its financial statements. The Company does not expect the outcome of these proceedings to have a materially adverse effect on its financial statements.			

GYSCOAL ALLOYS LIMITED

Notes to the Restated Consolidated Financial Statements

		(In ` Lacs)		
Sr. No.	Particulars	2021-22	2020-21	2019-20
22	Revenue from operations			
	Sale of Products	1,896.19	1,168.98	6,398.02
	Sale of Service	104.14	81.30	74.42
	Other Operating Revenues	3.66	8.05	0.00
	Total	2,003.99	1,258.33	6,472.44
22.1	Disaggregation of revenue as mention as above			
23	Other Income			
	Interest from Financial Asset measured at Amortised Cost	13.30	15.12	15.43
	Interest from Financial Asset measured at FVOCI	-	-	-
	Dividend Income	-	-	-
	Foreign Exchange Fluctuation Gain	273.53	-	858.03
	Other Non-Operating Income (Net of Expenses)	1.56	8.07	1.86
	Total	288.39	23.19	875.32
24	Cost of Material Consumed			
	Imported	53.33	118.36	305.29
	Indigenous	1,848.45	1,384.40	5,040.29
	Total	1,901.78	1,502.76	5,345.58
25	Changes in Inventories of Finished Goods, Stock-in-Process & Stock-in-Trade			
	Finished Goods / Stock-in-Trade			
	Inventories (at commencement)	525.00	1,355.70	1,911.29
	Inventories (at close)	577.84	525.00	1,355.70
	Net Decrease in Inventories	(52.84)	830.70	555.59
26	Employee Benefit Cost			
	Salaries and Wages	255.25	211.86	447.13
	Contribution to Provident & Other Funds	2.76	4.34	10.93
	Staff Welfare Expenses	4.47	0.11	0.85
	Total	262.48	216.31	458.91

GYSKOAL ALLOYS LIMITED

Notes to the Restated Consolidated Financial Statements

Sr. No.	Particulars	(In ` Lacs)		
		2021-22	2020-21	2019-20
27	Finance costs			
	Interest Expenses on Financial Liabilities carried at Amortized Cost	48.75	613.76	591.59
	Other Borrowing Costs	5.28	3.57	4.74
	Total	54.03	617.33	596.33
28	Depreciation and Amortisation Expenses			
	Depreciation on Property, Plant & Equipment	366.99	454.46	553.95
	Total	366.99	454.46	553.95
29	Other Expenses			
	MANUFACTURING EXPENSES			
	Freight & Transportation Expenses	18.19	33.40	138.06
	Insurance	-	1.76	2.82
	Jobwork Charges	11.38	23.26	23.95
	Labour Charges	53.42	35.75	82.35
	Other Manufacturing Expenses	15.60	19.56	32.70
	Power & Fuel	257.15	187.70	701.00
	Repairs to Building	2.27	0.06	4.44
	Repairs to Machinery	0.51	1.99	2.22
	Stores & Spares	21.54	10.57	45.38
	SELLING AND DISTRIBUTION EXPENSES			
	Advertisement Expenses	0.69	1.03	9.62
	Other Selling & Distribution Expenses	34.39	4.66	134.62
	Packing, Clearing & Forwarding Charges	16.44	20.30	89.62
	Bad Debt Written Off	-	-	-
	ESTABLISHMENT EXPENSES			
	Charity & Donations	-	-	0.03
	Computer Expenses	1.09	1.47	1.21
	Exchange Fluctuation (Net)	-	270.31	-
	General Expenses	10.28	7.64	13.74
	Legal & Professional Fees	27.24	21.28	20.90
	Other Repairs	0.67	0.37	1.81
	Payment to Auditors	4.00	4.50	4.00
	Power & Fuel - Office	4.56	5.05	7.89
	Rate & Taxes	17.63	0.05	36.48
	Stationery & Postage Expenses	1.65	2.47	4.30
	Telephone Expenses	4.22	6.33	6.66
	Travelling Expenses	5.65	14.75	30.32
	Vehicle Expenses	9.34	12.53	9.16
	Sundry Balances Written Off	82.89	-	-
	Impairment Loss recognized / (reversed) under Expected Credit Loss Model in respect of Trade Receivables	245.35	6,209.05	-
	Total	846.15	6,895.84	1,403.28

GYSKOAL ALLOYS LIMITED

Notes to the Restated Consolidated Financial Statements

(In ` Lacs)

Sr. No.	Particulars	2021-22	2020-21	2019-20
29.1	Payment to Auditors as :			
	Statutory Audit Fees	4.00	3.00	3.00
	Tax Audit Fees	-	0.50	0.50
	Certification and Consultation Fees	-	0.50	0.50
	Total	4.00	4.00	4.00

GYSCOAL ALLOYS LIMITED

Notes to the Restated Consolidated Financial Statements

30 Employee Benefits

30.1 Defined Contribution Plans

Details of amount recognized as expenses during the year for the defined contribution plans.

(In ` Lacs)

Particulars	2021-22	2020-21	2019-20
Contribution to Provident Funds	2.55	4.14	10.37
Contribution to ESIC	0.20	0.18	0.55
Contribution to Labour welfare fund	-	0.02	0.01
Total	2.75	4.34	10.93

30.2 Defined Benefit Plan - Gratuity

Information about the characteristics of defined benefit plan

The benefit is governed by the Payment of Gratuity Act, 1972. The Key features are as under:

Features of the defined benefit plan	Remarks
Benefit offered	15 / 26 × Salary × Past Service Years
Salary definition	Last drawn qualifying salary
Benefit ceiling	Benefit ceiling of Rs. 20,00,000 was applied
Vesting conditions	5 Years of service No vesting condition apply in case of Death and disability
Retirement age	58 years

30.3 The company is responsible for the governance of the plan.

30.4 Risk to the Plan

Following are the risk to which the plan exposes the entity :

Other assumptions would have produced different results eg a decrease in discount rate or an increase in salary inflation will lead to an increase in reported liability as per table of sensitivity analysis. Similarly change in attrition rates will also impact the liability. Funded plan carries usual investment risks including asset liability mismatch which will impact net liability / expenses and OCI if any .

30.5 Reconciliation of defined benefit obligations

(In ` Lacs)

Particulars	2021-22	2020-21	2019-20
Defined benefit obligations as at beginning of the year	44.39	81.19	74.06
Current service cost	3.10	4.75	9.14
Interest cost	3.22	5.68	5.00
Actuarial Loss/(Gain) due to change in financial assumptions	(0.81)	(1.04)	6.25
Actuarial Loss/(Gain) due to change in demographic assumptions	-	-	-
Actuarial Loss/(Gain) due to experience adjustment for plan liabilities	(14.58)	(46.20)	(13.25)
Benefits Paid	-	-	-
Defined benefit obligations as at end of the year	35.32	44.38	81.20

30.6 Reconciliation of Plan Assets

(In ` Lacs)

Particulars	2021-22	2020-21	2019-20
Plan Asset as at beginning of the year	-	-	-
Interest Income	-	-	-
Return on plan assets excluding interest income	-	-	-
Contributions by employer	-	-	-
Benefits paid	-	-	-
Plan Asset as at end of the year	-	-	-

GYSOAL ALLOYS LIMITED

Notes to the Restated Consolidated Financial Statements

30.7 Funded Status

(In ` Lacs)

Particulars	As at		
	March 31, 2022	March 31, 2021	March 31, 2020
Present Value of Benefit Obligation at the end of the Period	(35.32)	(44.39)	(81.20)
Fair Value of Plan Assets at the end of the Period	-	-	-
Funded Status / (Deficit)	(35.32)	(44.39)	(81.20)

30.8 Net amount Charged to Statement of Profit and Loss for the period

(In ` Lacs)

Particulars	March 31, 2022	March 31, 2021	March 31, 2020
Current service cost	3.10	4.75	9.14
Net Interest cost	3.22	5.68	5.00
Net amount recognized Statement of Profit and Loss	6.32	10.43	14.14

30.9 Net amount Recognized to Other Comprehensive Income for the period

(In ` Lacs)

Particulars	March 31, 2022	March 31, 2021	March 31, 2020
Actuarial (Gains)/Losses on Obligation For the Period	(15.39)	(47.24)	(7.00)
Return on plan assets excluding interest income	-	-	-
Amounts recognized in Other Comprehensive Income	(15.39)	(47.24)	(7.00)

30.10 Actuarial Assumptions

Particulars	March 31, 2022	March 31, 2021	March 31, 2020
Discount Rate	7.25%	7.00%	6.75%
Salary Growth Rate	6.00%	6.00%	6.00%
Withdrawal Rate	5.00%	5.00%	5.00%

30.11 Sensitivity Analysis for Key Assumption on Defined Benefit Obligation

31.03.2022

Assumptions	Change in Assumptions	Increase in Rate		Decrease in Rate		Increase in Rate Amount in Rs.
		(In ` Lacs)	%	(In ` Lacs)	%	
Discount Rate	+/- 1.00%	(2.80)	-8%	3.26	9%	(2 79 692)
Salary Growth Rate	+/- 1.00%	3.27	9%	(2.85)	-8%	3 27 055
Withdrawal rate	+/- 1.00%	0.27	1%	(0.31)	-1%	27 119

30.12 Maturity Profile of the Defined Benefit Obligation

Projected Benefits Payable in Future Years From the Date of Reporting

For the Year ended on March 31, 2022	(In ` Lacs)	%	Amount in Rs.
01 Apr 2022 to 31 Mar 2023	6.92	19.59%	6 91 668
01 Apr 2023 to 31 Mar 2024	0.61	1.73%	61 475
01 Apr 2024 to 31 Mar 2025	0.62	1.76%	61 544
01 Apr 2025 to 31 Mar 2026	0.62	1.76%	61 620
01 Apr 2026 to 31 Mar 2027	0.61	1.73%	61 464
01 Apr 2027 Onwards	25.94	73.44%	25 93 933
	35.32	100.00%	35 31 704

GYSOAL ALLOYS LIMITED

Notes to the Restated Consolidated Financial Statements

31 Income Tax Expense

31.1 Income Tax Expense in the statement of profit and loss comprises of:

Particulars	(In ` Lacs)		
	2021-22	2020-21	2019-20
Income Tax	-	-	-
Related to adjustments of earlier year tax	(6.31)	-	0.53
Current Income Tax	(6.31)	-	0.53
Deferred Tax			
Relating to origination and reversal of temporary difference	606.16	(1,798.74)	(199.38)
Total Deferred Tax	606.16	(1,798.74)	(199.38)
Income Tax Expense / (Income)	599.85	(1,798.74)	(198.85)

31.2 The details of Income Tax Assets and Liabilities and Deferred Tax Liabilities as at March 31, 2022, March 31, 2021 and March 31, 2020 are as under :

Particulars	(In ` Lacs)		
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
Income Tax Assets - Current	6.41	-	-
Income Tax Liabilities - Current	-	6.31	6.09
Deferred Tax Assets	1,960.27	2,570.30	783.85

31.3 A reconciliation of the Income Tax Provision to the amount computed by applying the statutory income tax rate to the income before income taxes is summarized below :

Particulars	(In ` Lacs)		
	2021-22	2020-21	2019-20
Accounting Profit Before Tax	(1,086.21)	(9,235.86)	(1,565.89)
Normal Tax Rate	25.168%	30.900%	30.900%
Tax Liability on Accounting Profit	-	-	-
Current Tax Expenses : (A)	-	-	-
Relating to adjustments of earlier year taxes : (B)	(6.31)	-	0.53
Deferred Tax			
Relating to origination and reversal of temporary difference	606.16	(1,798.74)	(199.38)
Deferred Tax Expenses / (Income) : (C)	606.16	(1,798.74)	(199.38)
Total Income Tax Expense : (A + B + C)	599.85	(1,798.74)	(198.85)

GYSCOAL ALLOYS LIMITED

Notes to the Restated Consolidated Financial Statements

31.4 Details of each type of recognized temporary differences and unused tax credits

Particulars	(In ` Lacs)		
	March 31, 2022	March 31, 2021	March 31, 2020
Deferred tax liability on			
Property, plant and equipment	81.36	56.89	85.56
Total Deferred tax liability	81.36	56.89	85.56
Deferred tax asset on			
Impairment Loss Provision for Debtors as per ECL Model	1,624.44	1,614.35	-
Interest Accrued and not paid on NPA Borrowings	408.30	1,001.30	848.30
Provision for Gratuity	8.89	11.54	21.11
Total Deferred tax asset	2,041.63	2,627.19	869.41
Net Deferred Tax Liabilities/(Assets)	(1,960.27)	(2,570.30)	(783.85)

31.5 Details of deferred tax assets not recognized in balance sheet

Deferred tax assets on	(In ` Lacs)	
	March 31, 2022	March 31, 2021
Unused tax losses- related to Depreciation	690.47	603.84
Unused tax losses - Expired on March 31, 2024	10.59	10.59
Unused tax losses - Expired on March 31, 2026	91.89	91.89
Unused tax losses - Expired on March 31, 2027	57.90	57.90
Unused tax losses - Expired on March 31, 2028	97.78	95.78
Unused tax losses - Expired on March 31, 2029	493.14	0.00
Unused MAT tax credit - Expired on March 31, 2030	21.83	21.83

Particulars		(In ` Lacs)	
		March 31, 2022	March 31, 2021
Unused tax losses- related to Total Unabsorbed Depreciation		2,743.44	2,399.25
Assessment Years of :			
2015-16			
2016-17			
2017-18			
2018-19			
2019-20			
2020-21			
2021-22			
Unused tax losses- related to Total Business Loss	Assessment Years of :		
Expired on March 31, 2024	2016-17		
Expired on March 31, 2026	2018-19		
Expired on March 31, 2027	2019-20		
Expired on March 31, 2028	2020-21		
Expired on March 31, 2029	2021-22		
Unused MAT tax credit - Expired on March 31, 2030		21.83	21.83

GYSOAL ALLOYS LIMITED

Notes to the Restated Consolidated Financial Statements

32 Financial Instruments

Disclosure of Financial Instruments by Category

As at March 31, 2022

(In ` Lacs)

Financial Instruments by categories	Reference Note No.	FVTPL	FVTOCI	Amortized Cost	Total Carrying Amount	Fair Value
Financial Asset						
Investment	7	-	-	-	-	-
Other Financial Assets	8	-	-	257.59	257.59	257.59
Trade Receivables	11	-	-	1,975.90	1,975.90	1,975.90
Cash and Cash Equivalents	12	-	-	33.28	33.28	33.28
Loans	13	-	-	2.00	2.00	2.00
Total Financial Assets		-	-	2,268.77	2,268.77	2,268.77
Financial liability						
Borrowings	16	-	-	7,909.35	7,909.35	7,909.35
Trade Payables	18	-	-	2,045.94	2,045.94	2,045.94
Other Financial Liabilities	19	-	-	1,643.47	1,643.47	1,643.47
Total Financial Liabilities		-	-	11,598.76	11,598.76	11,598.76

As at March 31, 2021

(In ` Lacs)

Financial Instruments by categories	Reference Note No.	FVTPL	FVTOCI	Amortized Cost	Total Carrying Amount	Fair Value
Financial Asset						
Investment	7	-	-	-	-	-
Other Financial Assets	8	-	-	375.70	375.70	375.70
Trade Receivables	11	-	-	4,022.19	4,022.19	4,022.19
Cash and Cash Equivalents	12	-	-	15.97	15.97	15.97
Loans	13	-	-	12.50	12.50	12.50
Total Financial Assets		-	-	4,426.36	4,426.36	4,426.36
Financial liability						
Borrowings	16	-	-	9,265.88	9,265.88	9,265.88
Trade Payables	18	-	-	2,501.13	2,501.13	2,501.13
Other Financial Liabilities	19	-	-	3,872.31	3,872.31	3,872.31
Total Financial Liabilities		-	-	15,639.32	15,639.32	15,639.32

As at March 31, 2020

(In ` Lacs)

Financial Instruments by categories	Reference Note No.	FVTPL	FVTOCI	Amortized Cost	Total Carrying Amount	Fair Value
Financial Asset						
Investment	7	-	-	-	-	-
Other Financial Assets	8	-	-	336.09	336.09	336.09
Trade Receivables	11	-	-	11,002.08	11,002.08	11,002.08
Cash and Cash Equivalents	12	-	-	35.52	35.52	35.52
Loans	13	-	-	12.43	12.43	12.43
Total Financial Assets		-	-	11,386.12	11,386.12	11,386.12
Financial liability						
Borrowings	16	-	-	7,560.15	7,560.15	7,560.15
Trade Payables	18	-	-	3,283.06	3,283.06	3,283.06
Other Financial Liabilities	19	-	-	4,383.12	4,383.12	4,383.12
Total Financial Liabilities		-	-	15,226.33	15,226.33	15,226.33

33 Fair Value Measurement of Financial Asset and Financial Liabilities

The Fair value of current financial assets and current financial liabilities measured at amortised cost, are considered to be the same as their carrying amount as they are of short term nature. Hence fair value hierarchy is not given for the same.

The carrying amount of non - current financial assets and non - current financial liabilities measured at amortised cost are a reasonable approximation of their fair values since the Company does not anticipate that the carrying amounts would be significantly different from the values that would eventually be received or settled. Hence, fair value hierarchy is not given for the same.

GYSCOAL ALLOYS LIMITED

Notes to the Restated Consolidated Financial Statements

34 Financial Risk Management

The company's activities expose it to variety of financial risks : market risk, credit risk and liquidity risk. The company's focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Board of Directors has established a risk management policy to identify and analyze the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management systems are reviewed periodically to reflect changes in market conditions and the Company's activities. The Board of Directors oversee compliance with the Company's risk management policies and procedures,

A Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises interest rate risk and currency risk.

i Interest Rate Risk

Interest rate risk is the risk that fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Interest risk arises to the Company mainly from borrowings with variable rates. The Company measures risk through sensitivity analysis. The banks are now finance at variable rate only, which is the inherent business risk.

The Company's exposure to interest rate risk is as follows :

Particulars	(In ` Lacs)		
	March 31, 2022	March 31, 2021	March 31, 2020
Liability			
Working Capital Loan - from Banks (Including Interest Accrued thereon)	1,622.31	9,570.58	10,350.35
	1,622.31	9,570.58	10,350.35
Particulars	Impact on Profit and Loss after Tax		
	March 31, 2022	March 31, 2021	March 31, 2020
Interest Rate increase by 0.50 basis point	6.07	33.07	35.76
Interest Rate decrease by 0.50 basis point	(6.07)	(33.07)	(35.76)

ii Foreign Currency Risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company is exposed to foreign exchange risk through its sales and purchases from overseas suppliers in foreign currencies. The company measures risk through sensitivity analysis

The Company's exposure to Foreign Currency Risk is as follows:

Particulars	Currency		March 31, 2022	March 31, 2021	March 31, 2020
Financial Assets					
Trade Receivables	USD	in Lacs	99.03	131.80	132.39
	EURO	in Lacs	4.62	5.35	5.35
	INR	in Lacs	7,883.90	10,107.87	10,424.65
Financial Liabilities					
Trade Creditors	USD	in Lacs	1.28	1.28	1.28
	INR	in Lacs	96.86	93.70	96.49
Net Asset/(Liability)					
USD in INR		in Lacs	7,396.54	9,554.59	9,883.30
EURO in INR		in Lacs	390.30	459.26	444.32

Sensitivity Analysis

Particulars	(In ` Lacs)		
	Impact on profit / loss before tax		
	March 31, 2022	March 31, 2021	March 31, 2020
INR / USD rate changes favourably by 2%	147.93	191.09	197.67
INR / USD rate changes unfavourably by 2%	(147.93)	(191.09)	(197.67)
INR / EURO rate changes favourably by 2%	7.80	9.18	8.89
INR / EURO rate changes unfavourably by 2%	(7.80)	(9.18)	(8.89)

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Notes to the Restated Consolidated Financial Statements

B Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial assets.

The company's principal source of liquidity are cash and cash equivalents and the cash flow that is generated from operations. The Company closely monitors its liquidity position and is attempting to enhance its sources of funding by increasing cash flow generated from its operations and realisations from other proposed measures. The Company measures risk by forecasting cash flows.

The following are the contractual maturities of financial liabilities

(In ` Lacs)

As at March 31, 2022	Carrying Amount	upto 1 year	1 - 2 years	2 - 5 years	> 5 years
Borrowings	7,909.35	347.58	2,924.89	-	7,561.77
Trade Payables	2,045.94	2,045.94	-	-	-
Other Financial Liabilities	1,643.47	1,643.47	-	-	-
	11,598.76	4,036.99	2,924.89	-	7,561.77

As at March 31, 2021	Carrying Amount	upto 1 year	1 - 2 years	2 - 5 years	> 5 years
Borrowings	9,265.88	6,108.52	-	-	3,157.36
Trade Payables	2,501.13	2,501.13	-	-	-
Other Financial Liabilities	3,872.31	3,872.31	-	-	-
	15,639.32	12,481.96	-	-	3,157.36

As at March 31, 2020	Carrying Amount	upto 1 year	1 - 2 years	2 - 5 years	> 5 years
Borrowings	7,560.15	6,855.87	-	-	704.28
Trade Payables	4,383.12	4,383.12	-	-	-
Other Payables	3,283.06	3,283.06	-	-	-
	15,226.33	14,522.05	-	-	704.28

C Credit Risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. Credit risk encompasses both, the direct risk of default and the risk of deterioration of credit worthiness.

Credit risk arises primarily from financial assets such as trade receivables, cash and cash equivalent and other financial assets.

In respect of trade receivables, credit risk is being managed by the company through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the company grants credit terms in the normal course of business. The Company ensures that sales of products are made to customers with appropriate creditworthiness. All trade receivables are also reviewed and assessed for default on a regular basis.

Credit risk arising from cash and cash equivalent and other financial assets is limited as the counterparties are banks and mainly Government companies respectively.

The Company has made assessment of Allowance for Credit Loss in respect of Trade Receivables for the first time. The Company has analysed its trade receivables for aging analysis and grouped them accordingly and then applied year wise percentage to calculate the amount of Allowance for Credit Loss in respect of the same.

Movement in the expected Allowance for Credit Loss in respect of Trade Receivables

(In ` Lacs)

Particulars	March 31, 2022	March 31, 2021	March 31, 2020
Balance at beginning of the year	6,209.05	-	-
Add: Provided during the year (net)	245.35	6,209.05	-
Less: Amounts written back	-	-	-
Balance at the end of the year	6,454.40	6,209.05	-

The Company has made above provision and the same has been charged to statement of profit and loss under the head of Other Expenses.

The maximum exposure to the credit risk at the reporting date from trade receivables after the provision of Allowance for Credit Loss is as under :

(In ` Lacs)

Particulars	March 31, 2022	March 31, 2021	March 31, 2020
Trade Receivable	1,975.90	4,022.19	11,002.08

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35 Earning Per Share

Sr. No.	Particulars	Units	2021-22	2020-21	2019-20
1	Net Profit	in Lacs	(551.69)	(7,402.16)	(1,361.86)
2	Weighted Average of Equity Shares outstanding	Nos. in Lacs	1,582.76	1,582.76	1,582.76
3	Basic and Diluted Earning Per Share of ₹ 1 each		(0.35)	(4.68)	(0.86)

36 Related Parties Disclosure :

36.1 List of Related Parties & Relationship:

Sr. No.	Particulars	Name of the Related Parties
1	Associate Company	Goldmen Hotels and Resorts Pvt. Ltd. * ⁽¹⁾
2	Key Managerial Personnel (KMP)	Viral M. Shah (Resigned as director w.e.f 11-02-2022) Zankarsinh K. Solanki (Resigned as director w.e.f 11-02-2022) Mona Shah (Appointed as director w.e.f 11-02-2022) Sunit J. Shah Yashree K. Dixit Bhavika Sharma ⁽²⁾ Yashaswani Pandeya ⁽³⁾ Hiral Patel ⁽⁴⁾
3	Relatives of Key Managerial Personnel	Giraben Solanki Dipali Shah Sarojben M. Shah Dhara Z. Solanki
4	Enterprises over which KMP having significant influence	Sampati Securities Ltd. Gyscoal Enterprise Pvt. Ltd.

* No transaction done during the year

⁽¹⁾ With effect from 4-11-2016

⁽²⁾ Till February 2020

⁽³⁾ Till September 2020

⁽⁴⁾ With effect from October 2020

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Notes to the Restated Consolidated Financial Statements

36.3 Disclosure of material transactions with Related Party:

(In ` Lacs)

Sr. No.	Particulars	2021-22	2020-21	2019-20
1	Loan Transactions			
1.1	With KMP			
	Loan Taken from			
	Viral M. Shah	-	12.50	34.90
	Zankarsinh K. Solanki	-	-	17.99
		-	12.50	52.89
	Loan repaid to			
	Viral M. Shah	-	18.00	51.84
	Zankarsinh K. Solanki	-	-	27.59
		-	18.00	79.43
1.2	With enterprises overwhich KMP having significant influence			
	Loan taken from			
	Sampati Securities Ltd.	3,195.60	1,782.97	1,696.34
		3,195.60	1,782.97	1,696.34
	Loan repaid to			
	Sampati Securities Ltd.	2,104.18	1,519.17	1,508.92
		2,104.18	1,519.17	1,508.92
1.3	With Relatives of Key Managerial Personnel			
	Loan taken from			
	Mona Shah	5.50	40.00	8.40
		5.50	40.00	8.40
	Loan repaid to			
	Mona Shah	33.00	-	-
	Giraben Solanki	-	2.10	-
		33.00	2.10	-
2	Expenses			
2.1	Interest Expenses			
	Sampati Securities Ltd.	23.44	11.92	-
		23.44	11.92	-
2.2	Directors' Remuneration			
	Viral M. Shah	-	-	7.79
	Zankarsinh K. Solanki	2.45	4.08	5.59
		2.45	4.08	13.38
2.3	Directors' Sitting Fees			
	Sunit J. Shah	0.60	0.90	-
	Yashree K. Dixit	0.60	0.90	-
		1.20	1.80	-
2.4	Employee Benefit Expenses			
	Hiral Patel	4.20	1.82	-
	Yashaswani Pandeya	-	1.77	0.80
	Bhavika Sharma	-	-	4.03
		4.20	3.59	4.83
2.5	Employee Benefit Expenses			
	Mona Shah	-	-	2.40
	Giraben Solanki	1.85	3.08	4.22
	Dipali Shah	-	-	1.59
	Dhara Z. Solanki	0.69	1.19	1.63
		2.54	4.27	9.84
3	Income			
3.1	Rent Income			
	Gyscoal Enterprise Pvt. Ltd.	1.56	0.48	-
		1.56	0.48	-
		-	-	-
		-	-	-
3	Balance outsatnding			
	Loan payable			
	Giraben Solanki	16.93	16.93	19.03
	Mona Shah	20.90	48.40	8.40
	Viral M. Shah	10.93	10.93	16.43
	Zankarsinh K. Solanki	298.83	298.83	298.83
	Sampati Securities Ltd.	2,071.41	980.00	704.28
		2,419.00	1,355.09	1,046.97

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Notes to the Restated Consolidated Financial Statements

36.4 Compensation of Key Managerial Personnel of the Company

(In ` Lacs)

Partiuculars	2021-22	2020-21	2019-20
Short Term Employee Benefits	6.65	7.66	18.21
Director's Sitting Fees	1.20	1.80	-
Post employment benefits	-	-	-
Termination Benefits	-	-	-
Share Based Payments	-	-	-

36.5 The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions.

36.6 The related party balances outstanding are routine in nature as per ordinary course of business.

37 Segment Informations

37.1 The Company identified one Primary reportable segment viz. Manufacturing of S.S. Products. As there is only one reportable segment, the company has not given segment information.

37.2 Information about major customers

There are two customers (three in 2020-21 and 2019-20) who individually accounted for revenue more than 10% of total revenue of the company.

(In ` Lacs)

Partiuculars	2021-22	2020-21	2019-20
Revenue from such customers			
Customer attributing highest revenue	435.20	460.30	1,650.37
Customer attributing second highest revenue	390.59	259.90	1,568.01
Customer attributing third highest revenue	-	151.86	1,086.56

38 Details of Loan given, Investment made and Guarantee given pursuant section 186 (4) of the Companies Act, 2013 :

Loans given and investments made are given under the respective heads. All Loans given are to the employees of the company. There are no corporate guarantees given by the company in respect of loans as at March 31, 2022.

39 Previous year's figures have been regrouped/reclassified wherever necessary to correspond with the current year's classifications / disclosures.

40 Corporate Social Responsibility Contribution

As the company is not covered under the provision of Section 135 of the Companies Act, 2013, details of Corporate Social Responsibility (CSR) is not required to be given.

41 *The balance confirmation from the suppliers, customers as well as to various loans or advances given have been called for, but the same are awaited till date. In view of the same, it is to be stated that the balances of receivables, trade payables as well as loans and advances have been taken as per the books of accounts and are subject to confirmation from the respective parties*

42 *No information has been received from the Suppliers regarding their status under The Micro, Small & Medium Enterprises Development Act, 2006. Hence, disclosures, if any relating to amounts unpaid as at the balance sheet date together with interest paid or payable as per the requirement under the said Act, have not been made. However, on prima facie scrutiny, no interest has been paid to suppliers.*

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Notes to the Restated Consolidated Financial Statements

43 *Certain balances of debtors ,creditors, loans and advances are non moving Since long however in view of the management same is recoverable / payable and hence no provision for the same is made in the books of accounts.*

44 The Company has elected to exercise the option permitted u/s 115BAA of the Income- tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019. The Company has accordingly recognized Provision for Income tax for the year ended 31st March, 2022 and re-measured its net Deferred Tax Assets and Liabilities basis the rate prescribed in the said section. The impact of this change has been recognized in the Statement-of Profit and Loss for the year ended 31st March, 2022.

45 Undisclosed Transactions

As stated & confirmed by the Board of Directors, The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.

46 Benami Transactions

As stated & confirmed by the Board of Directors ,The Company does not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property.

47 Loan or Investment to Ultimate Beneficiaries

As stated & Confirmed by the Board of Directors ,The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

48 Loan or Investment from Ultimate Beneficiaries

As stated & Confirmed by the Board of Directors ,The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

49 Working Capital

The Company has been sanctioned working capital limits from a bank on the basis of security of the current assets. Revised Quarterly returns or statements filed by the company with such bank are in agreement with the books of accounts .

50 Willful Defaulter

As stated & Confirmed by the Board of Directors ,The company has not been ,declerated willful defaulter by the bank during the year under review.

51 Transactions with Struck off Companies

As stated & Confirmed by the Board of Directors ,The company has not under taken any transactions nor has outstanding balance with the company Struck Off either under section 248 of the Act or under Section 560 of Companies act 1956.

GYSOAL ALLOYS LIMITED
Notes to the Restated Consolidated Financial Statements

36.2 Transactions with Related Parties :

(In ` Lacs)

Particulars	KMP		Relatives of KMP		Enterprises over which KMP having significant influence		Total		
	2021-22	2020-21	2021-22	2019-20	2021-22	2020-21	2019-20	2020-21	2019-20
1									
Liabilities									
Loan taken	-	12.50	5.50	8.40	3,195.60	1,782.97	1,696.34	1,835.47	1,757.63
Loan Repayment	-	18.00	33.00	-	2,104.18	1,519.17	1,508.92	1,539.27	1,588.35
2									
Expenses									
Interest Expense	-	-	-	-	23.44	11.92	-	11.92	-
Directors' Remuneration	2.45	4.08	-	-	-	-	-	4.08	13.38
Directors' Sitting Fees	1.20	1.80	-	-	-	-	-	1.80	-
Employee Benefit Expense	4.20	3.58	2.54	9.84	-	-	-	7.86	14.67
3									
Income									
Rent	-	-	-	-	1.56	0.48	-	0.48	-
Sales	-	-	-	-	272.87	-	-	-	-
4									
Outstanding Balances									
Liabilities									
Loans Payable	309.75	309.75	37.83	27.43	2,071.41	980.00	704.28	1,355.08	1,046.97

GYSOAL ALLOYS LIMITED

Notes to the Restated Consolidated Financial Statements

11.1 Trade Receivables Ageing Schedule

March 31,2022

(Rs. in Lakhs)

Particulars	Unbilled	Not Due	Outstanding for following periods from due date of payment					Total
			Less than 6 months	6 months to 1 year	1 to 2 years	2 to 3 years	More than 3 years	
i) Undisputed - considered good	-	-	125.31	284.81	27.55	453.94	1,084.28	1,975.89
ii) Undisputed - which have significant increase in credit risk	-	-	-	-	-	-	-	-
iii) Undisputed - credit impaired	-	-	-	-	0.30	628.77	5,825.33	6,454.40
iv) Disputed - considered good	-	-	-	-	-	-	-	-
v) Disputed - which have significant increase in credit risk	-	-	-	-	-	-	-	-
vi) Disputed - credit impaired	-	-	-	-	-	-	-	-
Total	-	-	125.31	284.81	27.85	1,082.71	6,909.61	8,430.29
Less: Provision for Doubtful Debts	-	-	-	-	-	-	-	(6,454.39)
Total	-	-	125.31	284.81	27.85	1,082.71	6,909.61	1,975.90

March 31,2021

(Rs. in Lakhs)

Particulars	Unbilled	Not Due	Outstanding for following periods from due date of payment					Total
			Less than 6 months	6 months to 1 year	1 to 2 years	2 to 3 years	More than 3 years	
i) Undisputed - considered good	-	-	618.99	22.42	1,466.53	442.01	1,472.24	4,022.19
ii) Undisputed - which have significant increase in credit risk	-	-	-	-	-	-	-	-
iii) Undisputed - credit impaired	-	-	-	-	215.33	598.37	5,395.35	6,209.05
iv) Disputed - considered good	-	-	-	-	-	-	-	-
v) Disputed - which have significant increase in credit risk	-	-	-	-	-	-	-	-
vi) Disputed - credit impaired	-	-	-	-	-	-	-	-
Total	-	-	618.99	22.42	1,681.86	1,040.38	6,867.59	10,231.24
Less: Provision for Doubtful Debts	-	-	-	-	-	-	-	(6,209.05)
Total	-	-	618.99	22.42	1,681.86	1,040.38	6,867.59	4,022.19

18.1 Ageing Schedule for MSME and other Trade payables

March 31,2022

(Rs. in Lakhs)

Particulars	Unbilled	Not Due	Outstanding for following periods from due date				Total
			Less than Year 1	1 to 2 years	2 to 3 years	More than 3 years	
MSME:	-	-	-	-	-	-	-
- Disputed Dues	-	-	-	-	-	-	-
- Undisputed Dues	-	-	-	-	-	-	-
Other Trade payables	-	-	-	-	-	-	-
- Disputed Dues	-	-	-	-	-	-	-
- Undisputed Dues	-	255.64	317.73	602.96	59.51	810.10	2,045.94
Total	-	255.64	317.73	602.96	59.51	810.10	2,045.94

March 31,2021

(Rs. in Lakhs)

Particulars	Unbilled	Not Due	Outstanding for following periods from due date				Total
			Less than Year 1	1 to 2 years	2 to 3 years	More than 3 years	
MSME:	-	-	-	-	-	-	-
- Disputed Dues	-	-	-	-	-	-	-
- Undisputed Dues	-	-	-	-	-	-	-
Other Trade payables	-	-	-	-	-	-	-
- Disputed Dues	-	-	-	-	-	-	-
- Undisputed Dues	-	351.17	537.67	458.00	271.68	882.61	2,501.13
Total	-	351.17	537.67	458.00	271.68	882.61	2,501.13

54 Additional Regulatory Information - Analytical Ratios

Particulars	Numerator	Denominator	31st March 2022	31st March 2021	Variation	Reasons
Current Ratio	Current Assets	Current Liabilities	1.02	0.46	123.39%	Improvement in Working Capital due to settlement of borrowings
Debt Equity Ratio	Borrowings	Share Holder's Equity	-2.51	-1.85	36.06%	
Return on Equity (ROE):	Net Profit after Taxes	Average Shareholder's Equity	13.80%	566.22%	-97.56%	Operating at a Lower capacity and high provisions as per ECL method
Inventory Turnover Ratio	Cost of Material Consumed + Changes in WIP / FG	Average Inventory	1.37	1.26	9.06%	
Trade receivable Turnover Ratio	Revenue from Operations	Average Trade Receivables	0.67	0.17	298.92%	Improvement in recovery from customers
Trade Payable Turnover Ratio	Purchases	Average Trade Payables	1.29	0.56	130.57%	Improvement in Working Capital
Net Capital Turnover Ratio	Revenue from Operations	Working Capital	22.28	-0.17	-12864.52%	Improvement in working capital
Net Profit Ratio	Net Profit	Revenue from Operations	-28.10%	-591.03%	-95.24%	Insufficient utilization of manufacturing capacity and high extra-ordinary items
Return on Capital Employed	Earning Before Interest and Tax	Capital Employed	-21.67%	-202.73%	-89.31%	
Return on Investment	Income generated from investments	Average Investments	6.66%	7.35%	-9.38%	

GYSKOAL ALLOYS LIMITED
Notes to the Restated Consolidated Financial Statements

55 Statement of Net Assets, Profit and Loss and Total Comprehensive Income attributable to Owners and Non-Controlling Interest

As at March 31, 2022

Name of the Entity	Net Assets i.e total assets minus total liabilities		Share in profit or loss		Share in total comprehensive income	
	% of Consolidated Net Assets	Amount	As % of consolidated profit and loss	Amount	As % of consolidated comprehensive income	Amount
Gyscoal Alloys Limited	100.00	(3,146.01)	100.00	(563.21)	100.00	(551.69)
Indian Subsidiaries						
Goldman Hotels and Resorts Private Limited	-	-	-	-	-	-
Total	100	(3,146.01)	100	(563.21)	100	(551.69)
Less : Adjustment arising out of consolidation		-		-		-
Non-Controlling interest-		-		-		-
Consolidated Net Assets / Profit after tax		(3,146.01)		(563.21)		(551.69)

As at March 31, 2021

Name of the Entity	Net Assets i.e total assets minus total liabilities		Share in profit or loss		Share in total comprehensive income	
	% of Consolidated Net Assets	Amount	As % of consolidated profit and loss	Amount	As % of consolidated comprehensive income	Amount
Gyscoal Alloys Limited	100.00	(5,014.55)	100.00	(7,437.14)	100.00	(7,402.18)
Indian Subsidiaries						
Goldman Hotels and Resorts Private Limited	-	-	-	-	-	-
Total	100	(5,014.55)	100	(7,437.14)	100	(7,402.18)
Less : Adjustment arising out of consolidation		-		-		-
Non-Controlling interest-		-		-		-
Consolidated Net Assets / Profit after tax		(5,014.55)		(7,437.14)		(7,402.18)

As at March 31, 2020

Name of the Entity	Net Assets i.e total assets		Share in profit or loss		Share in total comprehensive income	
	% of Consolidated Net Assets	Amount	As % of consolidated profit and loss	Amount	As % of consolidated comprehensive income	Amount
Gyscoal Alloys Limited	100.00	2,387.61	100.00	(1,367.03)	100.00	(1,361.85)
Indian Subsidiaries						
Goldman Hotels and Resorts Private Limited	-	-	-	-	-	-
Total	100	2,387.61	100	(1,367.03)	100	(1,361.85)
Less : Adjustment arising out of consolidation		-		-		-
Non-Controlling interest-		-		-		-
Consolidated Net Assets / Profit after tax		2,387.61		(1,367.03)		(1,361.85)

GYSKOAL ALLOYS LIMITED

Notes to the Restated Consolidated Financial Statements

52 Satisfaction of Charge

As stated & Confirmed by the Board of Directors ,The compnay does not have any pending registration or satisfaction of charges with ROC beyond the statutory period .

53 Crypto Currency

As stated & Confirmed by the Board of Directors ,The Company has not traded or invested in Crypto Currency or Virtual Currency.

56 Inventories

In respect of Inventories, during the reporting period, the management has not undertaken physical verification of Inventories at periodic intervals and has not obtained any technical /market/commercial evaluation for the inventories. Hence, we are unable to comment on the realizable value of the same, which may be lower than the amount at which it has been reflected in the balance sheet.

57 Trade Receivables

In respect of Trade Receivables amounting to Rs. 8,430.29 Lakhs, we have not received balance confirmations from the debtors. The realisability of these amounts is doubtful and company has not made any provision for Bad and Doubtful debts in respect of these receivables, other than specified in Note no. 11.

58 Going Concern

The company is having accumulated losses of Rs 4728.51 Lakhs as at 31.3.2022 and the net worth of the company is negative. However, the management is making sincere efforts for the revival of the Business, & the management is confident to recover the losses through improved profitability in foreseeable future. Therefore no Provision for Impairment has been made in the books of accounts and the accounts for the year have been prepared on "going concern basis".

Significant Accounting Policies - Note 1 to 5

Note No. 6 to 58 Forming Part of Consolidated Financial Statements

As per our report of even date attached

For and on behalf of the Board

For, ASHOK DHARIWAL & CO.

Chartered Accountants

Firm Reg. No. 100648W

Mona Shah

Director

DIN : 02343194

Dipali Shah

Director

DIN : 08845576

CA Ashok Dhariwal

Partner

Membership No. 036452

UDIN : 22036452AYEH0E4480

Place: Ahmedabad

Date: 28-09-2022

Neelesh Bhutara

Chief Financial Officer

Place : Ahmedabad

Date : 28-09-2022

Hiral Patel

Company Secretary

To

Fedex Securities Private Limited
B7 Wing, Jay Chambers,
Dayaldas Road, Vile Parle (East),
Mumbai – 400 057

(Fedex Securities Private Limited referred to as the “Lead Manager”)

Dear Sirs,

Re: Analytical Ratios forming part of Restated Financial Statements of Gyscoal Alloys Limited for the year ended 31st March 2022, 31st March 2021 & 31st March 2020.

On verification of the Restated Financial Statements of Gyscoal Alloys Limited for the year ended 31st March 2022, 31st March 2021 & 31st March 2020. We certify the following:

Ratios	As on 31 st March, 2022 (Amt in Rs. Lakhs)	As on 31 st March, 2021 (Amt in Rs. Lakhs)	As on 31 st March, 2020 (Amt in Rs. Lakhs)
Earnings per Share – Basic & Dilutive			
Profit / (Loss) for the year	(563.21)	(7,437.14)	(1,367.03)
No. of Equity Shares	158,275,560.00	158,275,560.00	158,275,560.00
Earnings Per Share – Basic & Dilutive	(0.36)	(4.70)	(0.86)
Net Asset Value per Equity Share			
Net Worth	(3,146.01)	(5,014.55)	2,387.61
No. of Equity Shares	158,275,560.00	158,275,560.00	158,275,560.00
Net Asset Value per Equity Share	(1.99)	(3.17)	1.51



Return on Net Worth			
Net Profit after Tax	(563.21)	(7,437.14)	(1,367.03)
Net Worth	(3,146.01)	(5,014.55)	2,387.61
Return on Net Worth	(17.90)	(148.31)	57.26
EBITDA			
Profit / (Loss) after tax (A)	(563.21)	(7,437.14)	(1,367.03)
Income Tax Expense (B)	-	-	-
Finance Costs (C)	54.03	617.33	596.33
Depreciation and Amortization expense (D)	366.99	454.46	553.95
EBITDA (A+B+C+D)	(142.19)	(6,365.35)	(216.75)

The ratios have been computed as per the following formulas:

(i) Basic and diluted Earnings per Share

$$\frac{\text{Net Profit after Tax attributable to equity shareholders}}{\text{No. of Equity Shares}}$$

(ii) Net Assets Value (NAV)

$$\frac{\text{Net Assets Value attributable to equity shareholders}}{\text{No. of Equity Shares}}$$

(iii) Return on Net worth (%)

$$\frac{\text{Net Profit after Tax, attributable to equity shareholders}}{\text{Networth}}$$



This certificate is being issued at the request of the company.

Yours faithfully,

For M/s. Ashok Dhariwal & Co.
Chartered Accountants
(Firm Reg. No. 100648W)



CA Ashok Dhariwal
Partner

Membership Number: 036452
UDIN: 22036452BCKCSS9348



Date: 31.10.2022
Place: Ahmedabad

To
Fedex Securities Private Limited
B7 Wing, Jay Chambers,
Dayaldas Road, Vile Parle (East),
Mumbai – 400 057

(Fedex Securities Private Limited referred to as the “Lead Manager”)

Dear Sirs,

Re: Certificate of Consolidated Statement of Capitalization for Gyscoal Alloys Limited

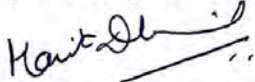
On verification of the Restated Financial Statements of Gyscoal Alloys Limited for the year ended 31st March, 2022 we certify the following:

Particulars	Pre Issue (Amount in Lakhs)	Post Issue (Amount in Lakhs)
Borrowings		
Short Term Debt	4,636.87	4,636.87
Long Term Debt	3,272.47	3,272.47
Total Debts	7,909.34	7,909.34
Shareholders' Funds		
Equity Share Capital	1,582.76	3,323.79
Reserve and Surplus	(4,728.77)	(1,681.97)
Total Shareholders' Funds	(3,146.01)	1,641.82
Long term debt / shareholders' funds	(1.04)	1.99
Total debt / shareholders' Funds	(2.51)	4.82

This certificate is being issued at the request of the company.

Yours faithfully,

For M/s. Ashok Dhariwal & Co.
Chartered Accountants
(Firm Reg. No. 100648W)



CA Harit Dhariwal
Partner

Membership Number: 130279
UDIN: 22130279BGGOKW6806



Date: 27.12.2022

Place: Ahmedabad

MANAGEMENT DISCUSSION AND ANALYSIS CONDITION AND RESULTS OF OPERATIONS

An investment in Equity Shares involves a high degree of risk. Prospective investors should carefully consider all the information in this Letter of Offer, including the risks and uncertainties described below, before making an investment in the Equity Shares. This section should be read in conjunction with “*Risk Factors*”, “*Our Industry*”, “*Our Business*”, and “*Financial Information*” on pages 24, 70 and 108 **Error! Bookmark not defined.** respectively, of this Letter of Offer before making an investment decision in relation to the Equity Shares.

This section contains forward-looking statements. Our actual results may differ materially from those expressed in or implied by these forward-looking statements. See “*Risk Factors*” on page 24 **Error! Bookmark not defined.** of this Letter of Offer for a discussion of the risks and uncertainties related to those statements and a discussion of certain factors that may affect our business, financial condition, results of operations, or cash flows.

Our fiscal year commences on April 1 and ends on March 31 of the subsequent year, and references to a particular “Fiscal” are to the 12 months ended March 31 of that year. Unless otherwise specified or as the context requires, financial information herein is derived from the Consolidated Financial Statements.

OVERVIEW

Industry structure

With an output of 10.14 MT as of April 2022, India was the second-largest producer of crude steel worldwide. A total of 133.596 MT of crude steel and 120.01 MT of finished steel were produced in FY22, respectively. The domestic accessibility of raw materials like iron ore and the affordability of labor have been the main drivers of growth in the Indian steel industry. As a result, the steel industry has been crucial to India's manufacturing output.

Modern steel mills are present in the Indian steel sector. It has always worked to upgrade older plants to better energy efficiency levels and to continuously modernise them.

The steel industry in India is divided into three groups: primary producers, secondary producers, and large producers.

A total of 133.596 MT of crude steel and 120.01 MT of finished steel were produced in FY22, respectively. In FY22, 105.751 MT of finished steel was consumed. India's finished steel consumption in April 2022 was 9.072 MT.

The total amount of finished steel exported and imported in FY22 was 13.49 MT and 4.67 MT, respectively. India's exports increased in FY22 by 25.1% YoY compared to 2021. 9.49 MT of finished steel was exported from India in FY21.

Overview of the Company

Our Company was originally incorporated as Shreenath Mineral Metal Private Limited on September 29, 1999 under the Companies Act, 1956 as a private limited company by the Deputy Registrar of Companies, Gujarat, Dadra & Nagar Haveli. Further, the name of the Company was changed to Gyscoal Alloys Private Limited and a fresh certificate of incorporation was granted by Registrar of Companies, Gujarat on June 21, 2004. Subsequently, our Company was converted into a Public Limited Company pursuant to Special Resolution passed by the members at the Extraordinary General Meeting dated February 03, 2006 and the name of our Company was changed to Gyscoal Alloys Limited to reflect the legal status of our Company pursuant to conversion, a fresh certificate of incorporation was granted by the Assistant Registrar of Companies, Gujarat dated March 21, 2006 bearing Corporate Identification Number U27209GJ1999PLC036656. Our Company had listed its Equity Shares on BSE Limited and the National Stock Exchange of India Limited on October 27, 2010 through initial public offer.

Our Company started its business with the trading of iron and steel scraps, billets, CTD Bars, TMT Bars and stainless steel long products. The Company acquired a steel rolling mill business at Ubkhal, Mehsana with a capacity of 6000 MT per annum from Shah Alloys Group and started manufacturing of rolled products in the year 2005. The rolling mill capacity was increased by another 12000 MT per annum to take the total rolling mill capacity to 18000 MT per annum in the financial year 2005-06. In the financial year 2006-07, the Company further

started its Steel Melting Shop with a capacity of 12,000 MT per annum which was further increased to 18,000 MT per annum in the year 2008-09. The rolling mill capacity was increased by another 84,000 MT per annum to take the total rolling mill capacity to 1,02,000 MT per annum in the financial year 2014-15. At present, the combined average plant capacity is 1,20,000 MT per annum to manufacture different grades of stainless steel products such as Austenitic, Ferritic and Martensitic ranging between 200 series to 400 series.

Company's Strategy:

- Strengthen our position in Indian Markets
- Expansion of our global capabilities
- Increase profitability by proper product mix
- Focus on consistently meeting quality standards
- Reduction of Debt
- Leveraging our existing capacity through improvements in production efficiency

SIGNIFICANT FACTORS AFFECTING OUR RESULTS OF OPERATIONS AND FINANCIAL CONDITION

Our financial condition and results of operations have been, and are expected to be, influenced by numerous factors. A summary of the most important factors that have had, and that we expect will continue to have, a significant effect on our financial condition and results of operations is set forth below.

General Economic & Business Condition:

General Economic Conditions in India and the Effects of the COVID-19 Pandemic. Our results of operations are affected by the general economic conditions prevalent in India, as well as the perception of those conditions and future economic prospects. Overall economic growth and an increase in GDP are likely to increase incomes and spending, which would lead to business expansion in India. Conversely, a slowdown in the Indian economy could adversely affect our business and our borrowers. Several factors beyond our control, such as developments in the Indian economy and domestic employment levels, conditions in the world economy, fluctuations in interest rates, and movements in global commodity markets, and exchange rates could have either a positive or an adverse effect on the quality of our result. Any trends or events that significantly affect India's economic conditions could significantly affect our financial condition, results, and cash flows.

Demand for Stainless Steel:

The demand for Stainless Steel in a large way is dependent on the Infrastructure and Home Appliances industry. Government spending and Public Private Partnership Projects affect our country's infrastructure. A reversal in government support for this sector could in turn lead to a decreased demand for our goods. Also, Home utensils are mainly manufactured from Stainless Steel and are affected by the general consumer spending trends, which are extremely susceptible to the general economic and liquidity situation in the country.

Shutdown or under-utilization of our manufacturing plant:

We are significantly dependant on our manufacturing plant for our revenue. As of March 31, 2022, the combined average stainless-steel manufacturing capacity is 1,20,000 MT per annum . Our manufacturing plant are subject to operating risks such as the breakdown or failure of equipment, power supply or processes, performance below expected levels of output or efficiency, obsolescence, production outages, natural disasters, industrial accidents, and the need to comply with new directives of the relevant government authorities. We may be required to shut down our manufacturing plant, from time to time, for capacity expansions, enhancements, and equipment upgrades.

In March 2022, there was a major breakdown in the machineries which disrupted the production cycle and, accordingly the Company could not continue its production for the month of March'2022 and April'2022.

However, from May' 2022 the Company restarted its production specifically with respect to bright bars, black bars and ss angles. Further, the main induction furnace post maintenance was restarted in July'2022.

Managing supply chain and operating expenses

Our results of operation and profitability depend on our ability to manage our supply chain and operating costs. We attempt to achieve these through a combination of control measures on input raw material costs, efficiency in manufacturing, successful vendor development, making continuous improvement in our production processes and quality standards through our advanced R&D and technological capabilities and maintaining low overhead costs.

Further, the cost of our key raw materials and commodity, such as steel, is susceptible to volatility in commodity prices. In Fiscal 2022, Fiscal 2021 and Fiscal 2020 our cost of materials consumed and changes in inventories of finished goods and work -in progress was ₹ 1,848.94 Lakhs, ₹ 2,333.46 Lakhs, and ₹ 5,901.17 Lakhs, respectively. As a percentage of total income, our cost of materials consumed and changes in inventories of finished goods and work-in-progress were 80.66%, 182.09%, and 80.31% in Fiscal 2022, Fiscal 2021 and Fiscal 2020, respectively. Given the nature of our business, the spreading of fixed production costs over higher production volumes, and management of our operating costs and efficiencies help us maintain our competitiveness and profitability. We believe we continually undertake efforts to reduce our costs in order to protect our margins, such as by engaging with a diversified set of suppliers, improving operational efficiencies and manufacturing processes.

Associate included in the Consolidated Financial Statements:

Name of Entity	Relationship	Country of Incorporation	Ownership Held by	% Holding & Voting power	
Goldman Hotels and Resort Private Limited	Associate	India	Gyscoal Alloys Limited	March 31, 2022-26%	March 31, 2021-26%

Significant developments subsequent to the last financial year

In March 2022, there was a major breakdown in the machineries which disrupted the production cycle and, accordingly the Company could not continue its production for the month of March'2022 and April'2022. However, from May' 2022 the Company restarted its production specifically with respect to bright bars, black bars and ss angles. Further, the main induction furnace post maintenance was restarted in July'2022

1. Basis of Preparation and Presentation

1.1. Statement of Compliance

1.1.1. Compliance with Indian Accounting Standards (Ind AS)

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the provisions of the Companies Act, 2013 (the Act) and guidelines issued by the Securities and Exchange Board of India (SEBI). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter.

1.1.2. Historical Cost Convention

The Financial Statements have been prepared on the historical cost convention on the accrual basis except for following assets and liabilities which have been measured at fair value amount:

- i) Certain Financial Assets and Liabilities
- ii) Defined Benefit Plans - Present value of defined benefit obligations Less Plan Assets

1.1.3. Current and Non-Current Classification

The Company presents assets and liabilities in the Balance Sheet based on Current/ Non-Current classification.

An asset is treated as Current when it is :-

- Expected to be realised or intended to be sold or consumed in normal operating cycle;

- Held primarily for the purpose of trading;
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:-

- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

1.1.4. Operating Cycle

Based on the nature of products/activities of the Company and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

1.2. Functional and Presentation Currency

Indian rupee is the functional and presentation currency.

1.3. Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs as per the requirement of Schedule III, unless otherwise stated.

2. Significant Accounting Policies

2.1. Revenue Recognition

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration entitled in exchange for those goods or services. The Company is generally the principal as it typically controls the goods or services before transferring them to the customer.

2.1.1. Sale of Goods

Revenue is generated primarily from sale of S. S. Products. Revenue is recognised at the point in time when the performance obligation is satisfied and control of the goods is transferred to the customer in accordance with the terms of customer contracts. In case of domestic customers, generally revenue recognition take place when goods are dispatched and in case of export customers when goods are shipped onboard based on bill of landing as per the terms of contract. Revenue is measured based on the transaction price, which is the consideration, adjusted for trade discounts, if any, as specified in the contract with the customer. Revenue also excludes taxes collected from customers.

A contract liability is the obligation to transfer goods to the customer for which the Company has received consideration from the customer. Contract liabilities are recognised as revenue when the Company performs under the contract.

The Company does not expect to have any contracts where the period between the transfer of the promised goods to the customer and payment by the customer exceed one year. As a consequence, the Company does not adjust any of the transaction prices for the time value of money.

2.1.2. Sale of Services

Revenue is recognized from rendering of services when the performance obligation is satisfied and the services are rendered in accordance with the terms of customer contracts. Revenue is measured based on the transaction price, which is the consideration, as specified in the contract with the customer. Revenue also excludes taxes collected from customers.

A contract liability is the obligation to render services to the customer for which the Company has received consideration from the customer. Contract liabilities are recognised as revenue when the Company performs under the contract.

The Company does not expect to have any contracts where the period between the rendering of promised services to the customer and payment by the customer exceed one year. As a consequence, the Company does not adjust any of the transaction prices for the time value of money.

2.1.3. Export Incentive

Export incentives are accounted on accrual basis at the time of export of goods, if the entitlement can be estimated with reasonable accuracy and conditions precedent to claim are fulfilled.

2.1.4. Job Work

Revenue from job work services is recognised based on the services rendered in accordance with the terms of contracts.

2.1.5. Other Income

a. Interest Income

Interest income is recognized using effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through expected life of the financial asset to the gross carrying amount of the financial asset. When calculating the effective interest rate, the company estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses.

b. Dividend income

Dividends are recognised in the Statement of Profit and Loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Company, and the amount of the dividend can be measured reliably.

c. Gain or loss on derecognition of Financial Assets

Gain or Loss on derecognition of financial asset is determined as the difference between the sale price (net of selling costs) and carrying value of financial asset.

d. All other Incomes are recognised and accounted for on accrual basis

2.2. Property, Plant and Equipment

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at historical cost less accumulated depreciation and accumulated impairment losses, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

The cost comprises the purchase price, borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for its intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

Subsequent expenditures relating to property, plant and equipment is capitalized only when it is probable that future economic benefits associated with these will flow to the company and the cost of the item can be measured reliably.

All other expenses on existing fixed assets, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred.

For transition to Ind AS, the carrying value of Property Plant and Equipment under previous GAAP as on 01 April 2016 is regarded as its cost. The carrying value was original cost less accumulated depreciation and cumulative impairment.

Property, Plant and Equipment not ready for the intended use on the date of the Balance Sheet are disclosed as Capital work-in-progress.

Gains or losses arising from derecognition of fixed assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset at the time of disposal and are recognized in the statement of profit and loss when the asset is derecognized.

Depreciation on Property, Plant and Equipment is calculated on written down value method basis using the ratio arrived as per the useful life prescribed under Schedule II to the Companies Act, 2013.

In respect of Property, Plant and Equipment purchased during the year, depreciation is provided on a pro-rata basis from the date on which such asset is ready to use.

The residual value, useful live and method of depreciation of Property, Plant and Equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

2.3. Financial Instruments

2.3.1. Initial recognition

The Company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument.

All financial assets and liabilities are recognized at fair value on initial recognition.

Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, which are not at fair value through profit or loss, are added to or deducted from the fair value of financial assets or financial liabilities on initial recognition.

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

Regular way purchase and sale of financial assets are accounted for at trade date.

2.3.2. Subsequent Measurement

a. Non-derivative financial instruments

Financial assets measured at amortized cost

A financial asset is subsequently measured at amortized cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets measured at fair value through other comprehensive income (FVOCI)

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling

financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets measured at fair value through profit or loss (FVTPL)

A Financial Asset which is not classified in any of the above categories are measured at FVTPL. Financial assets are reclassified subsequent to their recognition, if the Company changes its business model for managing those financial assets. Changes in business model are made and applied prospectively from the reclassification date which is the first day of immediately next reporting period following the changes in business model in accordance with principles laid down under Ind AS 109 – Financial Instruments.

Financial liabilities

Financial liabilities are subsequently carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

Investment in subsidiaries, associate and joint ventures

Investments in subsidiary companies, associate and joint venture companies are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in subsidiary companies, associate and joint venture companies, the difference between net disposal proceeds and the carrying amounts are recognised in the Statement of Profit and Loss.

b. Equity instruments

An equity instrument is a contract that evidences residual interest in the assets of the company after deducting all of its liabilities. Incremental costs directly attributable to the issuance of equity instruments are recognized as a deduction from equity instrument net of any tax effects.

2.4. Impairment

2.4.1. Financial assets other than investments in subsidiary and associates

The Company recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss.

Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL.

The impairment loss allowance (or reversal) recognized during the period is recognized as income / expense in the statement of profit and loss.

2.4.2. Financial assets – investment in subsidiary and associates

The company assesses at each reporting date whether there is an indication that an asset may be impaired. Such indication include, though are not limited to, significant or sustained decline in revenues or earnings and material adverse changes in the economic environment.

If any indication exists, the company estimates the asset's recoverable amount based on value in use.

To calculate value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market rates and the risk specific to the asset

Where the carrying amount of an asset exceeds its value in use amount, the asset is considered impaired and is written down to its recoverable amount. The impairment loss is recognized in statement of profit and loss.

2.4.3. Non financial assets - Tangible assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists the company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's net selling price and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets.

Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. The impairment loss is recognized in the statement of profit and loss.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

2.4.4. Borrowing Costs

Borrowing cost includes interest and other costs that company has incurred in connection with the borrowing of funds.

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset.

All other borrowing costs are charged to the Statement of Profit and Loss for the period for which they are incurred.

Investment income earned on temporary investment of specific borrowing pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

2.4.5. De-recognition

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability is derecognized when obligation specified in the contract is discharged or cancelled or expires.

2.4.6. Off-setting

Financial assets and liabilities are offset and the net amount is presented in the balance sheet when the company currently has a legally enforceable right to offset the recognized amounts and intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

2.4.7. Fair Value Measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The fair value measurement assumes that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefit by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data is available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy. The fair value hierarchy is based on inputs to valuation techniques that are used to measure fair value that are either observable or unobservable and consists of the following three levels:

Level 1 – inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities

Level 2 – inputs are other than quoted prices included within level 1 that are observable for the asset or liability either directly (i.e. as prices) or indirectly (i.e. derived prices)

Level 3 – inputs are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part using a valuation model based on assumption that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

2.5. Impairment

Financial assets other than investments in subsidiary and associates

The Company recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss.

Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL.

For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL.

The impairment loss allowance (or reversal) recognized during the period is recognized as income / expense in the statement of profit and loss.

2.5.1. Financial assets – investment in subsidiary and associates

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. Such indication include, though are not limited to, significant or sustained decline in revenues or earnings and material adverse changes in the economic environment.

If any indication exists, the company estimates the asset's recoverable amount based on value in use.

To calculate value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market rates and the risk specific to the asset

Where the carrying amount of an asset exceeds its value in use amount, the asset is considered impaired and is written down to its recoverable amount. The impairment loss is recognized in statement of profit and loss.

2.5.2. Non financial assets - Tangible assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists the company estimates the asset's recoverable amount

An asset's recoverable amount is the higher of an assets net selling price and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets.

Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. The impairment loss is recognized in the statement of profit and loss.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

2.6. Borrowing Costs

Borrowing cost includes interest and other costs that company has incurred in connection with the borrowing of funds.

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset.

All other borrowing costs are charged to the Statement of Profit and Loss for the period for which they are incurred.

Investment income earned on temporary investment of specific borrowing pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

2.7. Employee Benefits

Short term employee benefits for salary and wages including accumulated leave that are expected to be settled wholly within 12 months after the end of the reporting period in which employees render the related service are recognized as an expense in the statement of profit and loss.

The Company measures the expected cost of absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date. As per Company's policy, no leave is expected to be carried forward beyond 12 months from the reporting date.

Retirement benefit in the form of provident fund is a defined contribution scheme. The company has no obligation, other than the contribution payable to the provident fund. The company recognizes contribution payable to the provident fund scheme as an expenditure, when an employee renders the related service.

The Company operates one defined benefit plan for its employees, viz., gratuity plan. The costs of providing benefits under the plan are determined on the basis of actuarial valuation at each year-end. Actuarial valuation is carried out using the projected unit credit method made at the end of each reporting date. Re-measurement of the net defined benefit liability (asset) comprise of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability (asset) and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability / (asset)). Re-measurement are recognized in other comprehensive income and will not be reclassified to profit or loss in a subsequent period.

2.8. Contingent Liability

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The company does not recognize a contingent liability but discloses its existence in the financial statements.

2.9. Foreign Currency

a. Initial recognition

Foreign currency transactions are recorded in the functional currency, by applying to the foreign currency amount the exchange rate between the functional currency and the foreign currency at the date of the transaction.

b. Conversion

Foreign currency monetary items are retranslated using the exchange rate prevailing at the reporting date. Non-monetary items, which are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction.

c. Exchange difference

All exchange differences are recognized as income or as expenses in the year in which they arise.

2.10. Basis of consolidation and equity method

The Parent Company consolidates entities which it owns or controls and applies equity method of accounting where the Company has significant influence over the other entity.

a. Consolidation of subsidiary

The Company controls an entity when it is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Power is demonstrated through existing rights that give the current ability to direct the relevant activities of the entity that significantly affect the entity's returns.

Subsidiary is consolidated from the date control commences until the date control ceases.

Consolidated financial statements combine like items of assets, liabilities, equity, income, expenses and cash flows of the Company with those of the subsidiary. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the consolidated financial statements at the acquisition date. Offset the carrying amount of the Company's investment in subsidiary and the Company's portion of the equity of each subsidiary. Intragroup transactions, balances and unrealized gains and losses on transactions between entities of group are eliminated. Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS 12, Income taxes, applies to temporary differences that arise from the elimination of profit and losses resulting from intragroup transactions.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and events in similar circumstances.

Non-controlling interests in the profit or loss and equity of subsidiary are shown separately in the consolidated financial statements of profit and loss and consolidated statement of changes in equity respectively.

In case of foreign subsidiaries, revenue items are consolidated at the average rate prevailing during the year. All assets and liabilities are converted at rates prevailing at the end of the year. Any exchange difference arising on consolidation is recognised in the Foreign Currency Translation Reserve.

Equity method of accounting for investment in associate

An associate is an entity over which the Company and its subsidiary have significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over the policies.

Investments in associates are accounted for using the equity method of accounting. The investments are initially recognized at cost, and the carrying amount is increased or decreased to recognize the Company's share of the profit or loss and other comprehensive income of the investee after the acquisition date. Distributions received from an investee reduce the carrying amount of the investment.

When Company's share of losses of an associate equal or exceeds its interest in the associate, the Company discontinues recognizing its share of further losses unless it has incurred obligations or made payments on behalf of associate.

Unrealized gains and losses on transactions between entities of group are recognised to the extent of the group's interest in these entities.

Investments in associate are accounted for using equity method from the date significant influence commences until the date significant influence ceases.

Accounting policies of the associate are in line with the Company's accounting policies.

Details of associate companies that have been considered in the preparation of the consolidated financial statements:

Name of Entity	Relationship	Country of Incorporation	Ownership Held by	% Holding & Voting power
Goldman Hotels and Resort Private Limited	Associate	India	Gyscoal Alloys Limited	March 31, 2022-26% March 31, 2021-26%

As company's share of loss in associates exceeds the carrying amount of the investment in shares of associates i.e. Goldman Hotels and Resorts Private Limited, the company has reported investment at NIL value. In view of this, the Company did not consider accounting of loss reported by associates in the financial years 2021-22.

CHANGE IN ACCOUNTING POLICIES IN PREVIOUS 3 YEARS

Except as mentioned in the section “*Financial Information*” on page 108 of this Letter of Offer, there has been no change in accounting policies in the last 3 years.

Total revenue

Our total revenue comprises our revenue from operations and other income.

Revenue from operations

(i) Sales of products;

Revenue is generated primarily from the sale of manufactured Stainless-Steel Products. Stainless Steel Product portfolio consists of angles, channels, bright bars, right angle brackets, and flat bars. In the case of domestic customers. Generally, revenue recognition takes place when goods are dispatched, and in the case of export customers when goods are shipped onboard based on the bill of landing as per the terms of the contract.

(ii) Sales of Services;

Revenue is generated primarily from the services of job work in accordance with the terms of customer contracts.

(iii) Other Operating Revenues

Other Operating Revenues primarily comprise export incentive income (duty draw back) and other miscellaneous income.

Other income

Other income primarily comprises Foreign Exchange Fluctuation Gain, Other Non-operating Income, and Interest from Financial Asset measured at Amortized Cost.

Cost of materials consumed

The cost of materials consumed comprises (i) the cost of raw materials used in the manufacture of our products; (ii) the cost of packaging materials; (iii) the cost of stores and spares; and (iv) the cost of other materials. Our principal raw materials consists of stainless steel plates, stainless steel round bar, stainless steel billets, used mild steel plates, furnace oil, stainless steel scrap, stainless steel ingots, mild steel scrap, and etc.

Changes in inventories of finished goods

Changes in inventories of finished goods, stock in process, and stock in trade primarily comprise the changes in inventory levels of finished goods, stock work in process, and stock in trade.

Employee benefit expenses

Employee benefit expenses comprise salaries & wages and bonus, contributions to provident and other funds, and Staff welfare expenses.

Finance costs

Finance costs comprise Interest Expenses on Financial Liabilities carried at Amortized Cost and Other Borrowing Costs.

Depreciation and amortization expenses

Depreciation and amortization expenses comprise depreciation of tangible assets including our plant and machinery, building, factory equipment, computer equipment, office and other equipment, furniture and fixture, amongst others, and amortization of leasehold land.

Other expenses

Other expenses comprise primarily of (a) manufacturing expenses such as Power Fuel Expenses, Labour Charges, freight & transportation charges, Job work charges, Repair & Maintenance Expense, and; (b) selling and distribution expenses includes advertisement expenses, other selling& distribution administrative and general expenses includes electricity expenses, rent expenses, and legal and professional charges, amongst others; (c) establishment expenses, such as General expenses, Loss on Foreign Exchange Fluctuation, Legal & Professional Fees, Rates & Taxes, Vehicle expenses, and Travelling expenses; and (d) other expenses, such as Impairment Loss recognized under Credit Loss Model in respect of Trade receivables Financial Asset, and other charges amongst others.

Tax expenses

Our tax expenses primarily comprise of current tax-deferred tax, and adjustment of Earlier year Tax. Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the applicable tax rates and provisions of the applicable tax laws. Deferred tax liability or credit is recognized based on the difference between taxable profit and book profit due to the effect of timing differences. We measure our deferred tax based on the applicable tax rates and tax laws that have been enacted or substantively enacted by the relevant balance sheet date.

RESULTS OF OPERATIONS

The following table sets out selected data from the Consolidated Profit and Loss accounts for the half year ended on 30th September 2022 and 30th September 2021, together with the percentage that each line item represents of our total revenue for the periods presented.

(₹ in Lakhs)

Particulars	For The Six Months Ended					
	September 30, 2022			September 30, 2021		
	₹ in Lakhs	% to Total Income		₹ in Lakhs	% to Total Income	
Revenue from Operations	381.24	38.41%		993.52	72.96%	
Other Income	611.40	61.59%		368.16	16.06%	
Total Income	992.65	100.00%		1,361.68	59.40%	
Expenses						
Cost of Materials Consumed						
Changes in Inventories of Finished Goods, Stock-in-Process & Stock-in-Trade	407.11	41.01%		535.94	23.38%	

Particulars	For The Six Months Ended				
	September 30, 2022		September 30, 2021		
	₹ in Lakhs	% to Total Income	₹ in Lakhs	% to Total Income	Total
Employees Benefit Cost	99.94	10.07%	50.64	2.21%	
Finance Cost	54.15	5.46%	153.69	6.70%	
Depreciation and Amortisation Expenses	17.66	1.78%	169.68	7.40%	
Other Expenses	149.55	15.07%	183.80	8.02%	
Total Expenses	147.83	14.89%	282.23	12.31%	
	876.25	88.27%	1,375.98	60.02%	
Profit / (Loss) before exceptional items and tax	116.40	11.73%	-14.30	-0.62%	
Exceptional Items	-	-	1122.85	82.46%	
Profit / (Loss) after exceptional items and tax	116.40	11.73%	1108.55	81.41%	
Current Tax					
Deferred Tax	(68.92)	-6.94%	582.30	42.76%	
Tax Expenses	(68.92)	-6.94%	582.30	42.76%	
Profit / (Loss) after Tax	185.32	11.73%	526.25	38.65%	

The following table sets out selected data, Consolidated Restated Audited Financial Statement for Fiscal 2022, Fiscal 2021 and Fiscal 2020 together with the percentage that each line item represents of our total revenue for the periods presented.

(₹ in Lakhs)

Particulars	Fiscal 2022		Fiscal 2021		Fiscal 2020	
	₹ in Lakhs	% To total income	₹ in Lakhs	% To total income	₹ in Lakhs	% To total income
Revenue from Operations	2,003.99	87.42%	1,258.33	98.19%	6,472.44	88.09%
Other Income	288.39	12.58%	23.19	1.81%	875.32	38.18%
Total Income (I + II)	2,292.38	100.00%	1,281.52	100.00%	7,347.76	320.53%
Expenses						
Cost of Materials Consumed	1,901.78	82.96%	1,502.76	117.26%	5,345.58	233.19%
Changes in Inventories of Finished Goods, Stock-in-Process & Stock-in-Trade	(52.84)	(2.31) %	830.70	64.82%	555.59	24.24%
Employees Benefit Cost	262.48	11.45%	216.31	16.88%	458.91	20.02%
Finance Cost	54.03	2.36%	617.33	48.17%	596.33	26.01%
Depreciation and Amortisation Expenses	366.99	16.01%	454.46	35.46%	553.95	24.16%
Other Expenses	846.15	36.91%	6,895.84	538.10%	1,403.28	61.21%

Particulars	Fiscal 2022		Fiscal 2021		Fiscal 2020	
	₹ in Lakhs	% To total income	₹ in Lakhs	% To total income	₹ in Lakhs	% To total income
Total Expenses	3,378.59	147.38 %	10,517.40	820.70%	8,913.64	388.84 %
Profit/(Loss) before exceptional items and tax (III - IV)	(1,086.21)	(47.38) %	(9,235.88)	(720.70) %	(1,565.88)	(68.31) %
Exceptional Items	1,122.85	48.98%	-	0.00%	-	0.00%
Profit/ (Loss) before tax (V - VI)	36.64	1.60%	(9,235.88)	(720.70) %	(1,565.88)	(68.31) %
Tax Expenses						
Current Tax	-		-		-	
Deferred Tax	606.16		(1,786.46)		(197.56)	
Adjustment of Earlier Year Tax	(6.31)		-		0.53	
Total Tax Expenses	599.85	26.17%	(1,786.46)	(139.40) %	(197.03)	(2.68) %
Profit/ (Loss) after Tax (VII - VII)	(563.21)	(24.57) %	(7449.42)	(581.30) %	(1,368.86)	(18.63) %

Six-month period ended September 30, 2022 compared to six-month period ended September 30, 2021

Our total income decreased by 27.10% to ₹992.65 Lakhs in the six months period ended September 30, 2022 from ₹1361.68 Lakhs in the six months period ended September 30, 2021 primarily due to a decrease in our revenue from operations during this period.

Revenue from operations: Our revenue from operations decreased by 61.63% to ₹381.24 Lakhs in the six month period ended September 30, 2022, from ₹993.52 Lakhs in the six-month period ended September 30, 2021, which was primarily due to there was a major breakdown in the Machineries which had disrupted the production cycle and accordingly the company could not continue its production during March and April, 2022. However, from July 2022 the Company has restarted its production specifically with respect to bright bars, black bars, and stainless steel angles.

Other Income: Our other income increased by 66.07% to 611.40 Lakhs in Six-months period ended September 30, 2022 from 368.16 Lakhs in six-month period ended September 30, 2021.

Total Expenses: Our total expenses decreased by 36.32% to ₹876.25 Lakhs in the Six-month period ended September 30, 2022 (which accounted for 88.27% of our total income in that period) from ₹1375.98 Lakhs in the six-month period ended June 30, 2021 (which accounted for 60.02% of our total income in that period).

Cost of Material Consumed: Our cost of raw materials decreased by 24.04% from ₹535.94 Lakhs in six months period ended September 30, 2021, to ₹407.11 Lakhs in the six-months ended September 30, 2022. The consumption has decreased in the six-month period that ended September 30, 2022 as the production was halted due to machinery breakdown.

Change in inventories of finished goods, stock in process, & stock in trade: The increase in change of inventory to 99.94 Lakhs in six months ended September 30, 2022 from 50.64 Lakhs in period ended September 30, 2021.

Employee Benefit Cost: Our employee benefits expense decreased by 64.77% to ₹54.15 Lakhs in the six-month period ended September 30, 2022 from ₹153.69 Lakhs in the six-month period ended September 30, 2021. Our

employee benefits expense accounted for 5.46% of our total income in the six-month period ended September 30, 2022, compared to 6.70% in the six-month period ended September 30, 2021.

Finance Cost: Our finance costs decreased by 89.59% to ₹17.66 Lakhs in the six-month period September 30, 2022, from ₹169.68 Lakhs in the six-month period September 30, 2021. Our finance costs accounted for: 7.40% of our total income in the six-month period ended September 30, 2021, compared to 1.78% in the six-month period ended September 30, 2022.

Depreciation and amortization expenses: Depreciation and amortization expenses did not change significantly during this period and decreased only marginally by ₹34.25 Lakhs to ₹149.55 Lakhs in the six-month period ended September 30, 2022, from ₹183.80 Lakhs in the six-month period ended September 30, 2021. Our depreciation and amortization expenses accounted for: 15.07% of our total income from operations in the Six-month period ended September 30, 2022, compared to 8.02% in the six-month period ended September 30, 2021.

Other expenses: Our other expenses decreased by 47.62% to ₹147.83 Lakhs in the six-month period ended September 30, 2022, from ₹282.23 Lakhs in the six-month period ended September 30, 2021. Our other expenses accounted for: 14.89% of our total income from operations in the six-month period ended September 30, 2022, compared to 12.31% in the six-month period ended September 30, 2021.

Profit Before Tax: In light of the above discussion the profit before tax decrease from ₹ 1108.55 lakhs for the six-months ended on September 2021 to ₹116.40 Lakhs for the six-months ended on September 2022.

Taxation: Our total tax expenses decreased by 111.84% to ₹68.92 Lakhs in the six-month period ended September 30, 2022 from ₹582.30 Lakhs in the six-month period ended September 30, 2021.

Profit After Tax: In the light of above discussion the profit after tax decrease from ₹ 526.25 lakhs for the six-months ended on September 2021 to ₹185.32 Lakhs for the six-months ended on September 2022.

Comparison of Restated Financial Statement Fiscal 2022 with Restated Financials Statement Fiscal 2021

Total income

Our total income increased by 78.88% to ₹2292.38 Lakhs in Fiscal 2022 from ₹1281.52 Lakhs in Fiscal 2021 primarily due to an increase in our revenue from operations during this period.

Revenue from operations: Our revenue from operations increased by 59.26% to ₹2003.99 Lakhs in Fiscal 2022 from ₹1258.33 Lakhs in Fiscal 2021, which was primarily due to: (i) an increase in sale of our product by 62.21% to ₹1896.19 Lakhs in Fiscal 2022 from ₹1168.98 Lakhs in Fiscal 2021; (ii) an increase in sale of services by 28.09% to ₹104.14 Lakhs in Fiscal 2022 from ₹81.30 Lakhs in Fiscal 2021.

The increase in our revenues from sales of stainless-steel products was primarily a result of a combination of factors such as a demand of the products in the local and export market.

The following table shows bifurcation of revenue from domestic & Exports. Please provide bifurcation of the details mentioned below

(₹ in Lakhs)

Particulars	Fiscal 2022*	Fiscal 2021*	Change
Domestic	1830.41	860.20	112.79%
Exports	169.92	390.08	(56.44)%
Total	2000.33	1250.28	(60.00)%

Other income: Our other income increased by 1043.60% to ₹288.39 Lakhs in Fiscal 2022 (which accounted for 12.58% of our total income in that year) from ₹23.19 Lakhs in Fiscal 2021 (which accounted for 1.81% of our total income in that year), primarily due to an increase in Foreign Exchange Gain Fluctuation in Fiscal 2022.

Expenses:

Total expenses

Our total expenses decreased by 67.88% to ₹3378.59 Lakhs in Fiscal 2022 (which accounted for 147.38% of our total income in that year) from ₹10,517.40 Lakhs in Fiscal 2021 (which accounted for 820.70 % of our total income in that year). The decrease in total expenses is primarily is on account of reduction in finance cost, depreciation and amortisation and other expenses namely Impairment loss recognized under expected credit model in respect of trade receivables.

Cost of materials consumed

Our cost of raw materials and components consumed increased by 26.55% to ₹1,901.78 Lakhs in Fiscal 2022 from ₹1,502.76 Lakhs in Fiscal 2021 commensurate with the increase in our revenue from the sale of products due to an increase in quantity sold in comparison to Fiscal 2021.

Our cost of raw materials, components consumed and services rendered accounted for 82.96% of our total income in Fiscal 2022, compared to 117.26% in Fiscal 2021.

Change in inventories of finished goods, stock-in-process & stock in trade;

Our opening stock of inventory of finished goods, stock-in-process was ₹525.00 Lakhs as at March 31, 2022, while it was ₹1355.70 Lakhs as at March 31, 2021. Our closing stock of inventory of finished goods, semi-finished goods and work-in-progress was ₹577.84 Lakhs as at March 31, 2022, while it was ₹525.00 Lakhs as at March 31, 2021.

The decrease in changes in inventories to ₹(52.84) Lakhs in Fiscal 2022 from ₹830.70 Lakhs in Fiscal 2021 was primarily a result of lower inventories of finished goods, stock-in-process. The decrease in inventory is due to the reason of higher sales from the previous year.

Employee benefits expense

Our employee benefits expense increased by 21.34% to ₹262.48 Lakhs in Fiscal 2022 from ₹216.31 Lakhs in Fiscal 2021, primarily as a result of increase in salaries & wages to ₹255.25 Lakhs in Fiscal 2022 as against ₹211.86 Lakhs in Fiscal 2021. Our employee benefits expense accounted for: 11.45% of our total income in Fiscal 2022, compared to 16.88% in Fiscal 2021.

Finance Cost

Our finance costs decreased by 91.25 % to ₹54.03 Lakhs in Fiscal 2022 from ₹617.33 Lakhs in Fiscal 2021. Our finance cost accounted for 2.36% of our total income in Fiscal 2022, compared to 48.17% in Fiscal 2021.

Depreciation and amortization expenses

Depreciation and amortization expenses did not change significantly during this period and decreased only marginally by 19.25% to ₹366.99 Lakhs in Fiscal 2022 from ₹454.46 Lakhs in Fiscal 2021 as the company provides depreciation charge on reducing balances.

Our depreciation and amortization expense accounted for 16.01% of our total income in Fiscal 2022, compared to 35.46% in Fiscal 2021.

Other expenses

Our other expenses decreased by 87.73% to ₹846.15 Lakhs in Fiscal 2022 from ₹6895.84 Lakhs in Fiscal 2021. Our other expenses accounted 36.91% of our total income in Fiscal 2022, compared to 538.10% in Fiscal 2021.

Loss before exception items and tax

As a result of the foregoing factors, our loss before exceptional items and tax decreased by 88.24% to ₹(1,086.21) Lakhs in Fiscal 2022 from ₹ (9,235.88) Lakhs in Fiscal 2021 which, as a percentage of our total income, decreased to 47.38% in Fiscal 2022 from 720.70% in Fiscal 2021.

Exceptional Item:

The Company has entered in to One time Settlement (OTS) with State Bank of India, and also State Bank of India has issued No Due Certificate dated 23-07-2021. Accordingly, the company has recorded for the Waiver of Principal portion of Loan facilities under General Reserve account and Waiver of Interest portion as Income in the statement of Profit and loss (Exceptional Items). As per the said OTS the entire outstanding dues have been settled for the payment of ₹1355.30 lakhs towards full and final settlement against the total liability (Principal and Interest as per the books of the company) of Rs 4898.39 lakhs resulting in to the waiver of liability (Principal and Interest) amounting to ₹3543.09 lakhs. Out of the said waiver of liability (Principal and Interest) of Rs 3543.09 lakhs, the waiver of the principal portion of Rs 2420.24 lakhs has been accounted under the general reserve account in the Consolidated Balance Sheet as at 31st March 2022 and waiver of Interest Liability of Rs 1122.85 lakhs has been shown as income in the Statement of Profit and loss and has been reflected as an Exceptional Item in the Consolidated Statement of Profit and loss for the year ended on 31st March 2022.

Taxation

Our total tax expense increased by 133.35% to ₹599.85 Lakhs in Fiscal 2022 from ₹(1798.74) Lakhs in Fiscal 2021. The increase in total tax expense was a result of an increase in deferred tax by 133.70% to ₹606.16 Lakhs in Fiscal 2022 from ₹ (1798.74) Lakhs in Fiscal 2021.

Loss for the year

As a result of the foregoing factors, our loss for the year decreased by 92.43% to ₹ (563.21) Lakhs in Fiscal 2022 from a loss of ₹ (7,449.42) Lakhs in Fiscal 2021.

Comparison of Consolidated Financial Results of Operations of Fiscal 2021 with Fiscal 2020

Total income

Our total income decreased by 82.56% to ₹1,281.52 Lakhs in Fiscal 2021 from ₹7,347.76 Lakhs in Fiscal 2020 primarily due to a decrease in our revenue from operations during this period.

Revenue from operations: Our revenue from operations decreased by 80.56% to ₹1,258.33 Lakhs in Fiscal 2021 from ₹6,472.44 Lakhs in Fiscal 2020, which was primarily due to a decrease in sales of our product by 81.73% to ₹1,168.98 Lakhs in Fiscal 2021 from ₹6,398.02 Lakhs in Fiscal 2020; (ii) an increase in the sale of services by 9.24% to ₹81.30 Lakhs in Fiscal 2021 from ₹74.42 Lakhs in Fiscal 2020.

The decrease in our revenues from sale of stainless-steel products was primarily a result of a combination of factors such as a reduction in production in Fiscal 2021 as compared to Fiscal 2020 due to the Covid-19 pandemic and the demand of products the in the export market reduced due to the imposition of 15% export duty by Government of India.

The following table shows bifurcation of revenue from domestic & Exports. Please provide bifurcation of the details mentioned below

(₹ in Lakhs)

Particulars	Fiscal 2021*	Fiscal 2020*	Change
Domestic	860.20	5037.73	82.92%
Exports	390.08	1406.20	72.26%
Total	1250.28	6443.93	80.60%

*It excludes other operating Income.

Other income: Our other income decreased by 97.35% to ₹23.19 Lakhs in Fiscal 2021 (which accounted for 1.81% of our total income in that year) from ₹875.32 Lakhs in Fiscal 2020 (which accounted for 38.18% of our total income in that year), primarily due to decrease in Foreign Exchange Fluctuation in Fiscal 2021.

Expenses

Total expenses

Our total expenses increased by 17.99% to ₹10,517.40 Lakhs in Fiscal 2021 (which accounted for 820.70% of our total income in that year) from ₹8,913.64 Lakhs in Fiscal 2020 (which accounted for 388.84% of our total income in that year), primarily as a result of an increase in the cost of other expenses namely impairment loss recognized under expected credit model in respect of trade receivables.

Cost of materials consumed

Our cost of raw materials and components consumed decreased by 71.89% to ₹1,502.76 Lakhs in Fiscal 2021 from ₹5,345.58 Lakhs in Fiscal 2020 commensurate with the decrease in our revenue from sale of products.

Our cost of raw materials, components consumed and services rendered accounted for 117.26% of our revenue from operations in Fiscal 2021, compared to 233.19% in Fiscal 2020.

Change in inventories of finished goods, stock-in-process & stock in trade;

Our opening stock of inventory of finished goods, stock-in-process was ₹1355.70 Lakhs as at March 31, 2021, while it was ₹1911.29 Lakhs as at March 31, 2020. Our closing stock of inventory of finished goods, semi-finished goods and work-in-progress was ₹525 Lakhs as at March 31, 2021, while it was ₹1355.70 Lakhs as at March 31, 2020.

The increase in changes in inventories to ₹830.70 Lakhs in Fiscal 2021 from ₹555.59 Lakhs in Fiscal 2020.

Employee benefits expense

Our employee benefits expense decreased by 52.86% to ₹216.31 Lakhs in Fiscal 2021 from ₹458.91 Lakhs in Fiscal 2020, primarily as a result of a decrease in the salaries & wages from ₹211.86 Lakhs in Fiscal 2021 from ₹447.13 Lakhs in Fiscal 2020. Our employee benefits expense accounted for: 16.88% of our total income in Fiscal 2021, compared to 20.02% in Fiscal 2020.

Finance costs

Our finance costs increased by 3.52% to ₹617.33 Lakhs in Fiscal 2021 from ₹596.33 Lakhs in Fiscal 2020 primarily as a result of an increase of interest expenses on Financial Liabilities Carried at Amortized Cost. Our finance cost accounted for 48.17% of our total income in Fiscal 2021, compared to 26.01% in Fiscal 2020.

Depreciation and amortization expenses

Depreciation and amortization expenses during this period decreased by 17.96% to ₹454.46 Lakhs in Fiscal 2021 from ₹553.95 Lakhs in Fiscal 2020 as the company provides depreciation charges on reducing balances. Our depreciation and amortization expense accounted for 35.46% of our total income in Fiscal 2021, compared to 24.16% in Fiscal 2020.

Other expenses

Our other expenses increased by 391.41% to ₹6,895.84 Lakhs in Fiscal 2021 from ₹1,403.28 Lakhs in Fiscal 2020. Our other expenses accounted for 538.10% of our total income in Fiscal 2021, compared to 61.21% in Fiscal 2020.

The increase in our other expenses was primarily attributable to an increase in our establishment expenses i.e. Impairment Loss recognized / (reversed) under the Expected Credit Loss Model in respect of Trade Receivables by 4702.78% to ₹6,555.80 Lakhs in Fiscal 2021 from ₹136.50 Lakhs in Fiscal 2020, which were offset in by our manufacturing expenses by 69.60% to ₹718.87 Lakhs in Fiscal 2021 from ₹314.05 Lakhs in Fiscal 2020,

Loss before exception items and tax

As a result of the foregoing factors, our loss before exceptional items and tax decreased by 489.82% to ₹(9235.88) Lakhs in Fiscal 2021 from ₹(1565.88) Lakhs in Fiscal 2020 which, as a percentage of our total income, increased to 720.70% in Fiscal 2021 from 68.31% in Fiscal 2020.

Taxation

Our total tax expense decreased by 804.57% to ₹ (1,798.74) Lakhs in Fiscal 2022 from ₹(198.85) Lakhs in Fiscal 2021. The decrease in total tax expense was a result of an increase in deferred tax by 802.17% to ₹(1798.74) Lakhs in Fiscal 2021 from ₹ (199.38) Lakhs in Fiscal 2020.

Loss for the year

As a result of the foregoing factors, our loss for the year increased by 444.21% to ₹ 7449.42 Lakhs in Fiscal 2021 from a loss of ₹1368.86 Lakhs in Fiscal 2020.

Statutory Auditors' Qualifications or Observations

There are qualifications by the Statutory Auditors in the auditors' report on the Audited Consolidated Financial Statements. The auditors' report on our Audited Consolidated issued qualified opinions on following points:

1. In respect of Inventories, during the reporting period, the management has not undertaken physical verification of Inventories at periodic intervals and has not obtained any technical /market/commercial evaluation for the inventories. Hence, we are unable to comment on the realizable value of the same, which may be lower than the amount at which it has been reflected in the balance sheet. The Company has not maintained adequate inventory records at the factory. No provision has been made on diminution in the value of old and slow-moving inventory. The impact of the above remarks, presently not ascertainable and, therefore, cannot be commented upon.
2. In respect of Trade Receivables amounting to ₹ 8,430.29 Lakhs, we have not received balance confirmations from the debtors. The reliability of these amounts is doubtful and company has not made any provision for Bad and Doubtful debts in respect of these receivables, other than specified in Note no. 11. In our opinion, the provision made is inadequate and the impact on loss and carrying value of trade receivables could not be ascertained.
3. In respect of Property, Plant & Equipment as per Note 6 to the Standalone financial statements, physical inspection was not conducted by any technical personnel and the fair value report of gross fixed assets of ₹ 5,825 lakhs for Tangible Assets as at March 31, 2022 is not available. The said assets are not tested for impairment and hence no provision for impairment has been made. In absence of any alternative corroborative evidence, we are unable to comment on the recoverability of the same.

Material uncertainty related to Going Concern

We draw attention to Notes to the Standalone financial statements regarding preparation of the Standalone financial statements of the Company on a going concern. The Company has incurred operational losses and the net worth of the Company has been fully eroded. The Company has incurred net loss (before exceptional items) of ₹ 1,086.21 Lakhs during the year ended 31st March, 2022. These conditions, along with the outcome of other matters as set forth in Note 16, indicate existence of material uncertainty, which cast significant doubts about the Company's ability to continue as a going concern and consequently, the ability of the Company to realize its assets and discharge its liabilities in the normal course of business. The management has prepared the financial statements on a going concern basis, as they are reasonably certain that the Company will be able to successfully meet the production targets and raise additional capital. Hence, no adjustments have been made to the carrying value of assets and liabilities and their presentation / classification in the Balance Sheet. The ultimate outcome of these matters at present is not ascertainable. Accordingly, we are unable to comment on the consequential impact, if any, on the accompanying Standalone financial statement.

Material uncertainty related to Going Concern

We draw attention to Note 16 to the consolidated financial statements regarding preparation of the consolidated financial statements of the Group on a going concern. The Group had incurred operational losses during the previous years and has continued to incur losses during the current year. The net worth of the Group has been fully eroded. The Group has incurred net loss (before exceptional items) of ₹ 1,086.21 Lakhs during the year ended 31st March, 2022. These conditions, along with the outcome of other matters as set forth in Note 16, indicate existence of material uncertainty, which cast significant doubts about the group's ability to continue as a going concern and

consequently, the ability of the Group to realise its assets and discharge its liabilities in the normal course of business. The management has prepared the financial statements on a going concern basis, as they are reasonably certain that the group will be able to successfully meet the production targets and raise additional capital. Hence, no adjustments have been made to the carrying value of assets and liabilities and their presentation / classification in the Balance Sheet.

Going Concern

Further to the steps mentioned above, the Company has also taken various steps to reduce cost & improve efficiencies to make its operations profitable. The Company has started production of Induction Furnace from July, 2022 on a regular basis and additional funds so raised will be used to finance the working capital needs of the company along with repayment of existing term liabilities. The company is also confident that for the debts outstanding with OTS Omkara ARC will happen soon. The company has prepared the financial statements on going concern basis and therefore no adjustments have been made to the carrying values or classification of assets and liabilities.

Related party transactions

We have engaged in the past, and may engage in the future, in transactions with related parties, including our affiliates. Such transactions are for, among others, provision of loans, lease of premises, sale and purchase of goods and services, provision of professional services, managerial remuneration, contributions to various funds and provision of performance guarantees.

Material Developments

Except as set forth in the sections titled “***Risk Factors***” on page 24 of this Letter of Offer, to our knowledge, no circumstances have arisen since the date of the last audited financial statements as disclosed in this Letter of Offer which materially or adversely affect or are likely to affect, within the next 12 months, our operations or profitability, or the value of our assets or our ability to pay our liabilities.

INFORMATION REQUIRED AS PER ITEM SCHEDULE VI TO THE SEBI ICDR REGULATIONS:

1. Unusual or infrequent events or transactions: There have been no such events or transactions that, to our knowledge, may be described as “unusual” or “infrequent”.
2. Significant economic changes: Our Company’s operations are dependent on the general economic conditions and any changes in economic conditions may have an adverse impact on the entire industry and consequently on our operations.
3. Known trends or uncertainties: Except breakdown of Machineries during March 2022 till June 2022, as described in “***Risk Factors***” and “***Management Discussion and Analysis of Financial Condition and Results of Operations***” in this Letter of Offer, our Company believes there are no known trends or uncertainties that are expected to have a material adverse impact on our revenues or income from continuing operations.
4. The extent to increase in net sales or revenues are due to sales.
5. New Services or business segments: Other than as described in “***Our Business***” in this Letter of Offer, our Company is not planning to introduce any new products or business segments.
6. Business segment in which our Company operates: Manufacturing of Steel Products.
7. Seasonality of business: Our business & level of operations are not seasonal in nature. Our business depends upon the market condition.
8. Dependence on single or few clients: Our Company is largely dependent on few customers, as the top ten customers constitutes around 77.29%, 88.31% and 85.51% of the total revenue from operations for the Fiscal 2022, Fiscal 2021 and Fiscal 2020. Our Company is largely dependent on certain suppliers, as the top ten suppliers of our Company constitutes around 64.39%, 66.69% and 57.79% of the total purchases for the Fiscal 2022, Fiscal 2021 and Fiscal 2020 respectively.

9. Competitive conditions: For details of competition please refer to section “***Our Business***” on page 81 of this Letter of Offer.
10. Total turnover of Company through sale of long Stainless Steel Products services for the last three years are as stated below:

(₹ in Lakhs)

September 30, 2022 (Unaudited)	Fiscal 2022	Fiscal 2021	Fiscal 2020
381.24	2003.99	1258.33	6472.43

MARKET PRICE INFORMATION

Our Company's Equity Shares have been listed and actively being traded on BSE and NSE from October 27, 2010. The Rights Equity Shares will be listed on BSE and NSE pursuant to the Issue. For further details, see section titled "**Terms of the Issue**" on page 204 of this Letter of Offer.

We have received in-principle approvals for listing of the Rights Equity Shares on the Stock Exchanges to be issued pursuant to the Issue from the BSE and NSE dated December 5, 2022, respectively. Our Company will also make applications to BSE and NSE to obtain the listing and trading approvals from the Stock Exchanges for the Rights Entitlements as required under the SEBI Rights Issue Circular.

For the purpose of this section, unless otherwise specified:

1. Year is a Financial Year;
2. Average price is the average of the daily closing prices of our Equity Shares for the year, or the month, as the case may be;
3. High price is the maximum of the daily high prices and low price is the minimum of the daily low prices of our Equity Shares, for the year, the month, or the week, as the case may be; and
4. In case of 2 days with the same high / low / closing price, the date with higher volume has been considered.

Stock Market Data of the Equity Shares

The high, low and average market closing prices recorded on the Stock Exchanges during the last three years and the number of Equity Shares traded on these days are stated below:

a) BSE Limited

Fiscal	High (₹)	Date of High	Volume on date of high (No. of Equity Shares)	Total Volume on date of high (₹)	Low (₹)	Date of low	Volume on date of low (No. of Equity Shares)	Total Volume on date of low (₹)	Average market price (₹)
2022	8.59	January 12, 2022	11,38,595	91,05,748	1.9	April 01, 2021	27,262	52802	3.24
2021	3.9	September 21, 2020	38,978	1,47,979	1.16	April 09, 2020	900	1044	2.71
2020	5.49	April 08, 2019	610	2,989	1.25	March 31, 2020	147	183	2.95

(Source: www.bseindia.com)

b) National Stock Exchange of India Limited

Fiscal	High (₹)	Date of High	Volume on date of high (No. of Equity Shares)	Total Volume on date of high (₹)	Low (₹)	Date of low	Volume on date of low (No. of Equity Shares)	Total Volume on date of low (₹)	Average market price (₹)
2022	6.00	January 03, 2022	1,52,082	912,492.00	1.9	April 08, 2021	1,25,760	258,456.25	2.68
2021	3.8	September 21, 2020	1,00,173	369,004.30	1.1	April 08, 2020	32,128	36,322.00	2.50
2020	5.2	April 05, 2019	11,117	56,053.05	1.15	March 27, 2020	48,747	58,156.80	2.83

(Source: www.nseindia.com)

Notes:

High, low and average prices are based on the daily closing prices.

In case of two days with the same high or low price, the date with the high volume has been considered.

Market Prices for the last six calendar months

a. BSE Limited

The total number of Equity Shares traded on the BSE during the last 6 months from June 2022 to November 2022 was 1,47,95,418 Equity Shares for 125 trading days. The average volume of Equity Shares traded on the BSE during the last 6 months was 118363.44 Equity Shares per day.

The high and low prices and volume of Equity Shares traded on the respective date on the BSE during the last 6 months preceding the date of filing of this Letter of Offer are as follows:

Month	High (₹)*	Date of High	Volume on date of high (No. of Equity Shares)	Total Volume on date of high (₹)	Low (₹)*	Date of low	Volume on date of low (No. of Equity Shares)	Total Volume on date of low (₹)	Average market price (₹)**
November 2022	2.90	November 16, 2022	1,06,849	2,95,594	2.30	November 11, 2022	2,08,875	5,66,868	2.67
October 2022	3.40	October 10, 2022	1,39,929	3,90,087	2.5	October 28, 2022	76,056	1,93,351	2.74
September, 2022	3.06	September 07, 2022	45,876	137330	2.74	September 29, 2022	1,85,178	5,31,623	2.88
August, 2022	3.50	August 11, 2022	5,05,517	1717237	2.85	August 26, 2022	3,06,690	8,80,250	3.08
July, 2022	3.43	July 18, 2022	7,657	24865	2.96	July 28, 2022	45,623	1,37,735	3.14
June, 2022	4.21	June 06, 2022	3,81,212	1544202	2.84	June 22, 2022	80,448	2,34,579	3.37

(Source: www.bseindia.com)

* High and low prices are based on the high and low of the daily closing prices.

**Average of the daily closing prices.

b. National Stock Exchange of India Limited

The total number of days trading during the past six months, from June 2022 to November 2022 was 4,30,62,640 Equity Shares 125 trading days. The average volume of Equity Shares traded on the NSE was 344501.10 per day.

The high and low prices and volume of Equity Shares traded on the respective date on the NSE during the last six months preceding the date of filing of this Letter of Offer are as follows:

Month	High (₹)*	Date of High	Volume on date of high (No. of Equity Shares)	Total Volume on date of high (₹)	Low (₹)*	Date of low	Volume on date of low (No. of Equity Shares)	Total Volume on date of low (₹)	Average market price (₹)**
November 2022	2.95	November 10, 2022	3,08,282	8,52,289.30	2.45	November 4, 2022	6,15,902	15,49,392.25	2.69

Month	High (₹)*	Date of High	Volume on date of high (No. of Equity Shares)	Total Volume on date of high (₹)	Low (₹)*	Date of low	Volume on date of low (No. of Equity Shares)	Total Volume on date of low (₹)	Average market price (₹)**
October 2022	3.40	October 10, 2022	1,39,929	3,90,087	2.5	October 28, 2022	76056	1,93,351	2.74
September 2022	3.05	September 22, 2022	745,325	2,180,934.90	2.7	September 28, 2022	502862	1,409,606.40	2.86
August 2022	3.50	August 11, 2022	150684	504,174.95	2.85	August 26, 2022	342158	991,921.05	3.06
July 2022	3.40	July 18, 2022	221587	730,381.90	2.95	July 26, 2022	194989	594,043.90	3.13
June 2022	4.10	June 06, 2022	560435	2,235,094.75	2.8	June 22, 2022	397797	1,156,296.65	3.37

(Source: www.nseindia.com)

* High and low prices are based on the high and low of the daily closing prices.

**Average of the daily closing prices.

In the event the high or low or closing price of the Equity Shares are the same on more than one day, the day on which there has been higher volume of trading has been considered for the purposes of this chapter.

The Board of our Company has approved the Issue at their meeting held on September 28, 2022 read with resolution passed by our Board on August 12, 2021. The high and low prices of our Company's shares as quoted on the BSE and NSE on September 29, 2022, and on August 13, 2021 the day on which the trading happened immediately following the date of the Board meeting is as follows:

Date	Closing Price (BSE)	Closing Price (NSE)
September 29, 2022	2.89	2.85
August 13, 2021	3.12	3.1

Source: www.nseindia.com and www.bseindia.com

SECTION VI – LEGAL AND OTHER INFORMATION
OUTSTANDING LITIGATION AND DEFAULTS

*Except as disclosed in this section, there is no outstanding (i) criminal proceeding; (ii) action taken by regulatory or statutory authorities; (iii) claim related to direct and indirect taxes; and (iv) other pending litigation as determined to be material pursuant to the Materiality Policy in each case involving our Company, our Directors, and our Promoters ("**Relevant Parties**").*

Pursuant to the SEBI ICDR Regulations and the Materiality Policy adopted by our Board of Directors on September 28, 2022, for the purposes of disclosure, any pending litigation involving the Relevant Parties, other than criminal proceedings, actions by regulatory authorities and statutory authorities, including outstanding action, and tax matters, would be considered 'material' where:

- (i) the monetary amount of the claim made by or against the Company, its Promoters and its Directors in any such pending litigation is equal to or in excess of 10% of the consolidated revenue of the Company as per the last restated financial statements of the Company for a complete financial year, as included in the Issue Documents; or*
- (ii) where the decision in one case is likely to affect the decision in similar cases, even though the amount involved in an individual litigation does not exceed the amount determined as per clause (i) above, and the amount involved in all of such cases taken together exceeds the amount determined as per clause (i) above; and*
- (iii) any such litigation which does not meet the criteria set out in (i) above and an adverse outcome in which would materially and adversely affect the operations or financial position of the Company.*

It is clarified that pre-litigation notices (other than those issued by governmental, statutory or regulatory authorities) received by our Company, our Directors shall not be considered as litigation until such time that any of our Company, our Directors, as the case may be, is made a party to proceedings initiated before any court, tribunal or governmental authority or any judicial authority, or is notified by any governmental, statutory or regulatory authority of any such proceeding that may be commenced.

All terms defined in a particular litigation disclosure pertain to that litigation only.

I. Litigation involving our Company

A. Litigation filed against our Company

1. Criminal proceedings

*i. **Shri Vimpal Tewary, Asstt. Commissioner of Income Tax, Circle 2(1)(1), Ahmedabad vs. M/s Gyscoal Alloys Limited and Ors. – CC/43351/2017 and CC/43361/2017***

Shri Vimpal Tewary, Asstt. Commissioner of Income Tax, Circle 2(1)(1), Ahmedabad (the "**Department**") filed criminal cases bearing number 43351 of 2017 and 43361 of 2017 under section 276CC read with section 278B of the Income Tax Act, 1961 ("**Act**") before the Hon'ble Court of Additional Chief Metropolitan Magistrate at Ahmedabad.

Our Company filed its income tax return for the Assessment Year 2010-2011 on August 30, 2011, and for the Assessment Year 2012-2013 on December 21, 2013, in accordance with the with the provisions of section 139(4) of the Act declaring total income at ₹3,70,73,867 and ₹78,83,943, respectively ("**Impugned Returns**"). The Impugned Returns were processed under section 143(1) of the Act. Subsequently, the case was selected for scrutiny whereby the Department which was of the view that the Impugned Returns were filed beyond the due date and hence, filed these criminal cases.

Our Company filed a criminal miscellaneous applications bearing numbers 17872 of 2018 and 17891 of 2018 before the Hon'ble High Court of Gujarat at Ahmedabad for the quashing of the criminal cases. Our Company in its miscellaneous applications laid down certain facts that transpired prior to the Department's filing of the criminal cases. The Department, for our Impugned Returns for the Assessment Year 2010-2011, vide their order dated March 26, 2013, passed under section 143(3) of the Act, determined the Company's income as ₹137,073,770 by an addition of ₹99,999,900. Our Company then preferred an appeal to the Commissioner of Income Tax (Appeals) ("CIT") and the said addition of ₹99,999,900 was deleted vide their order dated October 24, 2013. The Department then proceeded to challenge the order passed by the CIT before the Income Tax Appellate Tribunal ("ITAT"). ITAT vide its order dated April 6, 2018, upheld the order passed by CIT.

Furthermore, the Department, for our Impugned Returns for the Assessment Year 2012-2013, vide their order dated March 3, 2015, determined the Company's income as more than what our Company had furnished by a certain addition. Our Company then preferred an appeal to the CIT which granted substantial relief to our Company. However, our Company as well as the Department preferred a further appeal bearing number ITA/84/Ahd/2016 before the ITAT which is pending.

The Hon'ble High Court of Gujarat at Ahmedabad has imposed a stay on the criminal cases bearing number 43351 of 2017 and 43361 of 2017 while the miscellaneous applications bearing numbers 17872 of 2018 and 17891 of 2018 is pending.

ii. *Shri B. P. Shrivastava, Asstt. Commissioner of Income Tax, Circle 2(1)(1), Ahmedabad vs. M/s Gyscoal Alloys Limited and Ors. – CC/57/2015*

Shri B. P. Shrivastava, Asstt. Commissioner of Income Tax, Circle 2(1)(1), Ahmedabad (the "ACIT") filed a criminal case bearing number 57 of 2015 under section 276CC read with section 278B of the Income Tax Act, 1961 ("Act") before the Hon'ble Court of Additional Chief Metropolitan Magistrate at Ahmedabad.

Our Company filed its income tax return for the Assessment Year 2011-2012 on July 26, 2013, declaring total income at ₹10,095,670 ("Return"). Subsequently, the case was selected for scrutiny whereby the ACIT which was of the view that the Return were filed beyond the due date and hence, filed this criminal case.

Our Company filed a criminal miscellaneous applications bearing number 17883 of 2018 before the Hon'ble High Court of Gujarat at Ahmedabad for the quashing of the criminal case. Our Company in its miscellaneous application laid down certain facts that transpired prior to the Department's filing of the criminal cases. The Department issued a show cause notice dated February 17, 2014, under section 276CC of the Act for late filing of Return. Our Company replied to the show cause notice via letter dated March 6, 2014, stating that our Company was facing acute financial constraints during the period under consideration and hence, Return could not be filed within the prescribed time limit.

The Hon'ble High Court of Gujarat at Ahmedabad has imposed a stay on this criminal case bearing number 57 of 2015 while the miscellaneous applications bearing number 17883 of 2018 is pending.

iii. *Cases under section 138 of the Negotiable Instruments Act, 1881*

Our Company is involved in several cases pending before various forums, wherein complaints have been against our Company under section 138 of the Negotiable Instruments Act, 1881 in relation to default in payment by third parties for claims approximating to ₹10,22,14,052 are outstanding. Some of the pending matters have been settled between the Company and the complainants and the complainants are in the process of withdrawing their complaints pertaining to such cases.

2. *Outstanding actions by regulatory and statutory authorities*

Nil

3. Civil proceedings

i. *The Deputy Commissioner of Income Tax, Circle-2(1)(1), Ahmedabad vs. M/s. Gyscoal Alloys Limited – Appeal number 3670/Ahd/2015*

The Deputy Commissioner of Income Tax, Circle-2(1)(1), Ahmedabad filed an appeal under section 250 of the Income Tax Act, 1961 ("Act") before the Hon'ble Income Tax Appellate Tribunal, Gujarat against the order dated March 3, 2015, passed by the Hon'ble Commissioner Income Tax (Appeals) for deleting the disallowance made under section 14A read with Rule 8D of the Act amounting to ₹46,98,601 and ₹93,15,446 under section 36(1)(iii) of the Act. The matter is presently pending.

For details pertaining to this litigation, please see "***Outstanding Litigation and Defaults – Litigation Filed against our Company – Criminal Proceedings – Shri Vimpal Tewary, Asstt. Commissioner of Income Tax, Circle 2(1)(1), Ahmedabad vs. M/s Gyscoal Alloys Limited and Ors. – CC/43351/2017 and CC/43361/2017***" of this chapter beginning on page 191 of this Letter of Offer.

B. *Litigation filed by our Company*

1. Criminal proceedings

i. *M/s Gyscoal Alloys Limited and Ors. Vs. The State of Gujarat and Ors. – Criminal Miscellaneous Application 17872 of 2018 and 17891 of 2018*

Our Company filed a Criminal Miscellaneous Application bearing number 17872 of 2018 and 17891 of 2018 under section 482 of the Code of Criminal Procedure, 1973 before the Hon'ble High Court of Gujarat, Ahmedabad on September 14, 2018, to quash complaint registered as criminal cases bearing number 43351/ 2017 and 43361/ 2017.

For details pertaining to this litigation, please see "***Outstanding Litigation and Defaults – Litigation Filed against our Company – Criminal Proceedings – Shri Vimpal Tewary, Asstt. Commissioner of Income Tax, Circle 2(1)(1), Ahmedabad vs. M/s Gyscoal Alloys Limited and Ors. – CC/43351/2017 and CC/43361/2017***" of this chapter beginning on page 191 of this Letter of Offer.

ii. *M/s Gyscoal Alloys Limited and Ors. Vs. The State of Gujarat and Ors. – Criminal Miscellaneous Application 17883 of 2018*

Our Company filed a Criminal Miscellaneous Application bearing number 17883 of 2018 under section 482 of the Code of Criminal Procedure, 1973 before the Hon'ble High Court of Gujarat, Ahmedabad on September 14, 2018, to quash complaint registered as criminal case bearing number 57/2015 on March 26, 2015.

For details pertaining to this litigation, please see "***Outstanding Litigation and Defaults – Litigation Filed against our Company – Criminal Proceedings - Shri B. P. Shrivastava, Asstt. Commissioner of Income Tax, Circle 2(1)(1), Ahmedabad vs. M/s Gyscoal Alloys Limited and Ors. –CC/57/2015***" of this chapter beginning on page 191 of this Letter of Offer.

iii. *Cases under section 138 of the Negotiable Instruments Act, 1881*

Our Company is involved in several cases pending before various forums, wherein our Company had filed complaints under section 138 of the Negotiable Instruments Act, 1881 in relation to default in payment by third parties for claims approximating to ₹1,81,27,314. All matters are pending between the Company and third parties.

2. Civil proceedings

i. *Gyscoal Alloys Limited vs. Deputy Commissioner of Income Tax - Appeal number 84/Ahd/2016*

Our Company filed an appeal under section 250 of the Income Tax Act, 1961 ("Act") before the Hon'ble Income Tax Appellate Tribunal, Gujarat against the order dated March 3, 2015, passed by the Hon'ble Commissioner Income Tax (Appeals) for confirming the disallowance of ₹5,61,043 in respect of the Administrative and other expenditure incurred out of total disallowance made by the Assessing Officer of ₹52,59,644 under section 14A read with Rule 8D of the Act. The matter is presently pending.

For details pertaining to this litigation, please see "**Outstanding Litigation and Defaults – Litigation Filed against our Company – Criminal Proceedings - Shri Vimpal Tewary, Asstt. Commissioner of Income Tax, Circle 2(1)(1), Ahmedabad vs. M/s Gyscoal Alloys Limited and Ors. – CC/43351/2017 and CC/43361/2017**" of this chapter beginning on page 191 of this Letter of Offer.

ii. Gyscoal Alloys Limited vs. Rank Metal Company Limited and T.L.P.L. Shipping & Logistics Private Limited - Comm - C.S. No. 150/2021

Our Company has filed a commercial suit bearing number 150 of 2021 under Order XXXVII of the Code of Civil Procedure, 1908 against Rank Metal Company Limited ("RMCL") and T.L.P.L. Shipping & Logistics Private Limited ("TLPL") before the Hon'ble City Civil Court at Ahmedabad on January 4, 2021, for recovery of ₹51,35,779.

Our Company and RMCL entered into a contract whereby our Company agreed to purchase 50 MT of SS-304 Grade Turning Scrap for melting against total price of US\$ 82,500, which at the relevant point of time the conversion rate of US\$ in India was at ₹44.52. Accordingly, our Company paid a consideration for the price of the material after conversion from US\$ to ₹ which approximated to ₹36,70,696. Additionally, our Company was also required to bear the custom and excise duty of ₹6,95,565 which, together with the consideration paid, amounted to ₹44,59,529.

Upon delivery and inspection of certain amount of goods received (which were valued at ₹5,00,000), it was made clear that the materials supplied by virtue of the contract did not meeting the requirements of the specified grade SS-304. Having only received poor quality goods amounting to ₹5,00,000, our Company was entitled to recover the balance of ₹39,59,529.

Subsequently, RMCL agreed to pay ₹39,59,529 and therefore, to continue the business relationship our Company placed an order for 100MT SS-304 grade Solid Scrap for melting. Our Company paid US\$ 25,000 as advance, which at the relevant point of time the conversion rate of US\$ in India was at ₹47.05 amounting to ₹11,76,250. However, when the 100MT SS-304 grade Solid Scrap was shipped and received at the docks, our Company found out that in order to claim the shipment of the 100 MT SS-304 grade Solid Scrap, it was required to pay the consideration towards the 100 MT SS-304 grade Solid Scrap for the release of the original documents and the payment of custom duty and other charges was not possible without the original documents.

Hence, our Company has filed this commercial suit for the recovery of ₹51,35,779 along with an interest at the rate of 18% per annum. The matter is presently pending.

C. Tax proceedings

			(in ₹)
Particulars	No. of cases	Amount involved	
Direct Tax	14	1,91,50,471	
Indirect Tax	Nil	Nil	
Total	14	1,91,50,471	

**Includes outstanding direct and indirect tax for prior years*

II. Litigation involving our Directors

A. Litigation filed against our Directors

1. Criminal proceeding

Nil

2. **Civil proceedings**
Nil
3. **Outstanding actions by regulatory and statutory authorities**
Nil

B. *Litigation filed by our Directors*

1. **Criminal proceedings**
Nil
2. **Civil proceedings**
Nil

C. *Tax proceedings*

Particulars	No. of cases	Amount involved (in ₹)
Direct Tax	Nil	Nil
Indirect Tax	Nil	Nil
Total	Nil	Nil

**Includes outstanding direct and indirect tax for prior years*

III. Litigation involving our Promoter

A. *Litigation filed against our Promoter*

1. **Criminal proceedings**

- i. ***Shri Vimpal Tewary, Asstt. Commissioner of Income Tax, Circle 2(1)(1), Ahmedabad vs. M/s Gyscoal Alloys Limited and Ors. – CC/43351/2017 and CC/43361/2017***

For details pertaining to this litigation, please see "***Outstanding Litigation and Defaults – Litigation Filed against our Company – Criminal Proceedings - Shri Vimpal Tewary, Asstt. Commissioner of Income Tax, Circle 2(1)(1), Ahmedabad vs. M/s Gyscoal Alloys Limited and Ors. – CC/43351/2017 and CC/43361/2017***" of this chapter beginning on page 191 of this Letter of Offer.

- ii. ***Shri B. P. Shrivastava, Asstt. Commissioner of Income Tax, Circle 2(1)(1), Ahmedabad vs. M/s Gyscoal Alloys Limited and Ors. – CC/57/2015***

For details pertaining to this litigation, please see "***Outstanding Litigation and Defaults – Litigation Filed against our Company – Criminal Proceedings - Shri B. P. Shrivastava, Asstt. Commissioner of Income Tax, Circle 2(1)(1), Ahmedabad vs. M/s Gyscoal Alloys Limited and Ors. – CC/57/2015***" of this chapter beginning on page 191 of this Letter of Offer.

iii. ***Cases under 138 of the Negotiable Instruments Act, 1881***

Our Promoter is involved in several cases filed against our Company pending before various forums, wherein complaints have been against our Company under section 138 of the Negotiable Instruments Act, 1881 in relation to default in payment by third parties for claims approximating to ₹9,98,74,052 are outstanding. Some of the pending matters have been settled between the Company and the complainants and the complainants are in the process of withdrawing their complaints pertaining to such cases.

2. **Civil proceedings**
Nil

3. Outstanding actions by regulatory and statutory authorities

Nil

B. Litigation filed by our Promoter

1. Criminal proceedings

i. *M/s Gyscoal Alloys Limited and Ors. Vs. The State of Gujarat and Ors. – Criminal Miscellaneous Application 17872 of 2018 and 17891 of 2018*

For details pertaining to this litigation, please see "*Outstanding Litigation and Defaults – Litigation Filed against our Company – Criminal Proceedings - Shri Vimpal Tewary, Asstt. Commissioner of Income Tax, Circle 2(1)(1), Ahmedabad vs. M/s Gyscoal Alloys Limited and Ors. – CC/43351/2017 and CC/43361/2017*" of this chapter beginning on page 191 of this Letter of Offer.

ii. *M/s Gyscoal Alloys Limited and Ors. Vs. The State of Gujarat and Ors. – Criminal Miscellaneous Application 17883 of 2018*

For details pertaining to this litigation, please see "*Outstanding Litigation and Defaults – Litigation Filed against our Company – Criminal Proceedings - Shri B. P. Shrivastava, Asstt. Commissioner of Income Tax, Circle 2(1)(1), Ahmedabad vs. M/s Gyscoal Alloys Limited and Ors. –CC/57/2015*" of this chapter beginning on page 191 of this Letter of Offer.

2. Civil proceedings

i. *Viral Shah vs. Union of India and Commissioner of CGST & Central Excise, Ahmedabad - Special Civil Application no. 2541 of 2021 and 2542 of 2021*

Viral Shah has filed two special civil application bearing numbers 2541 of 2021 and 2542 of 2021 against Union of India and Commissioner of CGST & Central Excise, Ahmedabad ("**GST Department**") against the order in original bearing number AHM-EXCUS-003-COM-027-28-20-21 dated September 4, 2020 passed by the GST Department imposing a penalty of `50,00,000 under Rule 26(2) of the Central Excise Rules, 2002 along with a penalty of ₹10,00,00,000 under Rule 15(1) of Cenvat Credit Rules, 2004 for alleged wrongful availment of cenvat credit by our Company ("**Impugned Order**"). Viral Shah has contended that two show cause notices were issued by the GST Department, noticed to the Company and Viral Shah, were duly replied to. However, the GST Department, without granting a personal hearing to Viral Shah on the allegations that Viral Shah did not respond to any of the hearing notices, levied two penalties of ₹50,00,000 and ₹10,00,00,000 on Viral Shah. Viral Shah has prayed for the quashing of the Impugned Order and restraining the GST Department from initiating recovery proceedings. The matter is presently pending.

C. Tax proceedings

(in ₹)

Particulars	No. of cases	Amount involved
Direct Tax	3	6,60,895
Indirect Tax	Nil	Nil
Total	3	6,60,895

**Includes outstanding direct and indirect tax for prior years*

IV. Disclosures Pertaining to Wilful Defaulters or a Fraudulent Borrower

Neither our Company, nor our Promoters and Directors have been categorized or identified as wilful defaulters or fraudulent borrower by any bank or financial institution or consortium thereof, in accordance with the guidelines on wilful defaulters or fraudulent borrower issued by the Reserve Bank of India. There are no violations of securities laws committed by them in the past or are currently pending against any of them.

GOVERNMENT AND OTHER APPROVALS

Our Company has obtained necessary consents, licenses, permissions and approvals from governmental and regulatory authorities that are material for carrying on our present business activities. Some of the approvals and licenses that our Company requires for our business operations may expire in the ordinary course of business, and our Company will apply for their renewal from time to time.

We have made applications to obtain Environmental Clearance and renew our CCA from the Gujarat Pollution Control Board which are pending as on the date of this Letter of Offer. For further details, please refer to & ***“Risk Factors – We are required to obtain and maintain certain governmental and regulatory licenses and permits and the failure to obtain and maintain such licenses and permits in a timely manner, or at all, may adversely affect our business and operations”*** beginning on page 24 of this Letter of Offer.

We are not required to obtain any licenses or approvals from any governmental and regulatory authorities in relation to the objects of this Issue. For further details, please refer to ***“Objects of the Issue”*** beginning on page 61 of this Letter of Offer.

OTHER REGULATORY AND STATUTORY APPROVALS

Authority for the Issue

The Board, pursuant to its resolution dated September 28, 2022 August 12, 2021 and Rights Issue Committee pursuant to its resolution dated November 17, 2022 authorised the Issue under Section 62(1)(a) of the Companies Act, 2013.

Our Board/Rights Issue Committee, in its meeting held on December 09, 2022 has resolved to issue the Equity Shares on rights basis to the Eligible Equity Shareholders, at ₹2.75 per Equity Share (including a premium of ₹1.75 per Equity Share) aggregating up to ₹4787.84 Lakhs. The Issue Price is ₹2.75 per Equity Share and has been arrived at by our Company in consultation with the Advisor to the Issue prior to determination of the Record Date.

Our Company has received in-principle approvals from BSE and NSE in accordance with Regulation 28(1) of the SEBI Listing Regulations for listing of the Equity Shares to be allotted in this Issue pursuant to their respective letters each dated December 05, 2022 and December 05, 2022, respectively. Our Company will also make applications to BSE and NSE to obtain their trading approvals for the Rights Entitlements as required under the SEBI Rights Issue Circulars.

Our Company has been allotted the ISIN INE482J20013 for the Rights Entitlements to be credited to the respective demat accounts of the Equity Shareholders of our Company. For details, see section titled "*Terms of the Issue*" beginning on page 204 of this Letter of Offer.

Prohibition by SEBI or other Governmental Authorities

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

Further, our Promoter and our Directors are not Promoter or director of any other company which is debarred from accessing or operating in the capital markets or restrained from buying, selling or dealing in securities under any order or direction passed by SEBI. None our Directors or Promoter is associated with the securities market in any manner. Further, there is no outstanding action initiated against any of our Directors or Promoters by SEBI in the five years preceding the date of filing of this Letter of Offer.

Neither our Promoter nor our Directors have been declared as fugitive economic offender under Section 12 of Fugitive Economic Offenders Act, 2018 (17 of 2018).

Prohibition by RBI

Neither our Company, nor our Promoter, and Directors have been categorized or identified as wilful defaulters or fraudulent borrowers by any bank or financial institution or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India. There are no violations of securities laws committed by them in the past or are currently pending against any of them.

Compliance with Companies (Significant Beneficial Ownership) Rules, 2018

Our Company, our Promoter and the members of our Promoter Group are in compliance with the Companies (Significant Beneficial Ownership) Rules, 2018.

Eligibility for the Issue

Our Company is a listed company, incorporated under Companies Act, 1956. The Equity Shares of our Company are presently listed on BSE and NSE. We are eligible to undertake the Issue in terms of Chapter III of the SEBI ICDR Regulations. Pursuant to Clause 3(b) of Part B of Schedule VI to the SEBI ICDR Regulations, our Company is required to make disclosures in accordance with Part B-1 of Schedule VI to the SEBI ICDR Regulations.

Compliance with Regulations 61 and 62 of the SEBI ICDR Regulations

Our Company is in compliance with the conditions specified in Regulations 61 and 62 of the SEBI ICDR Regulations, to the extent applicable. Further, in relation to compliance with Regulation 62(1)(a) of the SEBI

ICDR Regulations, our Company undertakes to make an application to the Stock Exchanges for listing of the Rights Equity Shares to be issued pursuant to the Issue. BSE is the Designated Stock Exchange for the Issue.

DISCLAIMER CLAUSE OF SEBI

This Letter of Offer has not been filed with SEBI in terms of SEBI ICDR Regulations as the size of issue is not exceeding Rs. 5,000.00 Lakhs.

As required, a copy of the Letter of Offer will be submitted to SEBI.

DISCLAIMER CLAUSES FROM OUR COMPANY AND THE LEAD MANAGER

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

Investors who invest in this Issue will be deemed to have represented by our Company and their respective directors, officers, agents, affiliates and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our Company and are relying on independent advice / evaluation as to their ability and quantum of investment in this Issue.

CAUTION

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

No dealer, salesperson or other person is authorized to give any information or to represent anything not contained in this Letter of Offer. You must not rely on any unauthorized information or representations. This Letter of Offer is an offer to sell only the Rights Equity Shares and rights to purchase the Rights Equity Shares offered hereby, but only under circumstances and in jurisdictions where it is lawful to do so. The information contained in this Letter of Offer is current only as of its date.

Our Company, the Lead Manager and its directors, officers, agents, affiliates and representatives accept no responsibility or liability for advising any Applicant on whether such Applicant is eligible to acquire any Rights Equity Shares. The Lead Manager and their respective affiliates may engage in transactions with and perform services for our Company or affiliates in the ordinary course of business and have engaged, or may in the future engage, in transactions with our Company or affiliates, for which they have received and may in the future receive, compensation.

DISCLAIMER IN RESPECT OF JURISDICTION

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

DESIGNATED STOCK EXCHANGE

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

DISCLAIMER CLAUSE OF THE BSE

“BSE Limited (“the Exchange”) has given vide its letter dated December 05, 2022, permission to this Company to use the Exchange’s name in this Letter of Offer as the stock exchange on which this Company’s securities are proposed to be listed. The Exchange has scrutinized this letter of offer for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Company. The Exchange does not in any manner:

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

and it should not for any reason be deemed or construed that this letter of offer has been cleared or approved by

the Exchange. Every person who desires to apply for or otherwise acquires any securities of this Company may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Exchange whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription/acquisition whether by reason of anything stated or omitted to be stated herein or for any other reason whatsoever”.

DISCLAIMER CLAUSE OF NSE

As required, a copy of this letter of offer has been submitted to National Stock Exchange of India Limited (hereinafter referred to as NSE). NSE has given vide its letter Ref. No. NSE/LIST/33377 dated December 05, 2022 permission to the Issuer to use the Exchange’s name in this letter of offer as one of the stock exchanges on which this Issuer’s securities are proposed to be listed. The Exchange has scrutinized this letter of offer for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Issuer.

It is to be distinctly understood that the aforesaid permission given by NSE should not in any way be deemed or construed that the letter of offer has been cleared or approved by NSE; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this letter of offer; nor does it warrant that this Issuer’s securities will be listed or will continue to be listed on the Exchange; nor does it take any responsibility for the financial or other soundness of this Issuer, its promoters, its management or any scheme or project of this Issuer.

Every person who desires to apply for or otherwise acquire any securities of this Issuer may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Exchange whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription /acquisition whether by reason of anything stated or omitted to be stated herein or any other reason whatsoever.”

LISTING

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

SELLING RESTRICTIONS

This Letter of Offer is solely for the use of the person who has received it from our Company or from the Registrar. This Letter of Offer is not to be reproduced or distributed to any other person.

The distribution of this Letter of Offer, Abridged Letter of Offer, Application Form, the Rights Entitlement Letter and the issue of Rights Entitlements and Equity Shares on a rights basis to persons in certain jurisdictions outside India is restricted by legal requirements prevailing in those jurisdictions. Persons into whose possession this Letter of Offer, Abridged Letter of Offer, Application Form and the Rights Entitlement Letter may come are required to inform themselves about and observe such restrictions. Our Company is making this Issue on a rights basis to the Eligible Equity Shareholders of our Company and will dispatch the Letter of Offer, Letter of Offer, Abridged Letter of Offer Application Form and the Rights Entitlement Letter only to Eligible Equity Shareholders who have provided an Indian address to our Company.

No action has been or will be taken to permit the Issue in any jurisdiction, or the possession, circulation, or distribution of the Letter of Offer, this Letter of Offer, Abridged Letter of Offer or any other material relating to our Company, the Equity Shares or Rights Entitlement in any jurisdiction, where action would be required for that purpose, except that this Letter of Offer has been filed with SEBI and the Stock Exchanges.

Accordingly, the Rights Entitlement or Equity Shares may not be offered or sold, directly or indirectly, and this Letter of Offer or any offering materials or advertisements in connection with the Issue or Rights Entitlement may not be distributed or published in any jurisdiction, except in accordance with legal requirements applicable in such jurisdiction. Receipt of this Letter of Offer will not constitute an offer in those jurisdictions in which it would be illegal to make such an offer.

This Letter of Offer and its accompanying documents are being supplied to you solely for your information and may not be reproduced, redistributed or passed on, directly or indirectly, to any other person or published, in whole or in part, for any purpose. If this Letter of Offer is received by any person in any jurisdiction where to do so would

or might contravene local securities laws or regulation, or by their agent or nominee, they must not seek to subscribe to the Equity Shares or the Rights Entitlement referred to in this Letter of Offer. Investors are advised to consult their legal counsel prior to applying for the Rights Entitlement and Equity Shares or accepting any provisional allotment of Equity Shares, or making any offer, sale, resale, pledge or other transfer of the Equity Shares or Rights Entitlement.

Neither the delivery of this Letter of Offer nor any sale hereunder, shall under any circumstances create any implication that there has been no change in our Company's affairs from the date hereof or the date of such information or that the information contained herein is correct as of any time subsequent to this date or the date of such information. Each person who exercises Rights Entitlements and subscribes for Equity Shares, or who purchases Rights Entitlements or Equity Shares shall do so in accordance with the restrictions set out below.

NO OFFER IN THE UNITED STATES

THE RIGHTS ENTITLEMENTS AND THE EQUITY SHARES HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR ANY U.S. STATE SECURITIES LAWS AND MAY NOT BE OFFERED, SOLD, RESOLD OR OTHERWISE TRANSFERRED WITHIN THE UNITED STATES, EXCEPT IN A TRANSACTION EXEMPT FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT. THE RIGHTS ENTITLEMENTS AND EQUITY SHARES REFERRED TO IN THE LETTER OF OFFER ARE BEING OFFERED IN INDIA, BUT NOT IN THE UNITED STATES. THE OFFERING TO WHICH THE LETTER OF OFFER RELATES IS NOT, AND UNDER NO CIRCUMSTANCES IS TO BE CONSTRUED AS, AN OFFERING OF ANY EQUITY SHARES OR RIGHTS ENTITLEMENTS FOR SALE IN THE UNITED STATES OR AS A SOLICITATION THEREIN OF AN OFFER TO BUY ANY OF THE SAID SECURITIES. ACCORDINGLY, LETTER OF OFFER SHOULD NOT BE FORWARDED TO OR TRANSMITTED IN OR INTO THE UNITED STATES AT ANY TIME.

Neither our Company, nor any person acting on behalf of our Company, will accept a subscription or renunciation from any person, or the agent of any person, who appears to be, or who our Company, or any person acting on behalf of our Company, has reason to believe is, in the United States when the buy order is made. Envelopes containing an Application Form should not be postmarked in the United States or otherwise dispatched from the United States or any other jurisdiction where it would be illegal to make an offer under this Letter of Offer. Our Company is making this Issue on a rights basis to the Eligible Equity Shareholders and this Letter of Offer, / Abridged Letter of Offer, Application Form and the Rights Entitlement Letter will be dispatched to the Eligible Equity Shareholders who have provided an Indian address to our Company. Any person who acquires the Rights Entitlements and the Equity Shares will be deemed to have declared, represented, warranted and agreed, by accepting the delivery of this Letter of Offer, (i) that it is not and that, at the time of subscribing for the Equity Shares or the Rights Entitlements, it will not be, in the United States when the buy order is made; and (ii) is authorised to acquire the Rights Entitlements and the Equity Shares in compliance with all applicable laws, rules and regulations.

Our Company reserves the right to treat as invalid any Application Form which: (i) appears to our Company or its agents to have been executed in or dispatched from the United States of America; (ii) does not include the relevant certification set out in the Application Form headed "Overseas Shareholders" to the effect that the person accepting and/or renouncing the Application Form does not have a registered address (and is not otherwise located) in the United States, and such person is complying with laws of the jurisdictions applicable to such person in connection with the Issue, among others; (iii) where our Company believes acceptance of such Application Form may infringe applicable legal or regulatory requirements; or (iv) where a registered Indian address is not provided, and our Company shall not be bound to allot or issue any Equity Shares or Rights Entitlement in respect of any such Application Form.

None of the Rights Entitlements or the Equity Shares have been, or will be, registered under the United States Securities Act of 1933, as amended (the "**Securities Act**"), or any state securities laws in the United States. Accordingly, the Rights Entitlements and Equity Shares are being offered and sold only outside the United States in compliance with Regulation S under the Securities Act and the applicable laws of the jurisdictions where those offers and sales are made.

NO OFFER IN ANY JURISDICTION OUTSIDE INDIA

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

CONSENTS

Consents in writing of: our Directors, the Registrar to the Issue and the Bankers to the Issue/ Refund Bank to act in their respective capacities, have been obtained and such consents have not been withdrawn up to the date of this Letter of Offer.

Our Company has received written consent dated September 15, 2022 from our Statutory Auditor, for inclusion of their report, dated September 28, 2022 on the Restated Financial Statements in this Letter of Offer and to include their name in this Letter of Offer and as an 'expert' as defined under Section 2(38) of the Companies Act, 2013 in relation to the Statement of Tax Benefits dated September 30, 2022 in the form and context in which it appears in this Letter of Offer. Such consent has not been withdrawn up to the date of this Letter of Offer.

EXPERT OPINION

Our Company has received written consent dated September 15, 2022 from our Statutory Auditor, to include their name as required in this Letter of Offer and as an 'expert' as defined under Section 2(38) of the Companies Act, 2013 in relation to its examination report, dated September 28, 2022 on the Restated Financial Statements and the Statement of Tax Benefits dated September 30, 2022 and such consent has not been withdrawn as of the date of this Letter of Offer, certificate from advocate on record dated October 11, 2022 and Chartered Engineer Certificate dated October 11, 2022, respectively. The term 'expert' and consent thereof, does not represent an expert or consent within the meaning under the U.S. Securities Act.

Except for the abovementioned documents, provided by our Auditors, Legal Experts and Chartered Engineer, our Company has not obtained any expert opinions.

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

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

PERFORMANCE VIS-À-VIS OBJECTS – LAST ISSUE OF LISTED SUBSIDIARIES OR ASSOCIATES

Our Company does not have any listed Subsidiary or Associates as on the date of this Letter of Offer.

STOCK MARKET DATA OF THE EQUITY SHARES

Our Equity Shares are listed on BSE and NSE. Our Equity Shares are traded on BSE and NSE. For details in connection with the stock market data of the Stock Exchanges, please refer to the chapter titled "**Market Price Information**" beginning on page 188 of this Letter of Offer.

FILING

This Letter of Offer has not been filed with the SEBI for its observations as the size of the issue is up to ₹5,000.00 Lakhs which does not require issuer to file the Letter of Offer with SEBI. The Company has filed this Letter of

Offer with the Stock Exchanges for obtaining in-principle approval. The Company will submit the Letter of Offer with the SEBI for the purpose of dissemination of information.

MECHANISM FOR REDRESSAL OF INVESTOR GRIEVANCES

Our Company has adequate arrangements for redressal of investor grievances in compliance with the SEBI Listing Regulations. We have been registered with the SEBI Complaints Redress System (SCORES) as required by the SEBI Circular no. CIR/ OIAE/ 2/ 2011 dated June 3, 2011. Consequently, investor grievances are tracked online by our Company.

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

Investor complaints received by our Company are typically disposed of within 15 days from the receipt of the complaint.

Investors may contact the Registrar or our Company Secretary and Compliance Officer for any pre-Issue or post-Issue related matter. All grievances relating to the ASBA process may be addressed to the Registrar, with a copy to the SCSBs (in case of ASBA process), giving full details such as name, address of the Applicant, contact number(s), e mail address of the sole/ first holder, folio number or demat account number, number of Equity Shares applied for, amount blocked (in case of ASBA process), ASBA Account number and the Designated Branch of the SCSBs where the Application Form or the plain paper application, as the case may be, was submitted by the Investors along with a photocopy of the acknowledgement slip (in case of ASBA process). For details on the ASBA process, see section titled “Terms of the Issue” beginning on page 204 of this Letter of Offer. The contact details of Registrar to the Issue and our Company Secretary and Compliance Officer are as follows:

Registrar to the Company:

Link Intime India Private Limited

C 101, 1st floor, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai – 400083, Maharashtra, India

Telephone: +91 810 811 4949

Email: gyscoal.rights@linkintime.co.in

Website: www.linkintime.co.in

Investor grievance e-mail: gyscoal.rights@linkintime.co.in

Contact Person: Sumeet Deshpande

SEBI Registration No.: INR000004058

Validity of Registration: Permanent

Registrar to the Issue

Purva Sharegistry (India) Private Limited

Unit No. 9, Ground Floor, Shiv Shakti Industrial Estate, J. R. Boricha Marg, Lower Parel (East), Mumbai – 400011, Maharashtra, India

Tel No: + 91 22 2301 0771 / 4961 4132

Fax No: NA

Email : support@purvashare.com ;

Contact Person: Ms. Deepali Dhuri;

Website: www.purvashare.com ;

SEBI Registration Number: INR000001112

Investors may contact the Company Secretary and Compliance Officer at the below mentioned address for any pre-Issue/ post-Issue related matters such as non-receipt of Letters of Allotment / share certificates/ demat credit/ Refund Orders etc.

Hiral Patel, Company Secretary and Compliance Officer of our Company. Her contact details are set forth hereunder: **Telephone:**+91 9408045678 **E- mail:** cs@gyscoal.com

SECTION VII - ISSUE INFORMATION

TERMS OF THE ISSUE

This section is for the information of the Investors proposing to apply in this Issue. Investors should carefully read the provisions contained in this Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter and the Application Form, before submitting the Application Form. Our Company and the Lead Manager are not liable for any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of this Letter of Offer. Investors are advised to make their independent investigation and ensure that the Application Form is accurately filled up in accordance with instructions provided therein and this Letter of Offer. Unless otherwise permitted under the SEBI ICDR Regulations read with the SEBI Relaxation Circulars, Investors proposing to apply in this Issue can apply only through ASBA or by mechanism as disclosed in this Letter of Offer.

Please note that in accordance with the provisions of the SEBI Circular SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020 (“SEBI – Rights Issue Circular”), all investors (including renouncee) shall make an application for a rights issue only through ASBA facility. As per the said circular, in case the physical shareholders who have not been able to open a demat account or are unable to communicate their demat details, in terms of clause 1.3.4 of the SEBI – Rights Issue Circular, to the Company or Registrar to the Issue, for credit of REs within specified time.

This Issue is proposed to be undertaken on a rights basis and is subject to the terms and conditions contained in this Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter, the Application Form, and the Memorandum of Association and the Articles of Association of our Company, the provisions of the Companies Act, 2013, the FEMA, the FEMA Rules, the SEBI ICDR Regulations, the SEBI Listing Regulations and the guidelines, notifications, circulars and regulations issued by SEBI, the Government of India and other statutory and regulatory authorities from time to time, approvals, if any, from RBI or other regulatory authorities, the terms of the Listing Agreements entered into by our Company with Stock Exchanges and the terms and conditions as stipulated in the Allotment Advice.

I. DISPATCH AND AVAILABILITY OF ISSUE MATERIALS

In accordance with the SEBI ICDR Regulations, the SEBI Relaxation Circulars, the Abridged Letter of Offer, the Application Form, the Rights Entitlement Letter and other Issue material will be sent/ dispatched only to the Eligible Equity Shareholders who have provided Indian address and who have made a request in this regard. In case such Eligible Equity Shareholders have provided their valid e-mail address, the Abridged Letter of Offer, the Application Form, the Rights Entitlement Letter and other Issue material will be sent only to their valid e-mail address and in case such Eligible Equity Shareholders have not provided their e-mail address, then the Abridged Letter of Offer, the Application Form, the Rights Entitlement Letter and other Issue material will be dispatched, on a reasonable effort basis, to the Indian addresses provided by them.

Further, the Letter of Offer will be sent/ dispatched to the Eligible Equity Shareholders who have provided Indian address and who have made a request in this regard. In case such Eligible Equity Shareholders have provided their valid e-mail address, the Letter of Offer will be sent only to their valid e-mail address and in case such Eligible Equity Shareholders have not provided their e-mail address, then the Letter of Offer will be dispatched, on a reasonable effort basis, to the Indian addresses provided by them.

Investors can access the Letter of Offer, the Abridged Letter of Offer and the Application Form (provided that the Eligible Equity Shareholder is eligible to subscribe for the Equity Shares under applicable laws) on the websites of:

- our Company at www.gyscoal.com
- the Registrar to the Issue at www.purvashare.com
- the Lead Manager at www.fedsec.in
- the Stock Exchanges at www.bseindia.com , www.nseindia.com

Eligible Equity Shareholders can also obtain the details of their respective Rights Entitlements from the website of the Registrar to the issue at www.purvashare.com<http://www.bigshareonline.com/> by entering their DP ID and Client ID or Folio Number (for Eligible Equity Shareholders who hold Equity Shares in physical form as on Record Date) and PAN. The link for the same shall also be available on the website of our Company at www.gyscoal.com

Please note that neither our Company nor the Registrar nor the Lead Manager shall be responsible for non-dispatch of physical copies of Issue materials, including the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter and the Application Form or delay in the receipt of the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form attributable to non-availability of the e-mail addresses of Eligible Equity Shareholders or electronic transmission delays or failures, or if the Application Forms or the Rights Entitlement Letters are delayed or misplaced in the transit.

The distribution of the Letter of Offer, Abridged Letter of Offer, the Rights Entitlement Letter and the issue of Equity Shares on a rights basis to persons in certain jurisdictions outside India is restricted by legal requirements prevailing in those jurisdictions. No action has been, or will be, taken to permit this Issue in any jurisdiction where action would be required for that purpose, except that the Letter of Offer has been filed with SEBI and the Stock Exchanges. Accordingly, the Rights Entitlements and Equity Shares may not be offered or sold, directly or indirectly, and the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter, the Application Form or any Issue related materials or advertisements in connection with this Issue may not be distributed, in any jurisdiction, except in accordance with legal requirements applicable in such jurisdiction. Receipt of the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form (including by way of electronic means) will not constitute an offer in those jurisdictions in which it would be illegal to make such an offer and, in those circumstances, the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form must be treated as sent for information only and should not be acted upon for making an Application and should not be copied or re-distributed.

Accordingly, persons receiving a copy of the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form should not, in connection with the issue of the Equity Shares or the Rights Entitlements, distribute or send the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form in or into any jurisdiction where to do so, would, or might, contravene local securities laws or regulations. If the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form is received by any person in any such jurisdiction, or by their agent or nominee, they must not seek to make an Application or acquire the Rights Entitlements referred to in the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form. Any person who acquires Rights Entitlements or makes and Application will be deemed to have declared, warranted and agreed, by accepting the delivery of the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter and the Application Form, that it is entitled to subscribe for the Equity Shares under the laws of any jurisdiction which apply to such person.

II. PROCESS OF MAKING AN APPLICATION IN THE ISSUE

In accordance with Regulation 76 of the SEBI ICDR Regulations, the SEBI Rights Issue Circulars and the ASBA Circulars, all Investors desiring to make an Application in this Issue are mandatorily required to use either the ASBA process. Investors should carefully read the provisions applicable to such Applications before making their Application through ASBA.

The Application Form can be used by the Eligible Equity Shareholders as well as the Renounees, to make Applications in this Issue basis the Rights Entitlement credited in their respective demat accounts or demat suspense escrow account, as applicable. For further details on the Rights Entitlements and demat suspense escrow account, see section titled ***“Credit of Rights Entitlements in demat accounts of Eligible Equity Shareholders”*** beginning on page 216 of this Letter of Offer.

Please note that one single Application Form shall be used by Investors to make Applications for all Rights Entitlements available in a particular demat account or entire respective portion of the Rights Entitlements in the demat suspense escrow account in case of resident Eligible Equity Shareholders holding shares in physical form as on Record Date and applying in this Issue, as applicable. In case of Investors who have provided details of

demat account in accordance with the SEBI ICDR Regulations, such Investors will have to apply for the Equity Shares from the same demat account in which they are holding the Rights Entitlements and in case of multiple demat accounts, the Investors are required to submit a separate Application Form for each demat account.

Investors may apply for the Equity Shares by submitting the Application Form to the Designated Branch of the SCSB or online/electronic Application through the website of the SCSBs (if made available by such SCSB) for authorising such SCSB to block Application Money payable on the Application in their respective ASBA Accounts.

Investors are also advised to ensure that the Application Form is correctly filled up stating therein:

- i. the ASBA Account (in case of Application through ASBA process) in which an amount equivalent to the amount payable on Application as stated in the Application Form will be blocked by the SCSB; or

Applicants should note that they should very carefully fill-in their depository account details and PAN in the Application Form or while submitting application through online/electronic Application through the website of the SCSBs (if made available by such SCSB). Please note that incorrect depository account details or PAN or Application Forms without depository account details shall be treated as incomplete and shall be rejected. For details see section titled “Grounds for Technical Rejection” on pages 212. Our Company, the Lead Manager and the Registrar shall not be liable for any incomplete or incorrect demat details provided by the Applicants.

Additionally, in terms of Regulation 78 of the SEBI ICDR Regulations, Investors may choose to accept the offer to participate in this Issue by making plain paper Applications. Please note that SCSBs shall accept such applications only if all details required for making the application as per the SEBI ICDR Regulations are specified in the plain paper application and that Eligible Equity Shareholders making an application in this Issue by way of plain paper applications shall not be permitted to renounce any portion of their Rights Entitlements. For details, see section titled “*Making of an Application by Eligible Equity Shareholders on Plain Paper under ASBA process*” beginning on page 214 of the Letter of Offer.

Options available to the Eligible Equity Shareholders

The Rights Entitlement Letter will clearly indicate the number of Equity Shares that the Eligible Equity Shareholder is entitled to.

If the Eligible Equity Shareholder applies in this Issue, then such Eligible Equity Shareholder can:

- i. apply for its Equity Shares to the full extent of its Rights Entitlements; or
- ii. apply for its Equity Shares to the extent of part of its Rights Entitlements (without renouncing the other part);
or
- iii. apply for Equity Shares to the extent of part of its Rights Entitlements and renounce the other part of its Rights Entitlements; or
- iv. apply for its Equity Shares to the full extent of its Rights Entitlements and apply for additional Equity Shares;
or
- v. renounce its Rights Entitlements in full.

A. Procedure for application through ASBA Facility

An Investor, wishing to participate in this Issue through the ASBA facility, is required to have an ASBA enabled bank account with an SCSB, prior to making the Application. Investors desiring to make an Application in this Issue through ASBA process, may submit the Application Form to the Designated Branches of the SCSB or online/electronic Application through the website of the SCSBs (if made available by such SCSB) for authorising such SCSB to block Application Money payable on the Application in their respective ASBA Accounts.

Investors should ensure that they have correctly submitted the Application Form, or have otherwise provided an authorisation to the SCSB, via the electronic mode, for blocking funds in the ASBA Account equivalent to the

Application Money mentioned in the Application Form, as the case may be, at the time of submission of the Application,

Self-Certified Syndicate Banks

For the list of banks which have been notified by SEBI to act as SCSBs for the ASBA process, please refer to <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34>.

For details on Designated Branches of SCSBs collecting the Application Form, please refer the above-mentioned link.

Please note that subject to SCSBs complying with the requirements of the SEBI circular bearing reference number CIR/CFD/DIL/13/2012 dated September 25, 2012, within the periods stipulated therein, Applications may be submitted at the Designated Branches of the SCSBs. Further, in terms of the SEBI circular bearing reference number CIR/CFD/DIL/1/2013 dated January 2, 2013, it is clarified that for making Applications by SCSBs on their own account using ASBA facility, each such SCSB should have a separate account in its own name with any other SEBI registered SCSB(s). Such account shall be used solely for the purpose of making an Application in this Issue and clear demarcated funds should be available in such account for such an Application.

Our Company, its directors, its employees, affiliates, associates and their respective directors and officers, Lead Manager and the Registrar shall not take any responsibility for acts, mistakes, errors, omissions and commissions etc., in relation to Applications accepted by SCSBs, Applications uploaded by SCSBs, Applications accepted but not uploaded by SCSBs or Applications accepted and uploaded without blocking funds in the ASBA Accounts.

Acceptance of this Issue

Investors may accept this Issue and apply for the Rights Equity Shares by submitting the Application Form to the Designated Branch of the SCSB or online/electronic Application through the website of the SCSBs (if made available by such SCSB) for authorising such SCSB to block Application Money payable on the Application in their respective ASBA Accounts. Please note that on the Issue Closing Date, Applications through ASBA process will be uploaded until 5.00 p.m. (Indian Standard Time) or such extended time as permitted by the Stock Exchanges.

Applications submitted to anyone other than the Designated Branches of the SCSB are liable to be rejected.

Investors can also make Application on plain paper under ASBA process mentioning all necessary details as mentioned under the section "*Application on Plain Paper under ASBA process*" on page 178.

Do's for Investors applying through ASBA:

- a) Ensure that the necessary details are filled in the Application Form including the details of the ASBA Account.
- b) Ensure that the details about your Depository Participant and beneficiary account are correct and the beneficiary account is activated as the Rights Equity Shares will be Allotted in the dematerialized form only.
- c) Ensure that the Applications are submitted with the Designated Branch of the SCSBs and details of the correct bank account have been provided in the Application.
- d) Ensure that there are sufficient funds (equal to {number of Rights Equity Shares (including additional Rights Equity Shares) applied for} X {Application Money of Rights Equity Shares}) available in ASBA Account mentioned in the Application Form before submitting the Application to the respective Designated Branch of the SCSB.
- e) Ensure that you have authorised the SCSB for blocking funds equivalent to the total amount payable on application mentioned in the Application Form, in the ASBA Account, of which details are provided in the Application and have signed the same.
- f) Ensure that you have a bank account with an SCSB providing ASBA facility in your location and the Application is made through that SCSB providing ASBA facility in such location.
- g) Ensure that you receive an acknowledgement from the Designated Branch of the SCSB for your submission of the Application Form in physical form or plain paper Application.

- h) Ensure that the name(s) given in the Application Form is exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case the Application Form is submitted in joint names, ensure that the beneficiary account is also held in same joint names and such names are in the same sequence in which they appear in the Application Form and the Rights Entitlement Letter.

Don'ts for Investors applying through ASBA:

- a) Do not apply if you are not eligible to participate in the Issue under the securities laws applicable to your jurisdiction.
- b) Do not submit the Application Form after you have submitted a plain paper Application to a Designated Branch of the SCSB or vice versa.
- c) Do not send your physical Application to the Lead Manager, the Registrar, the Escrow Collection Bank(s) (assuming that such Escrow Collection Bank is not an SCSB), a branch of the SCSB which is not a Designated Branch of the SCSB or our Company; instead submit the same to a Designated Branch of the SCSB only.
- d) Do not instruct the SCSBs to unblock the funds blocked under the ASBA process upon making the Application.
- e) Do not submit Application Form using third party ASBA account

B. Procedure for Application by Eligible Equity Shareholders holding Equity Shares in physical form

Please note that in accordance with Regulation 77A of the SEBI ICDR Regulations read with the SEBI Rights Issue Circulars, the credit of Rights Entitlements and Allotment of Equity Shares shall be made in dematerialised form only. Accordingly, Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date and desirous of subscribing to Equity Shares in this Issue are advised to furnish the details of their demat account to the Registrar or our Company at least two Working Days prior to the Issue Closing Date, to enable the credit of their Rights Entitlements in their respective demat accounts at least one day before the Issue Closing Date.

If demat account details are not provided by the Eligible Equity Shareholders holding Equity Shares in physical form to the Registrar or our Company by the date mentioned above, such shareholders will not be allotted any Rights Equity Shares, nor such Rights Equity Shares be kept in suspense account on behalf of such shareholder. For further details, see section titled “***Terms of the Issue – Credit of Rights Entitlement in dematerialized account of Eligible Equity Shareholders***” on page 180 of this Letter of Offer.

Prior to the Issue Opening Date, the Rights Entitlements of those Eligible Equity Shareholders, among others, who hold Equity Shares in physical form, and whose demat account details are not available with our Company or the Registrar, shall be credited in a demat suspense escrow account opened by our Company.

Eligible Equity Shareholders, who hold Equity Shares in physical form as on Record Date and who have opened their demat accounts after the Record Date, shall adhere to following procedure for participating in this Issue:

1. The Eligible Equity Shareholders shall send a letter to the Registrar containing the name(s), address, e-mail address, contact details and the details of their demat account along with copy of self-attested PAN and self-attested client master sheet of their demat account either by email, post, speed post, courier, or hand delivery so as to reach to the Registrar no later than two Working Days prior to the Issue Closing Date.
2. The Registrar shall, after verifying the details of such demat account, transfer the Rights Entitlements of such Eligible Equity Shareholders to their demat accounts at least one day before the Issue Closing Date;
3. The remaining procedure for Application shall be same as set out in “***Making of an Application by Eligible Equity Shareholders on Plain Paper under ASBA process***” beginning on page 214 of this Letter of Offer.

Resident Eligible Equity Shareholders who hold Equity Shares in physical form as on the Record Date will not be allowed renounce their Rights Entitlements in the Issue. However, such Eligible Equity Shareholders, where the dematerialized Rights Entitlements are transferred from the suspense escrow demat account to the respective demat accounts within prescribed timelines, can apply for additional Equity Shares while submitting the Application through ASBA process.

PLEASE NOTE THAT THE ELIGIBLE EQUITY SHAREHOLDERS, WHO HOLD EQUITY SHARES IN PHYSICAL FORM AS ON RECORD DATE AND WHO HAVE NOT FURNISHED THE DETAILS OF THEIR RESPECTIVE DEMAT ACCOUNTS TO THE REGISTRAR OR OUR COMPANY AT LEAST TWO WORKING DAYS PRIOR TO THE ISSUE CLOSING DATE, SHALL NOT BE ELIGIBLE TO MAKE AN APPLICATION FOR RIGHTS EQUITY SHARES AGAINST THEIR RIGHTS ENTITLEMENTS WITH RESPECT TO THE EQUITY SHARES HELD IN PHYSICAL FORM.

Application for Additional Equity Shares

Investors are eligible to apply for additional Equity Shares over and above their Rights Entitlements, provided that they are eligible to apply for Equity Shares under applicable law and they have applied for all the Equity Shares forming part of their Rights Entitlements without renouncing them in whole or in part. Where the number of additional Equity Shares applied for exceeds the number available for Allotment, the Allotment would be made as per the Basis of Allotment finalised in consultation with the Designated Stock Exchange. Applications for additional Equity Shares shall be considered and Allotment shall be made in accordance with the applicable Regulations and in the manner as set out in “*Basis of Allotment*” beginning on page 230 of this Letter of Offer.

Eligible Equity Shareholders who renounce their Rights Entitlements cannot apply for additional Equity Shares.

Non-resident Renounees who are not Eligible Equity Shareholders cannot apply for additional Equity Shares.

Allotment of the Rights Equity Shares in Dematerialized Form

PLEASE NOTE THAT THE RIGHTS EQUITY SHARES APPLIED FOR IN THIS ISSUE CAN BE ALLOTTED ONLY IN DEMATERIALIZED FORM AND TO THE SAME DEPOSITORY ACCOUNT IN WHICH OUR EQUITY SHARES ARE HELD BY SUCH INVESTOR ON THE RECORD DATE.

FOR DETAILS, SEE “ALLOTMENT ADVICES/ REFUND ORDERS” ON PAGE 231 OF THIS LETTER OF OFFER.

General instructions for Investors in relation to making of an Application

- a) Please read the Letter of Offer, and application form carefully to understand the Application process and applicable settlement process.
- b) In accordance with the SEBI Rights Issue Circular, the resident Eligible Equity Shareholders, who hold Equity Shares in physical form as on Record Date and who have not furnished the details of their demat account to the Registrar or our Company at least two Working Days prior to the Issue Closing Date, shall not be eligible to make an Application for Rights Equity Shares against their Rights Entitlements with respect to the equity shares held in physical form.
- c) Please read the instructions on the Application Form sent to you.
- d) The Application Form can be used by both the Eligible Equity Shareholders and the Renounees.
- e) Application should be made only through the ASBA facility.
- f) Application should be complete in all respects. The Application Form found incomplete with regard to any of the particulars required to be given therein, and/or which are not completed in conformity with the terms of this Letter of Offer, , the Abridged Letter of Offer, the Rights Entitlement Letter and the Application Form are liable to be rejected.
- g) In case of non-receipt of Application Form, Application can be made on plain paper mentioning all necessary details as mentioned under the section “*Application on Plain Paper under ASBA process*” on page 214 of this Letter of Offer.
- h) In accordance with Regulation 76 of the SEBI ICDR Regulations, SEBI Rights Issue Circular and ASBA Circulars, all Investors desiring to make an Application in this Issue are mandatorily required to use the ASBA

process. Investors should carefully read the provisions applicable to such Applications before making their Application through ASBA.

- i) An Investor, wishing to participate in this Issue through the ASBA facility, is required to have an ASBA enabled bank account with an SCSB, prior to making the Application.
- j) Applications should be submitted to the Designated Branch of the SCSB or made online/electronic through the website of the SCSBs (if made available by such SCSB) for authorising such SCSB to block Application Money payable on the Application in their respective ASBA Accounts. Please note that on the Issue Closing Date, Applications through ASBA process will be uploaded until 5.00 p.m. (Indian Standard Time) or such extended time as permitted by the Stock Exchanges.
- k) Applications should not be submitted to the Bankers to the Issue or Escrow Collection Bank (assuming that such Escrow Collection Bank is not an SCSB), our Company or the Registrar and the Lead Manager.
- l) In case of Application through ASBA facility, Investors are required to provide necessary details, including details of the ASBA Account, authorization to the SCSB to block an amount equal to the Application Money in the ASBA Account mentioned in the Application Form.
- m) All Applicants, and in the case of Application in joint names, each of the joint Applicants, should mention their PAN allotted under the Income-tax Act, irrespective of the amount of the Application. Except for Applications on behalf of the Central or the State Government, the residents of Sikkim and the officials appointed by the courts, Applications without PAN will be considered incomplete and are liable to be rejected. With effect from August 16, 2010, the demat accounts for Investors for which PAN details have not been verified shall be “suspended for credit” and no Allotment and credit of Rights Equity Shares pursuant to this Issue shall be made into the accounts of such Investors.
- n) In case of Application through ASBA facility, all payments will be made only by blocking the amount in the ASBA Account. Cash payment or payment by cheque or demand draft or pay order or NEFT or RTGS or through any other mode is not acceptable for application through ASBA process. In case payment is made in contravention of this, the Application will be deemed invalid and the Application Money will be refunded and no interest will be paid thereon.
- o) For physical Applications through ASBA at Designated Branches of SCSB, signatures should be either in English or Hindi or in any other language specified in the Eighth Schedule to the Constitution of India. Signatures other than in any such language or thumb impression must be attested by a Notary Public or a Special Executive Magistrate under his/her official seal. The Investors must sign the Application as per the specimen signature recorded with the SCSB.
- p) In case of joint holders and physical Applications through ASBA process, all joint holders must sign the relevant part of the Application Form in the same order and as per the specimen signature(s) recorded with 249 the SCSB. In case of joint Applicants, reference, if any, will be made in the first Applicant’s name and all communication will be addressed to the first Applicant.
- q) All communication in connection with Application for the Rights Equity Shares, including any change in address of the Eligible Equity Shareholders should be addressed to the Registrar prior to the date of Allotment in this Issue quoting the name of the first/sole Applicant, Physical folio number and Application Form number, as applicable. In case of any change in address of the Eligible Equity Shareholders, the Eligible Equity Shareholders should send the intimation for such change to the respective depository participant for shares held in electronic form, and to our Company or the Registrar in case of Eligible Equity Shareholders holding Equity Shares in physical form.
- r) Only persons outside restricted jurisdictions and who are eligible to subscribe for Rights Entitlement and Rights Equity Shares under applicable securities laws are eligible to participate.
- s) Please note that subject to SCSBs complying with the requirements of SEBI Circular No. CIR/CFD/DIL/13/2012 dated September 25, 2012 within the periods stipulated therein, Applications made

through ASBA facility may be submitted at the Designated Branches of the SCSBs. Application through ASBA facility in electronic mode will only be available with such SCSBs who provide such facility.

- t) In terms of the SEBI circular CIR/CFD/DIL/1/2013 dated January 2, 2013, it is clarified that for making applications by banks on their own account using ASBA facility, SCSBs should have a separate account in own name with any other SEBI registered SCSB(s). Such account shall be used solely for the purpose of making application in public/ rights issues and clear demarcated funds should be available in such account for ASBA applications.
- u) In case of change of status of holders, i.e., from resident to non-resident, a new demat account must be opened. Any Application from a demat account which does not reflect the accurate status of the Applicant is liable to be rejected at the sole discretion of our Company and the Lead Manager.

Additional general instructions for Investors in relation to making of an Application

- (a) Please read the instructions on the Application Form sent to you. Application should be complete in all respects. The Application Form found incomplete with regard to any of the particulars required to be given therein, and/or which are not completed in conformity with the terms of the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter and the Application Form are liable to be rejected. The Application Form must be filled in English.
- (b) Ensure that the demographic details such as address, PAN, DP ID, Client ID, bank account details and occupation (“Demographic Details”) are updated, true and correct, in all respects. Investors applying under this Issue should note that on the basis of name of the Investors, DP ID and Client ID provided by them in the Application Form or the plain paper Applications, as the case may be, the Registrar will obtain Demographic Details from the Depository. Therefore, Investors applying under this Issue should carefully fill in their Depository Account details in the Application. These Demographic Details would be used for all correspondence with such Investors including mailing of the letters intimating unblocking of bank account of the respective Investor and/or refund. The Demographic Details given by the Investors in the Application Form would not be used for any other purposes by the Registrar. Hence, Investors are advised to update their Demographic Details as provided to their Depository Participants. The Allotment Advice and the e-mail intimating unblocking of ASBA Account or refund (if any) would be e-mailed to the address of the Investor as per the e-mail address provided to our Company or the Registrar or Demographic Details received from the Depositories. The Registrar will give instructions to the SCSBs for unblocking funds in the ASBA Account to the extent Equity Shares are not Allotted to such Investor. Please note that any such delay shall be at the sole risk of the Investors and none of our Company, the SCSBs, Registrar or the Lead Manager shall be liable to compensate the Investor for any losses caused due to any such delay or be liable to pay any interest for such delay. In case no corresponding record is available with the Depositories that match three parameters, (a) names of the Investors (including the order of names of joint holders), (b) DP ID, and (c) Client ID, then such Application Forms are liable to be rejected.
- (c) By signing the Application Forms, Investors would be deemed to have authorised the Depositories to provide, upon request, to the Registrar, the required Demographic Details as available on its records.

Investors are required to ensure that the number of Equity Shares applied for by them do not exceed the prescribed limits under the applicable law.

- (d) Do not apply if you are ineligible to participate in this Issue under the securities laws applicable to your jurisdiction.
- (e) Do not submit the GIR number instead of the PAN as the application is liable to be rejected on this ground.
- (f) Avoid applying on the Issue Closing Date due to risk of delay/ restrictions in making any physical Application.

- (g) Do not pay the Application Money in cash, by money order, pay order or postal order.
- (h) Do not submit multiple Applications.
- (i) No investment under the FDI route (i.e any investment which would result in the investor holding 10% or more of the fully diluted paid-up equity share capital of the Company or any FDI investment for which an approval from the government was taken in the past) will be allowed in the Issue unless such application is accompanied with necessary approval or covered under a pre-existing approval from the government. It will be the sole responsibility of the investors to ensure that the necessary approval or the pre-existing approval from the government is valid in order to make any investment in the Issue. The Lead Manager and our Company will not be responsible for any allotments made by relying on such approvals.
- (j) An Applicant being an OCB is required not to be under the adverse notice of RBI and in order to apply for this issue as a incorporated non-resident must do so in accordance with the FDI Circular 2020 and Foreign Exchange Management (Non-Debt Instrument) Rules, 2019.

Do's:

- a) Ensure that the Application Form and necessary details are filled in.
- b) Except for Application submitted on behalf of the Central or the State Government, residents of Sikkim and the officials appointed by the courts, each Applicant should mention their PAN allotted under the Income-tax Act.
- c) Ensure that the demographic details such as address, PAN, DP ID, Client ID, bank account details and occupation ("Demographic Details") are updated, true and correct, in all respects.
- d) Investors should provide correct DP ID and client ID/ folio number while submitting the Application. Such DP ID and Client ID/ folio number should match the demat account details in the records available with Company and/or Registrar, failing which such Application is liable to be rejected. Investor will be solely responsible for any error or inaccurate detail provided in the Application. Our Company, the Lead Manager, SCSBs or the Registrar will not be liable for any such rejections.

Don'ts:

- a) Do not apply if you are ineligible to participate in this Issue under the securities laws applicable to your jurisdiction.
- b) Do not submit the GIR number instead of the PAN as the application is liable to be rejected on this ground.
- c) Avoid applying on the Issue Closing Date due to risk of delay/ restrictions in making any physical Application.
- d) Do not pay the Application Money in cash, by money order, pay order or postal order.
- e) Do not submit multiple Applications.

Grounds for Technical Rejection

Applications made in this Issue are liable to be rejected on the following grounds:

- (a) DP ID and Client ID mentioned in Application not matching with the DP ID and Client ID records available with the Registrar.
- (b) Details of PAN mentioned in the Application does not match with the PAN records available with the Registrar.
- (c) Sending an Application to the Lead Manager, Registrar, Escrow Collection Banks (assuming that such Escrow Collection Bank is not a SCSB), to a branch of a SCSB which is not a Designated Branch of the SCSB or our Company.
- (d) Insufficient funds are available in the ASBA Account with the SCSB for blocking the Application Money.

- (e) Funds in the ASBA Account whose details are mentioned in the Application Form having been frozen pursuant to regulatory orders.
- (f) Account holder not signing the Application or declaration mentioned therein.
- (g) Submission of more than one application Form for Rights Entitlements available in a particular demat account.
- (h) Multiple Application Forms, including cases where an Investor submits Application Forms along with a plain paper Application.
- (i) Submitting the GIR number instead of the PAN (except for Applications on behalf of the Central or State Government, the residents of Sikkim and the officials appointed by the courts).
- (j) Applications by persons not competent to contract under the Indian Contract Act, 1872, except Applications by minors having valid demat accounts as per the demographic details provided by the Depositories.
- (k) Applications by SCSB on own account, other than through an ASBA Account in its own name with any other SCSB.
- (l) Application Forms which are not submitted by the Investors within the time periods prescribed in the Application Form and the Letter of Offer.
- (m) Physical Application Forms not duly signed by the sole or joint Investors.
- (n) Application Forms accompanied by stock invest, outstation cheques, post-dated cheques, money order, postal order or outstation demand drafts.
- (o) If an Investor is (a) debarred by SEBI; or (b) if SEBI has revoked the order or has provided any interim relief then failure to attach a copy of such SEBI order allowing the Investor to subscribe to their Rights Entitlements.
- (p) Applications which have evidence of being executed or made in contravention of applicable securities laws.
- (q) Applications which: (i) appears to our Company or its agents to have been executed in, electronically transmitted from or dispatched from the United States or other jurisdictions where the offer and sale of the Equity Shares is not permitted under laws of such jurisdictions;; and our Company shall not be bound to issue or allot any Equity Shares in respect of any such Application Form.
- (r) Application from Investors that are residing in U.S. address as per the depository records

IS MANDATORY FOR ALL THE INVESTORS APPLYING UNDER THIS ISSUE TO APPLY THROUGH THE ASBA PROCESS, TO RECEIVE THEIR RIGHTS EQUITY SHARES IN DEMATERIALISED FORM AND TO THE SAME DEPOSITORY ACCOUNT/ CORRESPONDING PAN IN WHICH THE EQUITY SHARES ARE HELD BY THE INVESTOR AS ON THE RECORD DATE. ALL INVESTORS APPLYING UNDER THIS ISSUE SHOULD MENTION THEIR DEPOSITORY PARTICIPANT'S NAME, DP ID AND BENEFICIARY ACCOUNT NUMBER/ FOLIO NUMBER IN THE APPLICATION FORM. INVESTORS MUST ENSURE THAT THE NAME GIVEN IN THE APPLICATION FORM IS EXACTLY THE SAME AS THE NAME IN WHICH THE DEPOSITORY ACCOUNT IS HELD. IN CASE THE APPLICATION FORM IS SUBMITTED IN JOINT NAMES, IT SHOULD BE ENSURED THAT THE DEPOSITORY ACCOUNT IS ALSO HELD IN THE SAME JOINT NAMES AND ARE IN THE SAME SEQUENCE IN WHICH THEY APPEAR IN THE APPLICATION FORM OR PLAIN PAPER APPLICATIONS, AS THE CASE MAY BE.

Investors applying under this Issue should note that on the basis of name of the Investors, Depository Participant's name and identification number and beneficiary account number provided by them in the Application Form or the plain paper Applications, as the case may be, the Registrar will obtain Demographic Details from the Depository. Hence, Investors applying under this Issue should carefully fill in their Depository Account details in the Application.

These Demographic Details would be used for all correspondence with such Investors including mailing of the letters intimating unblocking of bank account of the respective Investor and/or refund. The Demographic Details given by the Investors in the Application Form would not be used for any other purposes by the Registrar. Hence, Investors are advised to update their Demographic Details as provided to their Depository Participants. By signing the Application Forms, the Investors would be deemed to have authorised the Depositories to provide, upon request, to the Registrar, the required Demographic Details as available on its records.

The Allotment advice and the email intimating unblocking of ASBA Account or refund (if any) would be emailed to the address of the Investor as per the email address provided to our Company or the Registrar or Demographic Details received from the Depositories. The Registrar will give instructions to the SCSBs for unblocking funds in the ASBA Account to the extent Rights Equity Shares are not Allotted to such Investor. Please note that any such delay shall be at the sole risk of the Investors and none of our Company, the SCSBs, Registrar or the Lead Manager shall be liable to compensate the Investor for any losses caused due to any such delay or be liable to pay any interest for such delay.

In case no corresponding record is available with the Depositories that match three parameters, (a) names of the Investors (including the order of names of joint holders), (b) the DP ID, and (c) the beneficiary account number, then such Application Forms are liable to be rejected.

Multiple Applications

In case where multiple Applications are made using same demat account, such Applications shall be liable to be rejected. A separate Application can be made in respect of Rights Entitlements in each demat account of the Investors and such Applications shall not be treated as multiple applications. Similarly, a separate Application can be made against Equity Shares held in dematerialized form and Equity Shares held in physical form, and such Applications shall not be treated as multiple applications. Further supplementary Applications in relation to further Equity Shares with/without using additional Rights Entitlement will not be treated as multiple application. A separate Application can be made in respect of each scheme of a mutual fund registered with SEBI and such Applications shall not be treated as multiple applications. For details, see section titled “*Procedure for Applications by Mutual Funds*” on page 228 of this Letter of Offer.

In cases where Multiple Application Forms are submitted, including cases where (a) an Investor submits Application Forms along with a plain paper Application or (b) multiple plain paper Applications (c) or multiple applications through ASBA, such Applications shall be treated as multiple applications and are liable to be rejected.

Underwriting

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

C. Making of an Application by Eligible Equity Shareholders on Plain Paper under ASBA process

An Eligible Equity Shareholder in India who is eligible to apply under the ASBA process may make an Application to subscribe to this Issue on plain paper in case of non-receipt of Application Form as detailed above. In such cases of non-receipt of the Application Form through e-mail or physical delivery (where applicable) and the Eligible Equity Shareholder not being in a position to obtain it from any other source may make an Application to subscribe to this Issue on plain paper with the same details as per the Application Form that is available on the website of the Registrar, Stock Exchanges or the Lead Manager. An Eligible Equity Shareholder shall submit the plain paper Application to the Designated Branch of the SCSB for authorising such SCSB to block Application Money in the said bank account maintained with the same SCSB. Applications on plain paper will not be accepted from any Eligible Equity Shareholder who has not provided an Indian address or is a U.S. Person or in the United States.

Please note that the Eligible Equity Shareholders who are making the Application on plain paper shall not be entitled to renounce their Rights Entitlements and should not utilize the Application Form for any purpose including renunciation even if it is received subsequently.

The Application on plain paper, duly signed by the Eligible Equity Shareholder including joint holders, in the same order and as per specimen recorded with his/her bank, must reach the office of the Designated Branch of the SCSB before the Issue Closing Date and should contain the following particulars:

1. Name of our Company, being Gyscoal Alloys Limited;
2. Name and address of the Eligible Equity Shareholder including joint holders (in the same order and as per specimen recorded with our Company or the Depository);
3. Folio Number (in case of Eligible Equity Shareholders who hold Equity Shares in physical form as on Record Date)/DP and Client ID;
4. Except for Applications on behalf of the Central or State Government, the residents of Sikkim and the officials appointed by the courts, PAN of the Eligible Equity Shareholder and for each Eligible Equity Shareholder in case of joint names, irrespective of the total value of the Equity Shares applied for pursuant to this Issue
5. Number of Equity Shares held as on Record Date;
6. Allotment option – only dematerialised form;
7. Number of Equity Shares entitled to;
8. Number of Equity Shares applied for within the Rights Entitlements;
9. Number of additional Equity Shares applied for, if any (applicable only if entire Rights Entitlements have been applied for);
10. Total number of Equity Shares applied for;
11. Total amount paid at the issue price of ₹2.75 per Equity Share;
12. Details of the ASBA Account such as the SCSB account number, name, address and branch of the relevant SCSB;
13. In case of non-resident Eligible Equity Shareholders making an application with an Indian address, details of the NRE/FCNR/NRO account such as the account number, name, address and branch of the SCSB with which the account is maintained;
14. Authorisation to the Designated Branch of the SCSB to block an amount equivalent to the Application Money in the ASBA Account;
15. Signature of the Eligible Equity Shareholder (in case of joint holders, to appear in the same sequence and order as they appear in the records of the SCSB); and
16. All such Eligible Equity Shareholders are deemed to have accepted the following:

“I/ We understand that neither the Rights Entitlements nor the Equity Shares have been, or will be, registered under the U.S. Securities Act of 1933, as amended (the “U.S. Securities Act”), or any United States state securities laws, and may not be offered, sold, resold or otherwise transferred within the United States or to the territories or possessions thereof (the “United States”), except pursuant to an exemption under, of the U.S. Securities Act. I/ we understand the Equity Shares referred to in this application are being offered and sold (i) in offshore transactions outside the United States in compliance with Regulation S under the U.S. Securities Act (“Regulation S”) to existing shareholders who are non-U.S. Persons and located in jurisdictions where such offer and sale of the Equity Shares is permitted under laws of such jurisdictions. I/ we understand that the Issue is not, and under no circumstances is to be construed as, an offering of any Equity Shares or Rights Entitlements for sale in the United States, or as a solicitation therein of an offer to buy any of the said Equity Shares or Rights Entitlements in the United States. I/ we confirm that I am/ we are (a) not in the United States and a non-U.S. Person and eligible to subscribe for the Equity Shares under applicable securities laws, (b) complying with laws of jurisdictions applicable to such person in connection with the Issue, and (c) understand that neither the Company, nor the Registrar, the Lead Manager or any other person acting on behalf of the Company will accept subscriptions from any person, or the agent of any person, who appears to be, or who the Company, the Registrar, the Lead Manager

or any other person acting on behalf of the Company have reason to believe is in the United States or is outside of India and ineligible to participate in this Issue under the securities laws of their jurisdiction.

I/ We will not offer, sell or otherwise transfer any of the Equity Shares which may be acquired by us in any jurisdiction or under any circumstances in which such offer or sale is not authorized or to any person to whom it is unlawful to make such offer, sale or invitation. I/ We satisfy, and each account for which I/ we are acting satisfies, (a) all suitability standards for investors in investments of the type subscribed for herein imposed by the jurisdiction of my/our residence, and (b) is eligible to subscribe and is subscribing for the Equity Shares and Rights Entitlements in compliance with applicable securities and other laws of our jurisdiction of residence.

I/ We understand and agree that the Rights Entitlement and Rights Equity Shares may not be reoffered, resold, pledged or otherwise transferred except in an offshore transaction in compliance with Regulation S, or otherwise pursuant to an exemption under the US Securities Act.

I/We (i) am/are, and the person, if any, for whose account I/we am/are acquiring such Rights Entitlement, and/or the Equity Shares, is/are outside the United States and is/are acquiring the Rights Entitlement and/or the Equity Shares in an offshore transaction meeting the requirements of Regulation S or in a transaction exempt under the US Securities Act.

I/ We acknowledge that we, the Lead Manager, its affiliates and others will rely upon the truth and accuracy of the foregoing representations and agreements.”

In cases where Multiple Application Forms are submitted for Applications pertaining to Rights Entitlements credited to the same demat account or in demat suspense escrow account, as applicable, including cases where an Investor submits Application Forms along with a plain paper Application, such Applications shall be liable to be rejected.

Investors are requested to strictly adhere to these instructions. Failure to do so could result in an Application being rejected, with our Company, the Lead Manager and the Registrar not having any liability to the Investor. The plain paper Application format will be available on the website of the Registrar at www.purvashare.com

Our Company, the Lead Manager and the Registrar shall not be responsible if the Applications are not uploaded by the SCSB or funds are not blocked in the Investors' ASBA Accounts on or before the Issue Closing Date.

D. Credit of Rights Entitlements in demat accounts of Eligible Equity Shareholders:

As your name appears as a beneficial owner in respect of the issued and paid-up Equity Shares held in dematerialised form or appears in the register of members of our Company as an Eligible Equity Shareholder in respect of our Equity Shares held in physical form, as on the Record Date, you may be entitled to subscribe to the number of Equity Shares as set out in the Rights Entitlement Letter.

Eligible Equity Shareholders can also obtain the details of their respective Rights Entitlements from the website of the Registrar (i.e., www.purvashare.com) by entering their DP ID and Client ID or Folio Number (for Eligible Equity Shareholders who hold Equity Shares in physical form as on Record Date) and PAN. The link for the same shall also be available on the website of our Company (i.e., www.gyscoal.com).

In accordance with Regulation 77A of the SEBI ICDR Regulations read with the SEBI Rights Issue Circular, the credit of Rights Entitlements and Allotment of Equity Shares shall be made in dematerialized form only. Prior to the Issue Opening Date, our Company shall credit the Rights Entitlements to (i) the demat accounts of the Eligible Equity Shareholders holding the Equity Shares in dematerialised form; and (ii) a demat suspense escrow account opened by our Company, for the Eligible Equity Shareholders which would comprise Rights Entitlements relating to (a) Equity Shares held in a demat suspense account pursuant to Regulation 39 of the SEBI Listing Regulations; or (b) Equity Shares held in the account of IEPF authority; or (c) the demat accounts of the Eligible Equity Shareholder which are frozen or details of which are unavailable with our Company or with the Registrar on the Record Date; or (d) Equity Shares held by Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date where details of demat accounts are not provided by Eligible Equity Shareholders to our Company or Registrar; or (e) credit of the Rights Entitlements returned/reversed/failed; or (f) the ownership of the Equity

Shares under dispute, including any court proceedings, as applicable g) non-institutional equity shareholders in the United States.

In this regard, our Company has made necessary arrangements with NSDL and CDSL for crediting of the Rights Entitlements to the demat accounts of the Eligible Equity Shareholders in a dematerialized form. A separate ISIN for the Rights Entitlements has also been generated which is INE482J20013. The said ISIN shall remain frozen (for debit) until the Issue Opening Date. The said ISIN shall be suspended for transfer by the Depositories post the Issue Closing Date.

Additionally, our Company will submit the details of the total Rights Entitlements credited to the demat accounts of the Eligible Equity Shareholders and the demat suspense escrow account to the Stock Exchanges after completing the corporate action. The details of the Rights Entitlements with respect to each Eligible Equity Shareholders can be accessed by such respective Eligible Equity Shareholders on the website of the Registrar after keying in their respective details along with other security control measures implemented thereat.

Rights Entitlements shall be credited to the respective demat accounts of Eligible Equity Shareholders before the Issue Opening Date only in dematerialised form. Further, if no Application is made by the Eligible Equity Shareholders of Rights Entitlements on or before Issue Closing Date, such Rights Entitlements shall get lapsed and shall be extinguished after the Issue Closing Date. No Equity Shares for such lapsed Rights Entitlements will be credited, even if such Rights Entitlements were purchased from market and purchaser will lose the premium paid to acquire the Rights Entitlements. Persons who are credited the Rights Entitlements are required to make an Application to apply for Equity Shares offered under Rights Issue for subscribing to the Equity Shares offered under Issue.

Our Company is undertaking this Issue on a rights basis to the Eligible Equity Shareholders and will send the Abridged Letter of Offer, the Rights Entitlement Letter and the Application Form to the Applicants who have provided an Indian address to our Company and who are located in jurisdictions where the offer and sale of the Rights Entitlement or Rights Equity Shares is permitted under laws of such jurisdiction and does not result in and may not be construed as, a public offering in such jurisdictions. In case the Eligible Equity Shareholders have provided their valid e-mail address, the Issue Materials will be sent only to their valid e-mail address and in case the Eligible Equity Shareholders have not provided their e-mail address, then the Issue Materials will be dispatched, on a reasonable effort basis, to the Indian addresses provided by them.

Further, the Letter of Offer will be sent/ dispatched to the Eligible Equity Shareholders who have provided Indian address and who have made a request in this regard. In case such Eligible Equity Shareholders have provided their valid e-mail address, the Letter of Offer will be sent only to their valid e-mail address and in case such Eligible Equity Shareholders have not provided their e-mail address, then the Letter of Offer will be dispatched, on a reasonable effort basis, to the Indian addresses provided by them.

If Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date, have not provided the details of their demat accounts to our Company or to the Registrar, they are required to provide their demat account details to our Company or the Registrar not later than two Working Days prior to the Issue Closing Date, to enable the credit of the Rights Entitlements by way of transfer from the demat suspense escrow account to their respective demat accounts, at least one day before the Issue Closing Date. Such Eligible Equity Shareholders holding shares in physical form can update the details of their respective demat accounts on the website of the Registrar (i.e.; www.purvashare.com). Such Eligible Equity Shareholders can make an Application only after the Rights Entitlements is credited to their respective demat accounts.

Eligible Equity Shareholders are requested to provide relevant details (such as copies of self-attested PAN and client master sheet of demat account etc., details/ records confirming the legal and beneficial ownership of their respective Equity Shares) to our Company or the Registrar not later than two Working Days prior to the Issue Closing Date, i.e., by January 03, 2023 to enable the credit of their Rights Entitlements by way of transfer from the demat suspense escrow account to their demat account at least one day before the Issue Closing Date, to enable such Eligible Equity Shareholders to make an application in this Issue, and this communication shall serve as an intimation to such Eligible Equity Shareholders in this regard. Such Eligible Equity Shareholders are also

requested to ensure that their demat account, details of which have been provided to our Company or the Registrar account is active to facilitate the aforementioned transfer.

E. Renunciation & Trading of the Rights Entitlements

Renounees

All rights and obligations of the Eligible Equity Shareholders in relation to Applications and refunds pertaining to this Issue shall apply to the Renounee(s) as well.

Renunciation of Rights Entitlements

This Issue includes a right exercisable by Eligible Equity Shareholders to renounce the Rights Entitlements credited to their respective demat account either in full or in part.

The renunciation from non-resident Eligible Equity Shareholder(s) to resident Indian(s) and vice versa shall be subject to provisions of FEMA Rules and other circular, directions, or guidelines issued by RBI or the Ministry of Finance from time to time. However, the facility of renunciation shall not be available to or operate in favour of an Eligible Equity Shareholders being an erstwhile OCB unless the same is in compliance with the FEMA Rules and other circular, directions, or guidelines issued by RBI or the Ministry of Finance from time to time.

The renunciation of Rights Entitlements credited in your demat account can be made either by sale of such Rights Entitlements, using the secondary market platform of the Stock Exchange or through an off-market transfer.

Procedure for Renunciation of Rights Entitlements

The Eligible Equity Shareholders may renounce the Rights Entitlements, credited to their respective demat accounts, either in full or in part (a) by using the secondary market platform of the Stock Exchanges (the “On Market Renunciation”); or (b) through an off-market transfer (the “Off Market Renunciation”), during the Renunciation Period. The Investors should have the demat Rights Entitlements credited/lying in his/her own demat account prior to the renunciation. The trades through On Market Renunciation and Off Market Renunciation will be settled by transferring the Rights Entitlements through the depository mechanism.

Investors may be subject to adverse foreign, state or local tax or legal consequences as a result of trading in the Rights Entitlements. Investors who intend to trade in the Rights Entitlements should consult their tax advisor or stock-broker regarding any cost, applicable taxes, charges and expenses (including brokerage) that may be levied for trading in Rights Entitlements.

Please note that the Rights Entitlements which are neither renounced nor subscribed by the Investors on or before the Issue Closing Date shall lapse and shall be extinguished after the Issue Closing Date.

The Lead Manager and our Company accept no responsibility to bear or pay any cost, applicable taxes, charges and expenses (including brokerage), and such costs will be incurred solely by the Investors.

a. On Market Renunciation

The Eligible Equity Shareholders may renounce the Rights Entitlements, credited to their respective demat accounts by trading/selling them on the secondary market platform of the Stock Exchanges through a registered stock-broker in the same manner as the existing Equity Shares of our Company.

In this regard, in terms of provisions of the SEBI ICDR Regulations and the SEBI Rights Issue Circulars, the Rights Entitlements credited to the respective demat accounts of the Eligible Equity Shareholders shall be admitted for trading on the Stock Exchange under ISIN INE482J20013 subject to requisite approvals. Prior to the Issue Opening Date, our Company will obtain the approval from the Stock Exchange for trading of Rights Entitlements. No assurance can be given regarding the active or sustained On Market Renunciation or the price at which the Rights Entitlements will trade. The details for trading in Rights Entitlements will be as specified by the Stock Exchanges from time to time.

The Rights Entitlements are tradable in dematerialized form only. The market lot for trading of Rights Entitlements is 1 Rights Entitlements.

The On Market Renunciation shall take place only during the Renunciation Period for On Market Renunciation, i.e., from Monday, January 02, 2023 to Monday, January 09, 2023 (both days inclusive).

The Investors holding the Rights Entitlements who desire to sell their Rights Entitlements will have to do so through their registered stock-brokers by quoting the ISIN INE482J20013 and indicating the details of the Rights Entitlements they intend to trade. The Investors can place order for sale of Rights Entitlements only to the extent of Rights Entitlements available in their demat account.

The On Market Renunciation shall take place electronically on secondary market platform of BSE under automatic order matching mechanism and on 'T+2 rolling settlement basis', where 'T' refers to the date of trading. The transactions will be settled on trade-for-trade basis. Upon execution of the order, the stock-broker will issue a contract note in accordance with the requirements of the Stock Exchanges and the SEBI.

b. Off Market Renunciation

The Eligible Equity Shareholders may renounce the Rights Entitlements, credited to their respective demat accounts by way of an off-market transfer through a depository participant. The Rights Entitlements can be transferred in dematerialised form only.

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

The Investors holding the Rights Entitlements who desire to transfer their Rights Entitlements will have to do so through their depository participant by issuing a delivery instruction slip quoting the ISIN INE482J20013, the details of the buyer and the details of the Rights Entitlements they intend to transfer. The buyer of the Rights Entitlements (unless already having given a standing receipt instruction) has to issue a receipt instruction slip to their depository participant. The Investors can transfer Rights Entitlements only to the extent of Rights Entitlements available in their demat account.

The instructions for transfer of Rights Entitlements can be issued during the working hours of the depository participants.

The detailed rules for transfer of Rights Entitlements through off-market transfer shall be as specified by the NSDL and CDSL from time to time.

Please note that the Rights Entitlements which are neither renounced nor subscribed by the Investors on or before the Issue Closing Date shall lapse and shall be extinguished after the Issue Closing Date.

Authority for Issue

This Issue has been authorized by way of a resolution passed by our Board on September 28, 2022 read with resolution passed by our Board on August 12, 2021 and by our Rights Issue Committee vide its resolution dated November 17, 2022 pursuant to section 62(1)(a) of the Companies Act, 2013 and other applicable provisions.

The Board of Directors in their meeting held on December 19, 2022 have determined the Issue Price at ₹2.75 per Equity Share and the Rights Entitlement as 110 Rights Equity Share(s) for every 100 fully paid up Equity Share(s) held on the Record Date. The Issue Price has been arrived at in consultation with the Lead Manager.

Our Company has received in-principle approval from BSE and NSE in accordance with Regulation 28 of the SEBI Listing Regulations for listing of the Rights Equity Shares to be Allotted in the Issue pursuant to letters dated December 05, 2022 and December 05, 2022, respectively.

Basis for this Issue

The Rights Equity Shares are being offered for subscription for cash to the Eligible Equity Shareholders whose names appear as beneficial owners as per the list to be furnished by the Depositories in respect of the Equity Shares held in the dematerialized form and on the register of members of our Company in respect of the Equity Shares held in physical form at the close of business hours on the Record Date i.e. Friday, December 23, 2022, Date,

decided in consultation with the Designated Stock Exchange, but excludes persons not eligible under the applicable laws, rules, regulations and guidelines.

Face Value

Each Rights Equity Share will have the face value of ₹ 1.

Issue Price

Each Rights Equity Share is being offered at a price of ₹2.75 per Rights Equity Share (including a premium of ₹1.75 per Rights Equity Share) in the Issue. The Issue Price has been arrived at by our Company in consultation with the Lead Manager prior to the determination of the Record Date.

The Rights Equity Shares issued in this Issue will be fully paid-up. The Issue Price and other relevant conditions are in accordance with Regulation 10(4) of the SEBI Takeover Regulations.

The Board, at its meeting held on December 19,2022, has determined the Issue Price, in consultation with the Lead Manager.

Rights Entitlement Ratio

The Rights Equity Shares are being offered on a rights basis to the Eligible Equity Shareholders in the ratio of 110 Rights Equity Share(s) for every 100 Equity Share(s) held on the Record Date.

Rights of instrument holder

Each Rights Equity Share shall rank pari passu with the existing Equity Shares of the Company.

Terms of Payment

Full amount of ₹2.75 per Equity Share (including premium of ₹1.75 per Equity Share) shall be payable on Application.

Fractional Entitlements

The Rights Equity Shares are being offered on a rights basis to existing Eligible Equity Shareholders in the ratio of 110 Rights Equity Shares for every 100 Equity Shares held as on the Record Date, i.e., December 23, 2022. As per SEBI Rights Issue Circular, the fractional entitlements are to be ignored. Accordingly, if the shareholding of any of the Eligible Equity Shareholders is less than 10(Ten) Equity Shares or is not in the multiple of 10(Ten) Equity Shares, the fractional entitlements of such Eligible Equity Shareholders shall be ignored by rounding down of their Rights Entitlements. However, the Eligible Equity Shareholders whose fractional entitlements are being ignored, will be given preferential consideration for the Allotment of one additional Rights Equity Share if they apply for additional Rights Equity Shares over and above their Rights Entitlements.

For example, if an Eligible Equity Shareholder holds 100 Equity Shares, such Equity Shareholder will be entitled to 110 Rights Equity Shares and will also be given a preferential consideration for the Allotment of one additional Rights Equity Share if such Eligible Equity Shareholder has applied for additional Rights Equity Shares, over and above his/her/ their Rights Entitlements, subject to availability of Rights Equity Shares in this Issue post allocation towards Rights Entitlements applied for.

Further, the Eligible Equity Shareholders holding less than 10 Equity Shares shall have 'zero' entitlement for the Rights Equity Shares. Such Eligible Equity Shareholders are entitled to apply for additional Rights Equity Shares and will be given preference in the Allotment of one Rights Equity Share, if such Eligible Equity Shareholders apply for additional Rights Equity Shares, subject to availability of Rights Equity Shares in this Issue post allocation towards Rights Entitlements applied for. However, they cannot renounce the same in favour of third parties. **Application Forms with zero entitlement will be non-negotiable/non-renounceable.**

Ranking

The Equity Shares to be issued and Allotted pursuant to this Issue shall be subject to the provisions of the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter, the Application Form, and the Memorandum

of Association and the Articles of Association, the provisions of the Companies Act, 2013, FEMA, the SEBI ICDR Regulations, the SEBI Listing Regulations, and the guidelines, notifications and regulations issued by SEBI, the Government of India and other statutory and regulatory authorities from time to time, the terms of the Listing Agreements entered into by our Company with the Stock Exchanges and the terms and conditions as stipulated in the Allotment advice. The Equity Shares to be issued and Allotted under this Issue shall rank *pari-passu* with the existing Equity Shares, in all respects including dividends.

Mode of Payment of Dividend

In the event of declaration of dividend, our Company shall pay dividend to the Eligible Equity Shareholders as per the provisions of the Companies Act and the provisions of the Articles of Association.

Listing and trading of the Equity Shares to be issued pursuant to this Issue

Subject to receipt of the listing and trading approvals, the Equity Shares proposed to be issued on a rights basis shall be listed and admitted for trading on the Stock Exchanges. Unless otherwise permitted by the SEBI ICDR Regulations, the Equity Shares Allotted pursuant to this Issue will be listed as soon as practicable and all steps for completion of necessary formalities for listing and commencement of trading in the Rights Equity Shares will be taken within such period prescribed under the SEBI ICDR Regulations. Our Company has received In-Principle approval from the BSE through letter bearing reference number DCS/RIGHT/JR/FIP/2879/2022-23 dated December 05, 2022 and from the NSE through letter bearing reference number NSE/LIST/33377 dated December 05, 2022. Our Company will apply to the Stock Exchanges for final approvals for the listing and trading of the Rights Equity Shares subsequent to their Allotment. No assurance can be given regarding the active or sustained trading in the Rights Equity Shares or the price at which the Rights Equity Shares offered under this Issue will trade after the listing thereof.

The existing Equity Shares are listed and traded on BSE (Scrip code: GAL) and NSE (Scrip code: GAL) under the ISIN: INE482J01021. The Rights Equity Shares shall be credited to a temporary ISIN which will be frozen until the receipt of the final listing/ trading approvals from the Stock Exchanges. Upon receipt of such listing and trading approvals, the Equity Shares shall be debited from such temporary ISIN and credited to the new ISIN for the Equity Shares and thereafter be available for trading and the temporary ISIN shall be permanently deactivated in the depository system of CDSL and NSDL.

The listing and trading of the Equity Shares issued pursuant to this Issue shall be based on the current regulatory framework then applicable. Accordingly, any change in the regulatory regime would affect the listing and trading schedule.

In case our Company fails to obtain listing or trading permission from the Stock Exchanges, our Company shall refund through verifiable means/unblock the respective ASBA Accounts, the entire monies received/blocked within seven days of receipt of intimation from the Stock Exchanges, rejecting the application for listing of the Equity Shares, and if any such money is not refunded/ unblocked within eight days after our Company becomes liable to repay it, our Company and every director of our Company who is an officer-in-default shall, on and from the expiry of the eighth day, be jointly and severally liable to repay that money with interest at rates prescribed under applicable law.

For details of trading and listing of Rights Equity Shares, please refer to the heading “*Terms of Payment*” at page 220 of this Letter of Offer.

Subscription to this Issue by our Promoters and members of the Promoter Group

For details in regards to Subscription to this Issue by our Promoters and members of the Promoter Group please see to “*Intention and Extent of Participation by the Promoter and Promoter Group – Summary of Letter of Offer*” on page 20 of this Letter of Offer.

Compliance with SEBI (ICDR) Regulations

Our Company shall comply with all requirements of the SEBI (ICDR) Regulations. Our Company shall comply with all disclosure and accounting norms as specified by SEBI from time to time.

Rights of Holders of Equity Shares of our Company

Subject to applicable laws, Shareholders who have been Allotted Equity Shares pursuant to the Issue shall have the following rights:

- a. The right to receive dividend, if declared;
- b. The right to vote in person, or by proxy;
- c. The right to receive surplus on liquidation;
- d. The right to receive offers for rights shares and be allotted bonus shares, if announced;
- e. The right to free transferability of Equity Shares;
- f. The right to attend general meetings of our Company and exercise voting powers in accordance with law, unless prohibited / restricted by law and as disclosed in the Letter of Offer; and
- g. Such other rights as may be available to a shareholder of a listed public company under the Companies Act, 2013, the Memorandum of Association and the Articles of Association.

General Terms of The Issue

Market Lot

The Rights Equity Shares of our Company shall be tradable only in dematerialized form. The market lot for Rights Equity Shares in dematerialised mode is 1 (one) Equity Share. Further, the Rights Equity Shares shall be allotted only in dematerialised form.

Joint Holders

Where two or more persons are registered as the holders of any Equity Shares, they shall be deemed to hold the same as the joint holders with the benefit of survivorship subject to the provisions contained in our Articles of Association. In case of Equity Shares held by joint holders, the Application submitted in physical mode to the Designated Branch of the SCSBs would be required to be signed by all the joint holders (in the same order as appearing in the records of the Depository) to be considered as valid for allotment of Equity Shares offered in this Issue.

Nomination

Nomination facility is available in respect of the Equity Shares in accordance with the provisions of the Section 72 of the Companies Act, 2013 read with Rule 19 of the Companies (Share Capital and Debenture) Rules, 2014.

Since the Allotment of Rights Equity Shares shall be in dematerialised form, there is no need to make a separate nomination for the Rights Equity Shares to be allotted in this Issue. Nominations registered with the respective Depository Participants (“DPs”) of the Eligible Equity Shareholders (Investors) would prevail. Any Eligible Equity Shareholders (Investor) holding Equity Shares in dematerialised form and desirous of changing the existing nomination is requested to inform its respective Depository Participant.

Arrangements for Disposal of Odd Lots

The Rights Equity Shares will be traded in dematerialised form only and therefore the marketable lot is 1 (One) Rights Equity Share and hence, no arrangements for disposal of odd lots are required.

New Financial Instruments

There are no new financial instruments like deep discount bonds, debentures with warrants, secured premium notes etc. issued by our Company.

Restrictions on transfer and transmission of shares and on their consolidation/splitting

There are no restrictions on transfer and transmission and on their consolidation/splitting of shares issued pursuant to this Issue.

However, the Investors should note that pursuant to provisions of the SEBI Listing Regulations, with effect from April 1, 2019, except in case of transmission or transposition of securities, the request for transfer of securities shall not effected unless the securities are held in the dematerialized form with a depository.

Notices

In accordance with the SEBI ICDR Regulations and the SEBI Relaxation Circulars, the Abridged Letter of Offer, the Application Form, the Rights Entitlement Letter and other Issue material will be sent/ dispatched only to the Eligible Equity Shareholders who have provided Indian address. In case such Eligible Equity Shareholders have provided their valid e-mail address, the Abridged Letter of Offer, the Application Form, the Rights Entitlement Letter and other Issue material will be sent only to their valid e-mail address and in case such Eligible Equity Shareholders have not provided their e-mail address, then the Abridged Letter of Offer, the Application Form, the Rights Entitlement Letter and other Issue material will be dispatched, on a reasonable effort basis, to the Indian addresses provided by them.

Further, the Letter of Offer will be sent/ dispatched to the Eligible Equity Shareholders who have provided Indian address and who have made a request in this regard. In case such Eligible Equity Shareholders have provided their valid e-mail address, the Letter of Offer will be sent only to their valid e-mail address and in case such Eligible Equity Shareholders have not provided their e-mail address, then the Letter of Offer will be dispatched, on a reasonable effort basis, to the Indian addresses provided by them.

All notices to the Eligible Equity Shareholders required to be given by our Company shall be published in one English language national daily newspaper with wide circulation, one Hindi language national daily newspaper with wide circulation and one Gujarati language daily newspaper with wide circulation (Gujarati being the regional language of Gujarat, where our Registered Office is situated).

The Letter of Offer, the Abridged Letter of Offer and the Application Form shall also be submitted with the Stock Exchanges for making the same available on their websites.

Offer to Non-Resident Eligible Equity Shareholders/Investors

As per Rule 7 of the FEMA Rules, RBI has given general permission to Indian companies to issue Rights Equity Shares to non-resident Equity Shareholders including additional Rights Equity Shares. Further, as per the Master Direction on Foreign Investment in India dated January 4, 2018 issued by RBI, non-residents may, amongst other things, (i) subscribe for additional shares over and above their Rights Entitlements; (ii) renounce the shares offered to them either in full or part thereof in favour of a person named by them; or (iii) apply for the shares renounced in their favour. Applications received from NRIs and non-residents for allotment of Rights Equity Shares shall be, amongst other things, subject to the conditions imposed from time to time by RBI under FEMA in the matter of Application, refund of Application Money, Allotment of Rights Equity Shares and issue of Rights Entitlement Letters/ letters of Allotment/Allotment advice. If a non-resident or NRI Investor has specific approval from RBI or any other governmental authority, in connection with his shareholding in our Company, such person should enclose a copy of such approval with the Application details and send it to the Registrar at support@purvashare.com. It will be the sole responsibility of the investors to ensure that the necessary approval from the RBI or the governmental authority is valid in order to make any investment in the Issue and the Lead Manager and our Company will not be responsible for any such allotments made by relying on such approvals.

The Abridged Letter of Offer, the Rights Entitlement Letter and Application Form shall be sent to the email address of non-resident Eligible Equity Shareholders who have provided an Indian address to our Company and located in jurisdictions where the offer and sale of the Equity Shares may be permitted under laws of such jurisdictions. Eligible Equity Shareholders can access the Letter of Offer, the Abridged Letter of Offer and the Application Form (provided that the Eligible Equity Shareholder is eligible to subscribe for the Rights Equity Shares under applicable securities laws) from the websites of the Registrar, our Company, the Lead Manager and the Stock Exchanges. Our Board may at its absolute discretion, agree to such terms and conditions as may be stipulated by RBI while approving the Allotment. The Rights Equity Shares purchased by non-residents shall be subject to the same conditions including restrictions in regard to the repatriation as are applicable to the original Equity Shares against which Equity Shares are issued on rights basis.

In case of change of status of holders, i.e., from resident to non-resident, a new demat account must be opened. Any Application from a demat account which does not reflect the accurate status of the Applicant is liable to be rejected at the sole discretion of our Company and the Lead Manager.

Please also note that pursuant to Circular No. 14 dated September 16, 2003 issued by RBI, Overseas Corporate Bodies (“OCBs”) have been derecognized as an eligible class of investors and RBI has subsequently issued the Foreign Exchange Management (Withdrawal of General Permission to Overseas Corporate Bodies (OCBs)) Regulations, 2003. Any Investor being an OCB is required not to be under the adverse notice of RBI and in order to apply for this issue as an incorporated non-resident must do so in accordance with the FDI Circular 2020 and Foreign Exchange Management (Non-Debt Instrument) Rules, 2019.

The non-resident Eligible Equity Shareholders can update their Indian address in the records maintained by the Registrar and our Company by submitting their respective copies of self-attested proof of address, passport, etc. at the office of the registrar to the issue at Unit No. 9, Ground Floor, Shiv Shakti Industrial Estate, J. R. Boricha Marg, Lower Parel (East) or e-mail at: support@purvashare.com

ALLOTMENT OF THE RIGHT EQUITY SHARES IN DEMATERIALIZED FORM

PLEASE NOTE THAT THE RIGHT EQUITY SHARES APPLIED FOR IN THIS ISSUE CAN BE ALLOTTED ONLY IN DEMATERIALIZED FORM AND TO THE SAME DEPOSITORY ACCOUNT IN WHICH OUR EQUITY SHARES ARE HELD BY SUCH INVESTOR ON THE RECORD DATE.

FOR DETAILS, SEE “ALLOTMENT ADVICE OR REFUND/ UNBLOCKING OF ASBA ACCOUNTS” ON PAGE 231 OF THIS LETTER OF OFFER.

ISSUE SCHEDULE

Particulars	Day and Date
Last Date for Trading Approval of the Rights Entitlements	Friday, December 30, 2023
Issue Opening Date	Monday, January 02, 2023
Last Date for On Market Renunciation of the Rights Entitlements #	Monday, January 09, 2023
Issue Closing Date*	Thursday, January 12, 2023
Finalization of Basis of Allotment (on or about)	Thursday, January 19, 2023
Date of Allotment (on or about)	Thursday, January 19, 2023
Date of credit (on or about)	Wednesday, January 25, 2023
Date of receipt of Trading Approval (on or about)	Friday, January 27, 2023

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

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

Please note that if Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date, have not provided the details of their demat accounts to our Company or to the Registrar, they are required to provide their demat account details to our Company or the Registrar not later than two Working Days prior to the Issue Closing Date, i.e., January 12, 2022 to enable the credit of the Rights Entitlements by way of transfer from the demat suspense escrow account to their respective demat accounts, at least one day before the Issue Closing Date, i.e., January 12, 2022.

PROCEDURE FOR APPLICATION

How to Apply

In accordance with Regulation 76 of the SEBI ICDR Regulations, SEBI Rights Issue Circulars and ASBA Circulars, all Investors desiring to make an Application in this Issue are mandatorily required to use either the ASBA process or the optional mechanism instituted only for resident Investors in this Issue. Investors

should carefully read the provisions applicable to such Applications before making their Application through ASBA or the optional mechanism.

For details of procedure for application by the resident Eligible Equity Shareholders holding Equity Shares in physical form as on the Record Date i.e. December 23, 2022, see section titled “***Procedure for Application by Eligible Equity Shareholders holding Equity Shares in physical form***” on page 208 of this Letter of Offer.

Application Form

The Application Form for the Rights Equity Shares offered as part of this Issue would be sent to email address of the Eligible Equity Shareholders who have provided an Indian address to our Company or who are located in jurisdictions where the offer and sale of the Rights Equity Shares is permitted under laws of such jurisdictions.

The Application Form along with the Abridged Letter of Offer and the Rights Entitlement Letter shall be sent through email at least three days before the Issue Opening Date. In case of non-resident Eligible Equity Shareholders, the Application Form along with the Abridged Letter of Offer and the Rights Entitlement Letter shall be sent through email-to-email address if they have provided an Indian address to our Company or who are located in jurisdictions where the offer and sale of the Rights Equity Shares is permitted under laws of such jurisdiction.

Further, our Company along with the Lead Manager will undertake all adequate steps to reach out the Eligible Equity Shareholders by other means if feasible in the current COVID-19 situation. However, our Company, Lead Manager and the Registrar will not be liable for non-dispatch of physical copies of Issue materials, including the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter, the Issue Materials and the Application Form. However, the Letter of offer Abridged Letter of Offer, Application Form and other applicable Issue materials will be made available on the websites of the Company, registrar to the issue, stock exchanges and the lead manager to the issue. Further, best efforts will be made to reach out the Eligible Equity Shareholders who have not registered their e-mail id with our Company including but not limited to sending SMS or audio-visual advertisement on television or digital advertisement, etc.

Please note that neither our Company nor the Registrar nor the Lead Manager shall be responsible for delay in the receipt of the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form attributable to non-availability of the email addresses of Eligible Equity Shareholders or electronic transmission delays or failures, or if the Application Forms or the Rights Entitlement Letters are delayed or misplaced in the transit.

The Eligible Equity Shareholders can obtain the details of their respective Rights Entitlements from the website of the Registrar www.purvashare.com by entering their DP ID and Client ID or Folio Number (in case of resident Eligible Equity Shareholders holding Equity Shares in physical form) and PAN. The link for the same shall also be available on the website of our Company (www.gyscoal.com).

The Application Form can be used by the Investors, Eligible Equity Shareholders as well as the Renounees, to make Applications in this Issue basis the Rights Entitlements credited in their respective demat accounts or demat suspense escrow account, as applicable. Please note that one single Application Form shall be used by the Investors to make Applications for all Rights Entitlements available in a particular demat account or entire respective portion of the Rights Entitlements in the demat suspense escrow account in case of resident Eligible Equity Shareholders holding shares in physical form as on Record Date i.e. December 23, 2022 and applying in this Issue, as applicable.

In case of Investors who have provided details of demat account in accordance with the SEBI ICDR Regulations, such Investors will have to apply for the Rights Equity Shares from the same demat account in which they are holding the Rights Entitlements and in case of multiple demat accounts, the Investors are required to submit a separate Application Form for each demat account.

Investors may accept this Issue and apply for the Rights Equity Shares (i) submitting the Application Form to the Designated Branch of the SCSB or online/electronic Application through the website of the SCSBs (if made available by such SCSB) for authorising such SCSB to block Application Money payable on the Application in

their respective ASBA Accounts. Please note that Applications made with payment using third party bank accounts are liable to be rejected.

Investors are also advised to ensure that the Application Form is correctly filled up stating therein, the ASBA Account (in case of Application through ASBA process) in which an amount equivalent to the amount payable on Application as stated in the Application Form will be blocked by the SCSB.

Please note that Applications without depository account details shall be treated as incomplete and shall be rejected, except in case of Eligible Equity Shareholders who hold Equity Shares in physical form.

Applicants should note that they should very carefully fill-in their depository account details and PAN number in the Application Form or while submitting application through online/electronic Application through the website of the SCSBs (if made available by such SCSB). Incorrect depository account details or PAN number could lead to rejection of the Application. For details see section titled “*Grounds for Technical Rejection*” on page 212 of this Letter of Offer. Our Company, the Lead Manager, the Registrar and the SCSB shall not be liable for any incorrect demat details provided by the Applicants.

Additionally, in terms of Regulation 78 of the SEBI ICDR Regulations, Investors may choose to accept the offer to participate in this Issue by making plain paper Applications. Please note that Eligible Equity Shareholders making an application in this Issue by way of plain paper applications shall not be permitted to renounce any portion of their Rights Entitlements. For details, see “*Application on Plain Paper under ASBA process*” on page 214 of this Letter of Offer.

Applications by Overseas Corporate Bodies

By virtue of the Circular No. 14 dated September 16, 2003, issued by the RBI, Overseas Corporate Bodies (“OCBs”), have been derecognized as an eligible class of investors and the RBI has subsequently issued the Foreign Exchange Management (Withdrawal of General Permission to OCBs) Regulations, 2003.

Accordingly, the existing Eligible Equity Shareholders of our Company who do not wish to subscribe to the Rights Equity Shares being offered but wish to renounce the same in favour of Renounee shall not be able to renounce the same (whether for consideration or otherwise), in favour of OCB(s). The RBI has however clarified in its circular, A.P. (DIR Series) Circular No. 44, dated December 8, 2003, that OCBs which are incorporated and are not and were not at any time subject to any adverse notice from the RBI, are permitted to undertake fresh investments as incorporated non-resident entities in terms of Regulation 5(1) of RBI Notification No.20/2000-RB dated May 3, 2000, under the foreign direct investment scheme with the prior approval of Government of India if the investment is through the government approval route and with the prior approval of RBI if the investment is through automatic route on case by case basis. Eligible Equity Shareholders renouncing their rights in favour of such OCBs may do so provided such Renounee obtains a prior approval from the RBI. On submission of such RBI approval to our Company at our Registered Office, the OCB shall receive the Abridged Letter of Offer and the Application Form.

Investment / Procedure for applications by FPIs

In terms of applicable FEMA Rules and the SEBI FPI Regulations, investments by FPIs in the Equity Shares is subject to certain limits, i.e., the individual holding of an FPI (including its investor group (which means multiple entities registered as foreign portfolio investors and directly and indirectly having common ownership of more than 50% of common control) shall be below 10% of our post-Issue Equity Share capital. In case the total holding of an FPI or investor group increases beyond 10% of the total paid-up Equity Share capital of our Company, on a fully diluted basis or 10% or more of the paid-up value of any series of debentures or preference shares or share warrants that may be issued by our Company, the total investment made by the FPI or investor group will be re-classified as FDI subject to the conditions as specified by SEBI and RBI in this regard and our Company and the investor will also be required to comply with applicable reporting requirements.

FPIs are permitted to participate in this Issue subject to compliance with conditions and restrictions which may be specified by the Government from time to time. FPIs who wish to participate in the Issue are advised to use the Application Form for non-residents. Subject to compliance with all applicable Indian laws, rules, regulations,

guidelines and approvals in terms of Regulation 21 of the SEBI FPI Regulations, an FPI may issue, subscribe to or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by an FPI against securities held by it that are listed or proposed to be listed on any recognised stock exchange in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only to persons registered as Category I FPI under the SEBI FPI Regulations; (ii) such offshore derivative instruments are issued only to persons who are eligible for registration as Category I FPIs (where an entity has an investment manager who is from the Financial Action Task Force member country, the investment manager shall not be required to be registered as a Category I FPI); (iii) such offshore derivative instruments are issued after compliance with 'know your client' norms; and (iv) compliance with other conditions as may be prescribed by SEBI.

An FPI issuing offshore derivative instruments is also required to ensure that any transfer of offshore derivative instruments issued by or on its behalf, is carried out subject to inter alia the following conditions:

- a. such offshore derivative instruments are transferred only to persons in accordance with the SEBI FPI Regulations; and
- b. prior consent of the FPI is obtained for such transfer, except when the persons to whom the offshore derivative instruments are to be transferred to are pre – approved by the FPI.

No investment under the FDI route will be allowed in the Issue unless such application is accompanied with necessary approval or covered under a pre-existing approval.

Investment by Systemically Important Non-Banking Financial Companies (NBFC – SI)

In case of an application made by Systemically Important NBFCs registered with the RBI, (a) the certificate of registration issued by the RBI under Section 45 – IA of the RBI Act, 1934 and (b) net worth certificate from its statutory auditors or any independent chartered accountant based on the last audited financial statements is required to be attached to the application.

Investment by AIFs, FVCIs, VCFs and FDI Route

The SEBI VCF Regulations and the SEBI FVCI Regulations prescribe, among other things, the investment restrictions on VCFs and FVCIs registered with SEBI. Further, the SEBI AIF Regulations prescribe, among other things, the investment restrictions on AIFs.

As per the SEBI VCF Regulations and SEBI FVCI Regulations, VCFs and FVCIs are not permitted to invest in listed companies pursuant to rights issues. Accordingly, applications by VCFs or FVCIs will not be accepted in this Issue. Further, venture capital funds registered as Category I AIFs, as defined in the SEBI AIF Regulations, are not permitted to invest in listed companies pursuant to rights issues. Accordingly, applications by venture capital funds registered as category I AIFs, as defined in the SEBI AIF Regulations, will not be accepted in this Issue. Other categories of AIFs are permitted to apply in this Issue subject to compliance with the SEBI AIF Regulations. Such AIFs having bank accounts with SCSBs that are providing ASBA in cities / centres where such AIFs are located are mandatorily required to make use of the ASBA facility. Otherwise, applications of such AIFs are liable for rejection.

No investment under the FDI route (i.e., any investment which would result in the investor holding 10% or more of the fully diluted paid-up equity share capital of the Company or any FDI investment for which an approval from the government was taken in the past) will be allowed in the Issue unless such application is accompanied with necessary approval or covered under a pre-existing approval from the government. It will be the sole responsibility of the investors to ensure that the necessary approval or the pre-existing approval from the government is valid in order to make any investment in the Issue. The Lead Manager and our Company will not be responsible for any allotments made by relying on such approvals

Applications by mutual funds

Applications made by asset management companies or custodians of Mutual Funds should clearly and specifically state names of the concerned schemes for which such Applications are made.

In case of a Mutual Fund, a separate Application can be made in respect of each scheme of the Mutual Fund registered with SEBI and such Applications in respect of more than one scheme of the Mutual Fund will not be treated as multiple Applications provided that the Applications clearly indicate the scheme concerned for which the Application has been made.

No Mutual Fund scheme shall invest more than 10% of its net asset value in equity shares or equity related instruments of any single company provided that the limit of 10% shall not be applicable for investments in case of index funds or sector or industry specific schemes. No Mutual Fund under all its schemes should own more than 10% of any company's paid-up share capital carrying voting rights.

Procedure for Applications by non-resident Indians (NRIs)

Investments by NRIs are governed by the FEMA Rules. Applications will not be accepted from NRIs that are ineligible to participate in this Issue under applicable securities laws.

As per the FEMA Rules, an NRI or Overseas Citizen of India ("OCI") may purchase or sell capital instruments of a listed Indian company on repatriation basis, on a recognised stock exchange in India, subject to the conditions, inter alia, that the total holding by any individual NRI or OCI will not exceed 5% of the total paid-up equity capital on a fully diluted basis or should not exceed 5% of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all NRIs and OCIs put together will not exceed 10% of the total paid-up equity capital on a fully diluted basis or shall not exceed 10% of the paid-up value of each series of debentures or preference shares or share warrants. The aggregate ceiling of 10% may be raised to 24%, if a special resolution to that effect is passed by the general body of the Indian company.

Further, in accordance with press note 3 of 2020, the FDI Policy has been recently amended to state that all investments by entities incorporate in a country which shares land border with India or where beneficial owner of an investment into India is situated in or is a citizen of any such country ("**Restricted Investors**"), will require prior approval of the Government of India. It is not clear from the press note whether or not an issue of the Rights Equity Shares to Restricted Investors will also require prior approval of the Government of India and each Investor should seek independent legal advice about its ability to participate in the Issue. In the event such prior approval has been obtained, the Investor shall intimate our Company and the Registrar about such approval within the Issue Period.

Payment by stock invest

In terms of RBI Circular DBOD No. FSC BC 42/24.47.00/2003- 04 dated November 5, 2003, the stock invest Scheme has been withdrawn. Hence, payment through stock invest would not be accepted in this Issue.

Last Date for Application

The last date for submission of the duly filled in Application Form is the Issue Closing Date i.e., January 12, 2022. Our Board or any committee thereof may extend the said date for such period as it may determine from time to time, subject to the provisions of the Articles of Association, and subject to the Issue Period not exceeding 30 days from the Issue Opening Date i.e. January 02, 2023.

If the Application Form is not submitted with an SCSB, uploaded with the Stock Exchanges and the Application Money is not blocked with the SCSB, on or before the Issue Closing Date or such date as may be extended by our Board or any committee thereof, the invitation to offer contained in the Letter of Offer shall be deemed to have been declined and our Board or any committee thereof shall be at liberty to dispose of the Equity Shares hereby offered, as provided under the section, "**Basis of Allotment**" on page 230 of this Letter of Offer.

Please note that on the Issue Closing Date, Applications through ASBA process will be uploaded until 5.00 p.m. (Indian Standard Time) or such extended time as permitted by the Stock Exchanges.

Withdrawal of Application

An Investor who has applied in this Issue may withdraw their Application at any time during Issue Period (before Issue Closing) by approaching the SCSB where application is submitted. However, no Investor, applying through ASBA facility, may withdraw their Application post the Issue Closing Date.

Disposal of Application and Application Money

No acknowledgment will be issued for the Application Money received by our Company. However, the Designated Branches of the SCSBs receiving the Application Form will acknowledge its receipt by stamping and returning the acknowledgment slip at the bottom of each Application Form would generate an electronic acknowledgment to the Eligible Equity Shareholders upon submission of the Application.

Our Board reserves its full, unqualified and absolute right to accept or reject any Application, in whole or in part, and in either case without assigning any reason thereto.

In case an Application is rejected in full, the whole of the Application Money will be unblocked in the respective ASBA Accounts. Wherever an Application is rejected in part, the balance of Application Money, if any, after adjusting any money due on Equity Shares Allotted, will be refunded / unblocked in the respective bank accounts from which Application Money was received / ASBA Accounts of the Investor within a period of 4 days from the Issue Closing Date. In case of failure to do so, our Company shall pay interest at such rate and within such time as specified under applicable law.

For further instructions, please read the Application Form carefully.

Modes of Payment

All payments against the Application Forms shall be made only through ASBA facility. The Registrar will not accept any payments against the Application Forms, if such payments are not made through ASBA facility.

In case of Application through the ASBA facility, the Investor agrees to block the entire amount payable on Application with the submission of the Application Form, by authorizing the SCSB to block an amount, equivalent to the amount payable on Application, in the Investor's ASBA Account. The SCSB may reject the application at the time of acceptance of Application Form if the ASBA Account, details of which have been provided by the Investor in the Application Form does not have sufficient funds equivalent to the amount payable on Application mentioned in the Application Form. Subsequent to the acceptance of the Application by the SCSB, our Company would have a right to reject the Application on technical grounds as set forth in the Letter of Offer.

After verifying that sufficient funds are available in the ASBA Account details of which are provided in the Application Form, the SCSB shall block an amount equivalent to the Application Money mentioned in the Application Form until the Transfer Date. On the Transfer Date subject to necessary confirmation from the regulatory authority and pursuant to the finalization of the Basis of Allotment as approved by the Designated Stock Exchange, the SCSBs shall transfer such amount as per the Registrar's instruction from the ASBA Account into the Allotment Account(s) which shall be a separate bank account maintained by our Company, other than the bank account referred to in sub-section (3) of Section 40 of the Companies Act, 2013. The balance amount remaining after the finalisation of the Basis of Allotment on the Transfer Date shall be unblocked by the SCSBs on the basis of the instructions issued in this regard by the Registrar to the respective SCSB.

In terms of RBI Circular DBOD No. FSC BC 42/24.47.00/2003- 04 dated November 5, 2003, the stock invest scheme has been withdrawn. Hence, payment through stock invest would not be accepted in this Issue.

For Resident Investors

All payments on the Application Forms shall be made only through ASBA facility. Applicants are requested to strictly adhere to these instructions.

For Non-Resident Investors

As regards Applications by Non-Resident Investors, the following conditions shall apply:

- Individual non-resident Indian Applicants who are permitted to subscribe to Rights Equity Shares by applicable local securities laws can obtain Application Forms on the websites of the Registrar, our Company or the Lead Manager.

Note: In case of non-resident Eligible Equity Shareholders, the Abridged Letter of Offer, the Rights Entitlement Letter and the Application Form shall be sent to their email addresses if they have provided their

Indian address to our Company or if they are located in certain jurisdictions where the offer and sale of the Rights Equity Shares is permitted under laws of such jurisdictions. The Letter of Offer will be provided, only through email, by the Registrar on behalf of our Company to the Eligible Equity Shareholders who have provided their Indian addresses to our Company or who are located in jurisdictions where the offer and sale of the Rights Equity Shares is permitted under laws of such jurisdictions and in each case, who make a request in this regard. Non-Resident Investors shall send their Right Entitlement credit request with ID proof to the Registrar to the Issue at www.purvashare.com

- Application Forms will not be accepted from non-resident Investors in any jurisdiction where the offer or sale of the Rights Entitlements and Rights Equity Shares may be restricted by applicable securities laws.
- Payment by non-residents must be made only through ASBA facility and using permissible accounts in accordance with FEMA, FEMA Rules and requirements prescribed by the RBI.
- Eligible Non-Resident Equity Shareholders applying on a repatriation basis by using the Non-Resident Forms should authorize their SCSB to block their Non-Resident External (“NRE”) accounts, or Foreign Currency Non-Resident (“FCNR”) Accounts, and Eligible Non-Resident Equity Shareholders applying on a non-repatriation basis by using Resident Forms should authorize their SCSB to block their Non-Resident Ordinary (“NRO”) accounts for the full amount payable, at the time of the submission of the Application Form to the SCSB. Applications received from NRIs and non-residents for allotment of the Rights Equity Shares shall be inter alia, subject to the conditions imposed from time to time by the RBI under the FEMA in the matter of refund of Application Money, allotment of Rights Equity Shares and issue of letter of allotment. If an NR or NRI Investors has specific approval from RBI, in connection with his shareholding, he should enclose a copy of such approval with the Application Form

PLEASE NOTE THAT NON-RESIDENT ELIGIBLE EQUITY SHAREHOLDERS, WHO HOLD EQUITY SHARES IN PHYSICAL FORM AS ON RECORD DATE I.E. DECEMBER 23, 2022 AND WHO HAVE NOT FURNISHED THE DETAILS OF THEIR RESPECTIVE DEMAT ACCOUNTS TO THE REGISTRAR OR OUR COMPANY AT LEAST TWO WORKING DAYS PRIOR TO THE ISSUE CLOSING DATE, SHALL NOT BE ELIGIBLE TO MAKE AN APPLICATION FOR RIGHTS EQUITY SHARES AGAINST THEIR RIGHTS ENTITLEMENTS WITH RESPECT TO THE EQUITY SHARES HELD IN PHYSICAL FORM.

Basis of Allotment

Subject to the provisions contained in the Letter of Offer, the Abridged Letter of Offer, the Application Form, the Rights Entitlement Letter, the Articles of Association of our Company and the approval of the Designated Stock Exchange, our Board will proceed to allot the Rights Equity Shares in the following order of priority:

- (a) Full Allotment to those Eligible Equity Shareholders who have applied for their Rights Entitlements of Rights Equity Shares either in full or in part and also to the Renouncee(s) who has or have applied for Rights Equity Shares renounced in their favour, in full or in part.
- (b) As per SEBI Rights Issue Circular, the fractional entitlements are to be ignored, therefore those Equity Shareholders holding less than 10 (Ten) Equity Shares would be entitled to ‘Zero’ Rights Equity Shares under this Issue, Application Form with ‘Zero’ entitlement will be sent to such shareholders. Such Eligible Equity Shareholders are entitled to apply for Additional Rights Equity Shares and would be given preference in the allotment of 1 (One) Rights Equity Share if, such Equity Shareholders have applied for the Additional Rights Equity Shares, subject to availability of Rights Equity shares post allocation towards Rights Entitlement applied for. Allotment under this head shall be considered if there are any un-subscribed Equity Shares after Allotment under (a) above. If the number of Rights Equity Shares required for Allotment under this head is more than number of Rights Equity Shares available after Allotment under (a) above, the Allotment would be made on a fair and equitable basis in consultation with the Designated Stock Exchange.
- (c) Allotment to the Eligible Equity Shareholders who having applied for all the Rights Equity Shares offered to them as part of this Issue, have also applied for additional Rights Equity Shares. The Allotment of such additional Rights Equity Shares will be made as far as possible on an equitable basis having due regard to the number of Equity Shares held by them on the Record Date, provided there are any unsubscribed Rights Equity Shares after making full Allotment in (a) and (b) above. The Allotment of such Rights Equity Shares will be

at the sole discretion of our Board in consultation with the Designated Stock Exchange, as a part of this Issue and will not be a preferential allotment.

- (d) Allotment to Renounees who having applied for all the Rights Equity Shares renounced in their favour, have applied for additional Rights Equity Shares provided there is surplus available after making full Allotment under (a), (b) and (c) above. The Allotment of such Rights Equity Shares will be made on a proportionate basis in consultation with the Designated Stock Exchange, as a part of this Issue and will not be a preferential allotment.
- (e) Allotment to any other person, that our Board may deem fit, provided there is surplus available after making Allotment under (a), (b), (c) and (d) above, and the decision of our Board in this regard shall be final and binding.

After taking into account Allotment to be made under (a) to (d) above, if there is any unsubscribed portion, the same shall be deemed to be 'unsubscribed'.

Upon approval of the Basis of Allotment by the Designated Stock Exchange, the Registrar shall send to the Designated Branches or Controlling branches, a list of the ASBA Investors who have been Allotted Rights Equity Shares in the Issue, along with:

- (a) The amount to be transferred from the ASBA Account to the separate bank account opened by our Company for the Issue, for each successful ASBA Application;
- (b) The date by which the funds referred to above, shall be transferred to the aforesaid bank account; and
- (c) The details of rejected ASBA Applications, if any, to enable the SCSBs to unblock the respective ASBA Accounts.

In the event of over subscription, Allotment shall be made within the overall size of the Issue.

Allotment Advices/Refund Orders/Unblocking of ASBA Accounts

Our Company will send/ dispatch Allotment advice, refund instructions/intimations (including in respect of Applications made through the optional facility) or demat credit of securities and/or letters of regret, along with crediting the Allotted Rights Equity Shares to the respective beneficiary accounts (only in dematerialised mode) or or issue instructions for unblocking the funds in the respective ASBA Accounts, if any, within a period of 4 days from the Issue Closing Date. In case of failure to do so, our Company and "our Directors" who are officers in default shall pay interest at 15% p.a. and such other rate as specified under applicable law from the expiry of such 4 days' period.

The Rights Entitlements will be credited in the dematerialized form using electronic credit under the depository system and the Allotment advice shall be sent, through an e-mail, to the e-mail address provided to our Company or at the address recorded with the Depository.

In the case of non-resident Investors who remit their Application Money from funds held in the NRE or the FCNR Accounts, unblocking and/or payment of interest or dividend and other disbursements, if any, shall be credited to such accounts.

Where an Applicant has applied for additional Equity Shares in the Issue and is Allotted a lesser number of Equity Shares than applied for, the excess Application Money paid/blocked shall be refunded/unblocked. The unblocking of ASBA funds / refund of monies shall be completed be within such period as prescribed under the SEBI ICDR Regulations. In the event that there is a delay in making refunds beyond such period as prescribed under applicable law, our Company shall pay the requisite interest at such rate as prescribed under applicable law.

In case of those investors who have opted to receive their Rights Entitlement in dematerialized form using electronic credit under the depository system, and the Allotment advice regarding their credit of the Rights Equity Shares shall be sent at the address recorded with the Depository. Investors to whom refunds are made through electronic transfer of funds will be sent a letter through ordinary post intimating them about the mode of credit of refund within 4 days of the Issue Closing Date i.e. January 12, 2022..

The letter of allotment or refund order would be sent by registered post or speed post to the sole/ first Investor's address provided by the Eligible Equity Shareholders to our Company. Such refund orders would be payable at

par at all places where the Applications were originally accepted. The same would be marked 'Account Payee only' and would be drawn in favor of the sole/ first Investor. Adequate funds would be made available to the Registrar for this purpose.

Payment of Refund

Mode of making refunds

In case of Applicants not eligible to make an application through ASBA process, the payment of refund, if any, including in the event of oversubscription or failure to list or otherwise would be done through any of the following modes:

1. Unblocking amounts blocked using ASBA facility.
2. **National Automated Clearing House ("NACH")** – NACH is a consolidated system of electronic clearing service. Payment of refund would be done through NACH for Applicants having an account at one of the centers specified by the RBI, where such facility has been made available. This would be subject to availability of complete bank account details including MICR code wherever applicable from the depository. The payment of refund through NACH is mandatory for Applicants having a bank account at any of the centers where NACH facility has been made available by the RBI (subject to availability of all information for crediting the refund through NACH including the MICR code as appearing on a cheque leaf, from the Depositories), except where the Applicant is otherwise disclosed as eligible to get refunds through NEFT, Direct Credit or RTGS.
3. **National Electronic Fund Transfer ("NEFT")** – Payment of refund shall be undertaken through NEFT wherever the Investors' bank has been assigned the Indian Financial System Code ("IFSC Code"), which can be linked to a MICR, allotted to that particular bank branch. IFSC Code will be obtained from the website of RBI as on a date immediately prior to the date of payment of refund, duly mapped with MICR numbers. Wherever the Investors have registered their nine-digit MICR number and their bank account number with the Registrar to our Company or with the Depository Participant while opening and operating the demat account, such MICR number and the bank account number will be duly mapped with the IFSC Code of that particular bank branch and the payment of refund will be made to the Investors through this method.
4. **Direct Credit** - Investors having bank accounts with the Bankers to the Issue shall be eligible to receive refunds through direct credit. Charges, if any, levied by the relevant bank(s) for such refund would be borne by our Company.
5. **RTGS** – If the refund amount exceeds ₹ 200,000 Investors have the option to receive refund through RTGS. Such eligible Investors who indicate their preference to receive refund through RTGS are required to provide the IFSC Code in the Application Form. In the event such IFSC Code is not provided, refund shall be made through NACH or any other eligible mode. Charges, if any, levied by the refund bank(s) for such refund would be borne by our Company. Charges, if any, levied by the Investor's bank receiving the credit would be borne by the Investor.
6. For all other Investors, the refund orders will be dispatched through speed post or registered post. Such refunds will be made by cheques, pay orders or demand drafts drawn in favor of the sole/first Investor and payable at par.
7. Credit of refunds to Investors in any other electronic manner, permissible under the banking laws, which are in force, and is permitted by SEBI from time to time.

Refund payment to Non-residents

The Application Money will be unblocked in the ASBA Account of the non-resident Applicants, details of which were provided in the Application Form.

Printing of Bank Particulars on Refund Orders

As a matter of precaution against possible fraudulent encashment of refund orders due to loss or misplacement, the particulars of the Investor's bank account are mandatorily required to be given for printing on the refund orders. Bank account particulars, where available, will be printed on the refund orders or refund warrants which can then

be deposited only in the account specified. Our Company will, in no way, be responsible if any loss occurs through these instruments falling into improper hands either through forgery or fraud.

Allotment advice or Demat Credit

The demat credit of securities to the respective beneficiary accounts will be credited within 4 days from the Issue Closing Date or such other timeline in accordance with applicable laws.

Receipt of the Equity Shares in Dematerialized Form

PLEASE NOTE THAT THE EQUITY SHARES APPLIED FOR UNDER THIS ISSUE CAN BE ALLOTTED ONLY IN DEMATERIALIZED FORM AND TO (A) THE SAME DEPOSITORY ACCOUNT/ CORRESPONDING PAN IN WHICH THE EQUITY SHARES ARE HELD BY SUCH INVESTOR ON THE RECORD DATE, OR (B) THE DEPOSITORY ACCOUNT, DETAILS OF WHICH HAVE BEEN PROVIDED TO OUR COMPANY OR THE REGISTRAR AT LEAST TWO WORKING DAYS PRIOR TO THE ISSUE CLOSING DATE BY THE ELIGIBLE EQUITY SHAREHOLDER HOLDING EQUITY SHARES IN PHYSICAL FORM AS ON THE RECORD DATE, OR (C) DEMAT SUSPENSE ACCOUNT WHERE THE CREDIT OF THE RIGHTS ENTITLEMENTS RETURNED/REVERSED/FAILED.

Investors shall be Allotted the Equity Shares in dematerialized (electronic) form. Our Company has signed an agreement with NSDL and an agreement with CDSL which enables the Investors to hold and trade in the securities issued by our Company in a dematerialized form, instead of holding the Equity Shares in the form of physical certificates.

INVESTORS MAY PLEASE NOTE THAT THE EQUITY SHARES OF OUR COMPANY CAN BE TRADED ON THE STOCK EXCHANGE ONLY IN DEMATERIALIZED FORM.

The procedure for availing the facility for Allotment of Rights Equity Shares in the Issue in the electronic form is as under:

- Open a beneficiary account with any Depository Participant (care should be taken that the beneficiary account should carry the name of the holder in the same manner as is registered in the records of our Company. In the case of joint holding, the beneficiary account should be opened carrying the names of the holders in the same order as registered in the records of our Company). In case of Investors having various folios in our Company with different joint holders, the Investors will have to open separate accounts for each such holding. Those Investors who have already opened such beneficiary account(s) need not adhere to this step.
- It should be ensured that the depository account is in the name(s) of the Investors and the names are in the same order as in the records of our Company or the Depositories.
- The responsibility for correctness of information filled in the Application Form vis-a-vis such information with the Investor's depository participant, would rest with the Investor. Investors should ensure that the names of the Investors and the order in which they appear in Application Form should be the same as registered with the Investor's depository participant.
- If incomplete or incorrect beneficiary account details are given in the Application Form, the Investor will not get any Rights Equity Shares and the Application Form will be rejected.
- The Rights Equity Shares will be allotted to Applicants only in dematerialized form and would be directly credited to the beneficiary account as given in the Application Form after verification or demat suspense account (pending receipt of demat account details for resident Eligible Equity Shareholders holding Equity Shares in physical form/ with IEPF authority/ in suspense, etc.). Allotment advice, refund order (if any) would be sent directly to the Applicant by email and, if the printing is feasible, through physical dispatch, by the Registrar but the Applicant's depository participant will provide to him the confirmation of the credit of such Rights Equity Shares to the Applicant's depository account.
- Renounees will also have to provide the necessary details about their beneficiary account for Allotment of Rights Equity Shares in the Issue. In case these details are incomplete or incorrect, the Application is liable to be rejected.

- Non-transferable allotment advice/ refund orders will be sent directly to the Investors by the Registrar to the Issue.
- Dividend or other benefits with respect to the Equity Shares held in dematerialized form would be paid to those Equity Shareholders whose names appear in the list of beneficial owners given by the Depository Participant to our Company as on the date of the book closure.

Resident Eligible Equity Shareholders, who hold Equity Shares in physical form and who have not furnished the details of their demat account to the Registrar or our Company at least two Working Days prior to the Issue Closing Date, desirous of subscribing to Rights Equity Shares in this Issue must check the procedure for application by and credit of Rights Equity Shares to such Eligible Equity Shareholders in “***Procedure for Application by Eligible Equity Shareholders holding Equity Shares in physical form***” and on page 208 of this Letter of Offer.

Impersonation

As a matter of abundant caution, attention of the Investors is specifically drawn to the provisions of Section 38 of the Companies Act, 2013 which is reproduced below:

“Any person who:

- makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or*
- makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or*
- otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name,*

shall be liable for action under Section 447.”

The liability prescribed under Section 447 of the Companies Act, 2013 for fraud involving an amount of at least ₹ 10 lakhs or 1% of the turnover of the Company, whichever is lower, includes imprisonment for a term which shall not be less than six months extending up to ten (10) years (provided that where the fraud involves public interest, such term shall not be less than three years) and fine of an amount not less than the amount involved in the fraud, extending up to three (3) times of such amount. Where such fraud (i) involves an amount which is less than ₹ 10 lakhs or 1% of the turnover of the Company, whichever is lower, and (ii) does not involve public interest, then such fraud is punishable with imprisonment for a term extending up to five years or fine of an amount extending up to ₹ 50 lakhs or with both.

DEMATERIALIZED DEALINGS

Our Company has entered into tripartite agreements with NSDL and CDSL, respectively, and our Equity Shares bear the ISIN: INE482J01021.

MINIMUM SUBSCRIPTION

If our Company does not receive the minimum subscription of at least 90% of the Issue size, or the subscription level falls below 90%, after the Issue Closing Date on account of cheques being returned unpaid or withdrawal of applications, our Company shall refund the entire subscription amount received within 4 days from the Issue Closing Date. If there is delay in making refunds beyond such period as prescribed by applicable laws, our Company will pay interest for the delayed period at rates prescribed under applicable laws.

FILING

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

WITHDRAWAL OF THE ISSUE

Subject to provisions of the SEBI ICDR Regulations, the Companies Act and other applicable laws, our Company in consultation with the Lead Manager, reserves the right not to proceed with the Issue at any time before the Issue Opening Date without assigning any reason thereof.

If our Company withdraws the Issue anytime after the Issue Opening Date, a public notice within two (2) Working Days of the Issue Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Issue shall be issued by our Company. The notice of withdrawal will be issued in the same newspapers where the pre-Issue advertisement has appeared and the Stock Exchanges will also be informed promptly.

The Lead Manager, through the Registrar to the Issue, will instruct the SCSBs to unblock the ASBA Accounts within one (1) working Day from the day of receipt of such instruction. Our Company shall also inform the same to the Stock Exchanges.

If our Company withdraws the Issue at any stage including after the Issue Closing Date and subsequently decides to proceed with an Issue of the Equity Shares, our Company will file a fresh offer document with the stock exchange where the Equity Shares may be proposed to be listed.

UTILIZATION OF ISSUE PROCEEDS

Our Board of Directors/ Rights issue Committee members declares that:

- A. All monies received out of issue of shares or specified securities to the public shall be transferred to a separate bank account.
- B. Details of all monies utilised out of the issue referred to in clause (A) shall be disclosed, and continue to be disclosed till the time any part of the Issue Proceeds remains unutilised, under an appropriate separate head in the balance sheet of our Company indicating the purpose for which such monies had been utilised; and
- C. Details of all unutilised monies out of this issue referred to in clause (A) shall be disclosed under an appropriate separate head in the balance sheet of our Company indicating the form in which such unutilised monies have been invested.
- D. Our Company may utilize the funds collected in the Issue only after final listing and trading approvals for the Rights Equity Shares Allotted in the Issue is received.

UNDERTAKING

Our Company undertakes the following:

- i. The complaints received in respect of this Issue shall be attended to by our Company expeditiously and satisfactorily.
- ii. All steps for completion of the necessary formalities for listing and commencement of trading at all Stock Exchanges where the Rights Equity Shares are to be listed will be taken within the time prescribed by the SEBI.
- iii. The funds required for making refunds/unblocking to unsuccessful Applicants as per the mode(s) disclosed shall be made available to the Registrar by our Company.
- iv. Where refunds are made through electronic transfer of funds, a suitable communication shall be sent to the Investor within 4 days of the Issue Closing Date, giving details of the banks where refunds shall be credited along with amount and expected date of electronic credit of refund.
- v. No further issue of securities affecting our Company's Equity Share capital shall be made until the Rights Equity Shares are listed or until the Application Money is refunded on account of non-listing, under subscription etc.

- vi. In case of refund/unblocking of the application money/amount for unsuccessful applicants or part of the application money / amount in case of proportionate allotment, a suitable communication shall be sent to the applicants.
- vii. Adequate arrangements shall be made to collect all ASBA Applications
- viii. At any given time, there shall be only one denomination for the Rights Equity Shares of our Company.
- ix. Our Company shall comply with all disclosure and accounting norms specified by the SEBI from time to time.
- x. Our Company accepts full responsibility for the accuracy of information given in this Letter of Offer and confirms that to the best of its knowledge and belief, there are no other facts the omission of which makes any statement made in this Letter of Offer misleading and further confirms that it has made all reasonable enquiries to ascertain such facts.

INVESTOR GRIEVANCES, COMMUNICATION AND IMPORTANT LINKS

1. Please read this Letter of Offer carefully before taking any action. The instructions contained in the Application Form, Abridged Letter of Offer and the Rights Entitlement Letter are an integral part of the conditions of this Letter of Offer and must be carefully followed; otherwise, the Application is liable to be rejected.
2. All enquiries in connection with this, Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or Application Form must be addressed (quoting the Registered Folio Number or the DP ID and Client ID number, the Application Form number and the name of the first Eligible Equity Shareholder as mentioned on the Application Form and super scribed “Gyscoal Alloys Limited – Rights Issue” on the envelope and postmarked in India or in the email) to the Registrar at the following address:

Purva Sharegistry (India) Private Limited

Unit No. 9, Ground Floor, Shiv Shakti Industrial Estate,
J. R. Boricha Marg, Lower Parel (East), Mumbai – 400011,
Maharashtra, India

Tel No: + 91-22-2301 0771 / 4961 4132;

Fax No: NA

Email : support@purvashare.com ;

Contact Person: Ms. Deepali Dhuri;

Website: www.purvashare.com ;

SEBI Registration Number: INR000001112

In accordance with SEBI Rights Issue Circulars, frequently asked questions and online/ electronic dedicated investor helpdesk for guidance on the Application process and resolution of difficulties faced by the Investors will be available on the website of the Registrar www.purvashare.com .Further, helpline number provided by the Registrar for guidance on the Application process and resolution of difficulties is + 91-22-2301 0771.

The Investors can visit links [RTI] or www.gyscoal.com or investors@gyscoal.com or can contact on +079 66614508, for the below-mentioned purposes:

- a. Frequently asked questions and online/ electronic dedicated investor helpdesk for guidance on the Application process and resolution of difficulties faced by the Investors.
- b. Updation of Indian address/ e-mail address/ phone or mobile number in the records maintained by the Registrar or our Company.
- c. Updation of demat account details by Eligible Equity Shareholders holding shares in physical form.

- d. Submission of self-attested PAN, client master sheet and demat account details by non- resident Eligible Equity Shareholders.

This Issue will remain open for a minimum 11 days. However, our Board will have the right to extend the Issue Period as it may determine from time to time but not exceeding 30 days from the Issue Opening Date (inclusive of the Issue Closing Date).

RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Consolidated FDI Policy and FEMA. The FDI Policy prescribes the limits and conditions subject to which foreign investment can be made in different sectors of the Indian economy and FEMA regulates the precise manner in which such investment may be made.

The government bodies responsible for granting foreign investment approvals are the concerned ministries/departments of the Government of India and the RBI. Pursuant to the press release dated May 24, 2017, the Union Cabinet phased out the FIPB and it was replaced by the Foreign Investment Facilitation Portal (**FIFP**) to speed up the FDI inflow and to increase the transparency in the FDI approvals in the country. The DIPP issued the Standard Operating Procedure (SOP) for Processing FDI Proposals on June 29, 2017 (the "**SOP**"). The SOP provides a list of the competent authorities to grant approvals for foreign investment for sectors/activities requiring Government approval. For sectors or activities that are currently under the automatic route but which required Government approval earlier as per the extant policy during the relevant period, the concerned Administrative Ministry/Department shall act as the competent authority (the "**Competent Authority**") for the grant of post facto approval for foreign investment. In circumstances where there is a doubt as to which department shall act as the Competent Authority, the DIPP will identify the Competent Authority.

The Government of India, from time to time, has made policy pronouncements on Foreign Direct Investment ("**FDI**") through press notes and press releases. The DIPP has issued a consolidated FDI Policy DPIIT File Number 5(2)/2020-FDI Policy Dated the October 15, 2020 ("**FDI Policy 2020**"), which consolidates and supersedes all previous press notes, press releases and clarifications on FDI policy issued by the DIPP that were in force till that date. The Government of India proposes to update the consolidated circular on FDI policy once every year and therefore, the FDI Policy 2020 will be valid until the DIPP issues an updated circular.

Under the FDI Policy, unless specifically restricted, foreign investment is freely permitted in all sectors of the Indian economy up to 100% without any prior approvals, however the foreign investor must follow certain prescribed procedures for making such investment. Accordingly, the process for foreign direct investment ("**FDI**") and approval from the Government of India will now be handled by the FIFP.

The transfer of shares between an Indian resident and a non-resident does not need prior approval of the RBI, provided that (i) the activities of the investee company falls under the automatic route as provided in the FDI Policy and FEMA, and the transfer does not attract the provisions of the SEBI Takeover Regulations; (ii) the non-resident shareholding is within the sectoral limits under the FDI Policy; and (iii) the pricing is in accordance with the guidelines prescribed by SEBI and RBI.

As per the extant policy of the Government of India, erstwhile OCBs cannot participate in this Issue. OCBs or Overseas Corporate Bodies have been de-recognised as a class of investor entity in India with effect from September 16, 2003.

Overseas Corporate Body means a company, partnership firm, society and other corporate body owned directly or indirectly to the extent of at least sixty per cent by Non- Resident Indians and includes overseas trust in which not less than sixty percent beneficial interest is held by Non-resident Indians directly or indirectly but irrevocably, which was in existence as on September 16, 2003 and was eligible to undertake transactions pursuant to the general permission granted under FEMA. Any investment made in India by such entities will be treated as investments by incorporated non-resident entities, i.e. a foreign company.

The Issue, if renounced by our shareholders, may include offers within India, to Indian institutional, non-institutional and retail investors in offshore transactions as defined in, and made in reliance upon exemptions from the registration requirements under the United States Securities Act of 1933, as amended (the "**U.S. Securities Act**"), including the exemption under Regulation S ("**Regulation S**") of the U.S. Securities Act.

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

SECTION VIII – OTHER INFORMATION

STATUTORY INFORMATION

Please note that the Rights Equity Shares applied for under this Issue will be allotted only in dematerialized form and will be credited to (a) the same depository account / corresponding PAN in which the Equity Shares are held by such Investor on the Record Date, or (b) the depository account, details of which have been provided to our Company or the Registrar at least 2 working days prior to the Issue Closing Date by the Eligible Equity Shareholder holding Equity Shares in physical form as on the Record Date, or (c) demat suspense escrow account. For details, see section titled “*Terms of the Issue*” on page 204 of this Letter of Offer.

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The copies of the following contracts which have been entered or are to be entered into by our Company (not being contracts entered into in the ordinary course of business carried on by our Company or contracts entered into more than two years before the date of this Letter of Offer) which are or may be deemed material have been entered or are to be entered into by our Company. Copies of the documents for inspection referred to hereunder, may be inspected at the registered office of the Company between 10 a.m. and 5 p.m. on all working days from the date of the Letter of Offer until the Issue Closing Date and Additionally, any person intending to inspect the abovementioned contracts and documents electronically, may do so, by writing an email to investors@gyscoal.com.

A) Material contracts for the Issue

1. Issue Agreement dated September 29, 2022 between our Company and the Lead Manager.
2. Registrar Agreement dated September 20, 2022 between our Company and Registrar to the Issue.
3. Bankers to the Issue Agreement dated December 15, 2022 amongst our Company, the Lead Manager, Banker(s) to the Issue and the Registrar to the Issue.

B) Material documents for the Issue

1. Certified true copy of Certificate of Incorporation, the Memorandum of Association and Articles of Association of our Company, as amended.
2. Resolutions of the Board of Directors dated September 28, 2022 in relation to the Issue and other related matters.
3. Resolution of the Rights Issue Committee dated November 18, 2022 approving and adopting the Draft Letter of Offer.
4. Resolution passed by our Rights Issue Committee dated December 19, 2022 finalizing the terms of the Issue including Record Date and the Rights Entitlement ratio.
5. The Limited Review Financial Results for year ended September 30, 2022 and the Restated Financial Statements for period ended March 31, 2022, March 31, 2021 and March 31, 2020.
6. Consents of our Directors, our Company Secretary and Compliance Officer, our Chief Financial Officer, Statutory Auditor, Internal Auditor, Lead Manager, Legal Advisor as to Legal Chapters, the Registrar to the Issue, Bankers to our Company, and Banker to the Issue to include their names in this Letter of Offer and to act in their respective capacities.
7. The Report dated September 30, 2022 from the Statutory Auditors of our Company, confirming the Statement of Special Tax Benefits available to our Company and its Shareholders as disclosed in this Letter of Offer.
8. Annual Reports of our Company for Fiscal March 31, 2022, March 31, 2021, March 31, 2020, March 31, 2019, March 31, 2018.
9. In-principle listing approvals dated December 05, 2022 and December 05, 2022 issued by BSE and NSE respectively under Regulation 28(1) of the SEBI Listing Regulations.
10. Tripartite agreement dated June 06, 2008 amongst our Company, Central Depository Services (India) Limited and Registrar to the Issue
11. Tripartite agreement dated June 27, 2008 amongst our Company, National Securities Depository Limited and Registrar to the Issue.

12. No Objection Certification dated May 20, 2022 and November 29, 2022 issued by the Omkara and OTS Arrangement dated May 20, 2022 entered between our Company and Omkara

Any of the contracts or documents mentioned in this Letter of Offer may be amended or modified at any time, if so required, in the interest of our Company or if required by the other parties, without reference to the Eligible Equity Shareholders, subject to compliance with applicable law.

DECLARATION

We hereby certify that no statement made in this Letter of Offer contravenes any of the provisions of the Companies Act, 2013 and the rules made thereunder. We further certify that all the legal requirements connected with the Issue as also the guidelines, instructions, etc., issued by SEBI, Government of India and any other competent authority in this behalf, have been duly complied with.

We further certify that all disclosures made in this Letter of Offer are true and correct.

SD/-

Mona Viral Shah
Executive Director and Chairman
DIN: 02343194

SD/-

Mahendra Kumar Shukla
Executive Director
DIN: 09461897

SD/-

Dipali Manish Shah
Non-Executive Non-Independent Director
DIN: 08845576

SD/-

Hemang Harshad Shah
Non-Executive Independent Director
DIN: 08740598

SD/-

Laxmi Shikandar Jaiswal
Non-Executive Independent Director
DIN: 09616917

SD/-

Ravikumar Manojkumar Thakkar
Non-Executive Independent Director
DIN: 09620074

**SIGNED BY THE CHIEF
EXECUTIVE OFFICER**

**SIGNED BY THE CHIEF
FINANCIAL OFFICER**

SD/-

Viral Mukund Shah

SD/-

Neelesh Bhutara

Place: Ahmedabad, Gujarat

Date: December 27, 2022