





GALA GLOBAL PRODUCTS LIMITED CIN: L29109GJ2010PLC063243

Our Company was originally incorporated as "Gala Print City Private Limited" on December 14, 2010 under the Companies Act, 1956 vide certificate of incorporation issued by the Registrar of Companies, Gujarat, Dadra and Nagar Havelli. Our Company was subsequently converted in to a public company and consequently name was changed to "Gala Print City Limited" (GPCL) vide fresh certificate of incorporation dated March 31, 2014 issued by Registrar of Companies, pursuant to section 23(1), Gujarat, Dadra and Nagar Havelli. Pursuant to Initial Public Offer on SME Platform of BSE Limited ("BSE SME"), our Company got listed on BSE SME on July 16, 2015. Our Company migrated from BSE SME Platform to BSE Main Board pursuant to BSE Notice dated November 07, 2017 w.e.f. November 09, 2017. Pursuant to amalgamation of "Gala Products Limited" into "Gala Print City Limited" and Order of Hon'ble bench of NCLT dated May 17, 2017, name of our company changed to "Gala Global Products Limited" vide fresh certificate of incorporation dated August 18, 2017. For further details regarding registered office, please see the chapter titled "General Information" beginning on page 82 of this Draft Letter of offer. CIN no of our company is L29109GJ2010PLC063243...

REGISTERED OFFICE: B-1, Laxmi Com. Co.Op. Estate, B/h Old Navneet Press, Sukhramnagar, Ahmedabad, Gujarat, India, 380021.

TELEPHONE NO.: +91 7575006464; Website: www.galaglobalhub.com; E-Mail: inf.galaglobal@gmail.com

Contact Person: Vandana Arun Baldi, Company Secretary and Compliance Officer

OUR PROMOTER OF THE COMPANY

VISHAL MULCHANDBHAI GALA AND NEHA VISHAL GALA

FOR PRIVATE CIRCULATION TO THE ELIGIBLE EQUITY SHAREHOLDERS OF GALA GLOBAL PRODUCTS LIMITED (THE "COMPANY" OR THE "ISSUER") ONLY

ISSUE OF UP TO $[\bullet]$ FULLY PAID-UP EQUITY SHARES OF FACE VALUE OF ₹10 EACH OF OUR COMPANY (THE "RIGHTS EQUITY SHARES") FOR CASH AT A PRICE OF ₹ $[\bullet]$ PER RIGHTS EQUITY SHARE (INCLUDING A PREMIUM OF ₹ $[\bullet]$ PER RIGHTS EQUITY SHARE) AGGREGATING UP TO ₹ 25* CRORE ON A RIGHTS BASIS TO THE ELIGIBLE EQUITY SHAREHOLDERS OF OUR COMPANY IN THE RATIO OF $[\bullet]$ RIGHTS EQUITY SHARES FOR EVERY $[\bullet]$ EQUITY SHARES HELD BY THE ELIGIBLE EQUITY SHAREHOLDERS ON THE RECORD DATE, THAT IS ON $[\bullet]$ (THE "ISSUE"). FOR FURTHER DETAILS, SEE "TERMS OF THE ISSUE" BEGINNING ON PAGE 101.

*Assuming Full Subscription.

WILFUL DEFAULTER(S) OR FRAUDULENT BORROWER(S)

Neither our Company nor our Promoter or any of our directors have been identified as Wilful Defaulter(s) or Fraudulent Borrower(s).

GENERAL RISKS

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in this issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue including the risks involved. The Equity Shares offered in the Issue have neither been recommended nor approved by Securities and Exchange Board of India ("SEBI") nor does Securities and Exchange Board of India guarantee the accuracy or adequacy of the contents of this Draft Letter of Offer. Specific attention of the investors is invited to the section titled "Risk Factors" beginning on page no.17 of this Draft Letter of Offer.

COMPANY'S ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Letter of Offer contains all information with regard to our Company and the Issue, which is material in the context of the Issue, that the information contained in this Draft 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 Draft Letter of Offer as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.

LISTING

The existing Equity Shares are listed on BSE Limited ("BSE" or the "Stock Exchange"). Our Company has received the "in-principle" approvals from BSE for listing of the Rights Equity Shares to be allotted pursuant to this Issue through letter dated [●]. Our Company will also make applications to the Stock Exchange to obtain 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 this Issue, the Designated Stock Exchange is BSE.

REGISTRAR TO THE ISSUE



KFIN TECHNOLOGIES LIMITED

ADDRESS: Selenium Tower B, Plot 31-32, Financial District, Nanakramguda, Serilingampally Mandal,

Hydrabad - 500 032, Telangana,

Tel no.: + 91-40-67162222/18003094001

Fax No.: +91-40-6716 1563 Website: www.kfintech.com E-Mail: gala.rights@kfintech.com

Investor Grievance Email: einward.ris@kfintech.com

Contact Person: Mr. M.Murali Krishna SEBI Reg. No.: INR000000221 CIN: L72400TG2017PLC117649

ISSUE PROGRAMME

ISSUE I ROGRAMINIE		
ISSUE OPENS ON	LAST DATE FOR ON MARKET RENUNCIATION*	ISSUE CLOSES ON**
[•]	[•]	[•]

^{*}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 accounts of the Renouncees on or prior to the Issue Closing Date.

^{**} Our Board of Directors 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.



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SECTION I - GENERAL

DEFINITIONS AND ABBREVIATIONS

This Draft 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 Draft Letter of Offer is intended for the convenience of the reader/prospective investor only and is not exhaustive.

This Draft Letter of Offer uses the definitions and abbreviations set forth below, which, unless the context otherwise indicates or implies, or unless otherwise specified, shall have the meaning as provided below. References to any legislation, act, regulatios, 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 Draft Letter of Offer, but not defined herein, shall have the same meaning (to the extent applicable) ascribed to such terms under the SEBI ICDR Regulations, the Companies Act, 2013, the SCRA, the Depositories Act, and the rules and regulations made there under. Notwithstanding the foregoing, terms used in sections/ chapters titled "Industry Overview", "Statement of Tax Benefits, Financial Information "Outstanding Litigation and Material Developments" and "Terms of issue" on pages 54, 51, 82, and respectively, shall, unless indicated otherwise, have the meanings ascribed to such terms in the respective sections/ chapters.

GENERAL TERMS

Term	Description
	Gala Global Products Limited, a public limited company incorporated under the
"we", "us", "our", "the	Companies Act, 1956 and having Registered Office at B-1, Laxmi Com. Co.Op.
Company", "the Issuer	Estate, B/h Old Navneet Press, Sukhramnagar, Ahmedabad, Gujarat, India,
Company" or "the Issuer"	380021.
Promoter	Vishal Mulchandbhai Gala and Neha Vishal Gala
Promoter Group	Companies, individuals and entities (other than companies) as defined under
	Regulation 2 sub-regulation (pp) of the SEBI ICDR Regulations, 2018.

COMPANY RELATED TERMS

Term	Description
Articles / Articles of Association/AOA	Articles of Association of our Company as amended from time to time
Audited Financial Statements	The audited financial statements of our Company for the financial year ended March 31, 2024 which comprises of the balance sheet as at year ended March 31, 2024, and Unaudited Financials for Stub Period ended December 31, 2024, the statement of profit and loss including other comprehensive income, the cash flow statement, the statement of changes in equity for the year ended March 31, 2024 and Unaudited Financials for Stub Period ended December 31, 2024, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information. For details, see "Audited Financial Information" on page 72f of this Draft Letter of Offer.
Auditors of the Company	The Statutory auditors of our Company, being M/s R B Gohil & Co., Chartered Accountants.
Audit Committee	The Board of Directors of our Company constituted audit committee in accordance with Regulation 18 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended and Section 177 of the Companies Act, 2013.
Associate Companies	A body corporate in which our company has a significant influence and includes a joint venture company.
Board of Directors / Board	The Board of Directors of our Company or a committee constituted thereof
Company Secretary and Compliance Officer	The Company Secretary of our Company, being Vandana Arun Baldi.

Chief Financial Officer/ CFO	The Chief Financial Officer of our Company, being Prahlad Kumar Agarwal.
Act or Companies Act	Companies Act, 1956 and/ or the Companies Act, 2013, as amended from time to time.
CIN	Corporate Identification Number
CMD	Chairman and Managing Director
Depositories Act	The Depositories Act, 1996, as amended from time to time
Director(s)	Director(s) of Gala Global Products Limited unless otherwise specified
Equity Shares	Equity Shares of our Company having Face Value of Rs. 5.00/- each unless otherwise specified in the context thereof.
Equity Shareholders /Shareholders	Persons /entities holding Equity Shares of our Company.
ED	Executive Director
Group Companies	Companies (other than our Corporate Promoters and Subsidiaries) with which there were related party transactions as disclosed in the Financial Statements as covered under the applicable accounting standards.
Independent Director	Independent directors on the Board, and eligible to be appointed as an independent director under the provisions of Companies Act and SEBI (LODR) Regulations. For details of the Independent Directors, please refer to chapter titled "Our Management" beginning on 82 of this Draft Letter of Offer.
Ind AS	Indian Accounting Standards
ISIN	International Securities Identification Number is INE480S01026.
Key Managerial Personnel / Key Managerial Employees	The officer vested with executive power and the officers at the level immediately below the Board of Directors as described in the section titled "Our Management" on page no. 69 of this Draft Letter of Offer
MD	Managing Director
Materiality Policy	The policy on identification of group companies, material creditors and material litigation, adopted by our Board on February 14, 2025 in accordance with the requirements of the SEBI (ICDR)Regulations, 2018 as amended from time to time
MOA/ Memorandum / Memorandum of Association	Memorandum of Association of our Company as amended from time to time
Nomination & Remuneration Committee	The Nomination and Remuneration Committee of our Board described in the chapter titled "Our Management" on page 69 of this Draft Letter of Offer.
Registered Office	The Registered office of our Company, located at B-1, Laxmi Com. Co.Op. Estate, B/h Old Navneet Press, Sukhramnagar, Ahmedabad, Gujarat, India, 380021.
ROC/Registrar of Companies	Registrar of Companies, Ahmedabad.
Peer Review Auditor	Independent Auditor having a valid Peer Review certificate in our case being M/s. R B Gohil & Co., Chartered Accountants
PLC	Public Limited Company
PTC	Private Limited Company
Stakeholder's Relationship Committee	The Stakeholders Relationship Committee of the Board of Directors constituted as the Company's Stakeholder's Relationship Committee in accordance with Section 178(5) of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014 and described in the chapter titled "Our Management" on page 69 of this Draft Letter of Offer.
WTD	Whole Time Director

ISSUE RELATED TERMS

Terms	Description
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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.
Additional Rights Equity Shares / Additional Equity Shares	The Rights Equity Shares applied or allotted under this Issue in addition to the Rights Entitlement
Allot / Allotment / Allotted	Unless the context otherwise requires, the Allotment of Rights Equity Shares pursuant to the Issue.
Allotment Account	The account opened with the Banker(s) to the Issue, into which 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.
Allotment Account Bank	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, [•].
Allotment Advice	Note, advice or intimation of Allotment sent to each successful Applicant who has been or is to be Allotted the Rights Equity Shares pursuant to the Issue.
Allotment Date	Date on which the Allotment is made pursuant to the Issue.
Allottee(s)	Person(s) who are Allotted Rights Equity Shares pursuant to the Allotment
Applicant(s) / Investor(s)	Eligible Equity Shareholder(s) and / or Renouncee(s) who are entitled to make an application for the Rights Equity Shares pursuant to the Issue in terms of this Draft Letter of Offer.
Application	Application made through submission of the Common Application Form or plain paper Application to the Designated Branch(es) of the SCSBs or online / electronic application through the website of the SCSBs (if made available by such SCSBs) under the ASBA process, to subscribe to the Rights Equity Shares at the Issue Price.
Application Form / Common Application Form	Unless the context otherwise requires, an application form (including online application form available for submission of application through the website of the SCSBs (if made available by such SCSBs) under the ASBA process) used by an Investor to make an application for the Allotment of the Rights Equity Shares in the Issue.
Application Money	Aggregate amount payable in respect of the Rights Equity Shares applied for in the Issue at the Issue Price
Application Supported by Blocked Amount /ASBA	Application (whether physical or electronic) used by ASBA Applicants to make an Application authorizing the SCSB to block the amount payable on application in the ASBA Account maintained with such SCSB.
ASBA Account	Account maintained with a SCSB and as specified in the Common Application Form or plain paper application, as the case may be, for blocking the amount mentioned in the Common Application Form or the plain paper application, in case of Eligible Equity Shareholders, as the case may be.
ASBA Circulars	Collectively, the SEBI circular bearing reference number SEBI/CFD/DIL/ASBA/1/2009/30/12 dated December 30, 2009, the SEBI circular bearing reference number CIR/CFD/DIL/1/2011 dated April 29, 2011 and any other circular issued by SEBI in this regard and any subsequent circulars or notifications issued by SEBI in this regard.
Banker to the Issue	Collectively, the Escrow Collection Bank and the Refund Bank to the Issue, in this case being [●].
Banker to the Issue	Agreement dated [•] entered into by and among our Company, the Registrar to
Agreement	the Issue, and the Banker to the Issue for receipt of the Application Money.
Basis of Allotment	The basis on which the Rights Equity Shares will be Allotted to successful applicants in the Issue and which is described in "Terms of the Issue" on page 93 of this Draft Letter of Offer.

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Controlling Branches / Controlling Branches of the SCSBs	Such branches of the SCSBs which coordinate with the Registrar to the Issue and the Stock Exchanges, a list of which is available on http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes, updated from time to time or at such other website(s) as may be prescribed by the SEBI from time to time.
Demographic Details	Details of Investors including the Investor's address, name of the Investor's father/husband, investor status, occupation and bank account details, where applicable.
Designated SCSB Branches	Such branches of the SCSBs which shall collect the Application Form 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&intmId=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 (BSE SME)
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	This draft letter of offer dated Saturday, April 05, 2025, filed with the Stock Exchanges, for its observations and in-principle approval.
Eligible Equity Shareholders	Existing Equity Shareholders as on the Record Date i.e., [•]. Please note that the investors eligible to participate in the Issue exclude certain overseas shareholders. For further details, see "Notice to Investors" on page 10 of this Draft Letter of Offer.
Entitlement Letter/ Rights Entitlement Letter	A letter to be dispatched by the Registrar to all Existing Equity Shareholders as on the Record Date which will contain details of their Rights Entitlements based on their shareholdings as on the Record Date.
Issue / Rights Issue	Issue of up to [•] Rights Equity Shares for cash at a price of ₹ [•] per Rights Equity Share (including a share premium of ₹ [•] per Rights Equity Share) aggregating up to ₹ 2,500 lakhs* on a rights basis to the Eligible Equity Shareholders of our Company in the ratio of [•] ([•]) Rights Equity Share for every [•] ([•]) fully paid-up Equity Shares held by the Eligible Equity Shareholders on the Record Date i.e. [•]. *Assuming full subscription
Issue Closing Date	[•]
Issue Materials	Collectively, the Letter of Offer, the Abridged Letter of Offer, the Common Application Form and Rights Entitlement Letter, any other issue material relating to the Issue.
Issue Opening Date	[•]
Issue Period	The period between the Issue Opening Date and the Issue Closing Date, inclusive of both days, during which Applicants / Investors can submit their applications, in accordance with the SEBI ICDR Regulations.
Issue Price	₹ [•] per Rights Equity Share.
Issue Proceeds	The gross proceeds raised through the Issue
Issue Size	Amount aggregating up to ₹ 2,500.00 *Assuming full subscription
Letter of Offer / LOF	The letter of offer dated [•] filed with the Stock Exchanges and to be submitted with SEBI for information and dissemination purpose.
Multiple Application Forms	Multiple application forms submitted by an Eligible Equity Shareholder / Renouncee in respect of the Rights Entitlement available in their demat account. However supplementary applications in relation to further Equity Shares with / without using additional Rights Entitlements will not be treated as multiple application.

Net Proceeds	Issue Proceeds less the Issue related expenses. For details, see "Objects of the Issue" on page 43 of the Draft Letter of Offer.
Non-Institutional Bidders / NIIs	An Investor other than a Retail Individual Investor or Qualified Institutional Buyer as defined under Regulation 2(1) (jj) of the SEBI ICDR Regulations.
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 [•].
QIBs / Qualified Institutional Buyers	Qualified institutional buyers as defined under Regulation 2(1) (ss) of the SEBI ICDR Regulations.
Record Date	Designated date for the purpose of determining the Equity Shareholders eligible to apply for Rights Equity Shares, being [●].
Refund Bank	The Banker to the Issue with whom the Refund Account will be opened, in this case being [●].
Registrar to the Issue / Registrar	KFin Technologies Private Limited
Registrar Agreement	Agreement dated April 03, 2025, entered into among our Company and the Registrar in relation to the responsibilities and obligations of the Registrar to the Issue pertaining to the Issue.
Renouncee(s)	Person(s) who has/have acquired Rights Entitlements from the Eligible Equity Shareholders on renunciation either through On Market Renunciation or through Off Market Renunciation in accordance with the SEBI ICDR Regulations, the SEBI Rights Issue Circular, the Companies Act and any other applicable law.
Renunciation Period	The period during which the Investors can renounce or transfer their Rights Entitlements which shall commence from the Issue Opening Date i.e. [•]. Such period shall close on [•], 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 Renounces on or prior to the Issue Closing Date i.e. [•].
Retail Individual Bidders(s) / Retail Individual Investor(s) / RII(s) / RIB(s)	An individual Investor (including an HUF applying through karta) who has applied for Rights Equity Shares and whose Application Money is not more than ₹200,000 in the Issue as defined under Regulation 2(1) (vv) of the SEBI ICDR Regulations.
Rights Entitlements / REs	Number of the Equity Shares that an Eligible Equity Shareholder is entitled to in proportion to the number of the Equity Shares held by the Eligible Equity Shareholder on the Record Date, in this case being [•] Rights Equity Shares for every [•] Equity Shares held by an Eligible Equity Shareholder. Pursuant to the provisions of the SEBI ICDR Regulations and the SEBI Rights Issue Circulars, the Rights Entitlements shall be credited in dematerialised form in respective demat accounts of the Eligible Equity Shareholders before the Issue Opening Date.
Rights Entitlement Letter	Letter including details of Rights Entitlements of the Eligible Equity Shareholders.
Rights Equity Shares/ Rights Shares	Equity Shares of our Company to be Allotted pursuant to this Issue, on fully paid-up basis on Allotment.
SEBI Rights Issue Circulars	SEBI circular bearing reference number SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020 read with 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.

Self-Certified Syndicate Banks / SCSBs	Self-certified syndicate banks registered with SEBI, which offers the facility of ASBA. A list of all SCSBs is available on http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes, updated from time to time or at or such other website(s) as maybe prescribed by SEBI from time to time.
Stock Exchanges	Stock exchanges where the Equity Shares are presently listed, being BSE SME.
Transfer Date	The date on which 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 / Fraudulent Borrower	An entity or person categorised as a wilful defaulter or a fraudulent borrower by any bank or financial institution or consortium thereof, in terms of Regulation 2(1) (III) of the SEBI ICDR Regulations.
Working Day	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 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.

TECHNICAL AND INDUSTRY RELATED TERMS

Term	Description
B2B	Business 2 Business
Ad	Advertisement
BSE	Bombay Stock Exchange
US\$	United States Dollar
CEPA	Comprehensive Economic Partnership Agreement
CAD	Current Account Deficit
IIT	Indian Institute of Technology
IIJS	India International Jewellery Show
DPIIT	Department for Promotion of Industry and Internal Trade
FY	Financial Year
PMLA	Prevention of Money Laundering Act
GJC	All India Gem and Jewellery Domestic Council
MoSPI	Ministry of Statistics & Programme Implementation
RBI	The Reserve Bank of India
LMT	lakh metric tonnes
IPOs	Initial Public Offerings
HNI	High-Net-Worth Individuals
UHNWI	Ultra-High-Net-Worth Individuals
SEBI	Securities and Exchange Board of India
UK	United Kingdom
QR code	Quick Response Code
MOU	Memorandum Of Understanding

CONVENTIONAL AND GENERAL TERMS/ ABBREVIATIONS

Term	Description
A/c	Account

Act or Companies Act	Companies Act, 1956 and/or the Companies Act, 2013, as amended from time to time
AGM	Annual General Meeting
AIF(s)	Alternative Investment Funds as defined in and registered with SEBI under SEBI AIF Regulations
ASBA	Application Supported by Blocked Amount
AS	Accounting Standards issued by the Institute of Chartered Accountants of India.
AY	Assessment Year
Bn	Billion
BG	Bank Guarantee
BHIM	Bharat Interface for Money
BSE	BSE Limited
CAGR	Compounded Annual Growth Rate
CAN	Confirmation Allocation Note
CARO	Companies (Auditor's Report) Order, 2016, as amended
CDSL	Central Depository Services (India) Limited
CFO	Chief Financial Officer
CIN	Corporate Identity Number
CIT	Commissioner of Income Tax
	Cash Reserve Ratio
CRR	NSDL and CDSL
Depositories	
Depositories Act	The Depositories Act, 1996 as amended from time to time
Depository	A depository registered with SEBI under the SEBI (Depositories and Participants) Regulations, 2018, as amended from time to time
DIN	Director's Identification Number
DP/Depository Participant	A Depository Participant as defined under the Depository Participant Act, 1996
DP ID	Depository Participant's Identification Number
EBIDTA	Earnings Before Interest, Depreciation, Tax and Amortization
ECS	Electronic Clearing System
EGM	Extraordinary General Meeting
EPS	Earnings Per Share i.e., profit after tax for a fiscal year divided by the weighted average outstanding number of equity shares at the end of that fiscal year
FDI	Foreign Direct Investment
Financial Year/ Fiscal Year/ FY	The period of twelve months ended March 31 of that particular year
FEMA	Foreign Exchange Management Act, 1999, read with rules and regulations thereunder and as amended from time to time.
FEMA Regulations	Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000, as amended.
FII	Foreign Institutional Investor (as defined under SEBI FII (Foreign Institutional Investors) Regulations, 1995, as amended from time to time) registered with SEBI under applicable laws in India
FII Regulations	Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995, as amended.
FIs	Financial Institutions
FIPB	Foreign Investment Promotion Board
FPI	Foreign Portfolio Investor
FVCI	Foreign Venture Capital Investor registered under the Securities and Exchange Board of India (Foreign Venture Capital Investor) Regulations, 2000, as
GDP	amended from time to time
GDP GIR Number	amended from time to time Gross Domestic Product
GDP GIR Number Gov/Government/GOI	amended from time to time

GST	Goods and Services Tax
GSTIN	GST Identification Number
HUF	Hindu Undivided Family
HNI	High Net Worth Individual
ICAI	Institute of Chartered Accountants of India
ICSI	Institute of Company Secretaries of India
IFRS	International Financial Reporting Standard
I.T. Act	Income Tax Act, 1961, as amended from time to time
INR/ Rs. / Rupees / ₹	Indian Rupees, the legal currency of the Republic of India
KMP	Key Managerial Personnel
Ltd.	Limited
MCA	Ministry of Corporate Affairs
Merchant Banker	Merchant banker as defined under the Securities and Exchange Board of India
Wicienant Banker	(Merchant Bankers) Regulations, 1992 as amended.
MOF	Minister of Finance, Government of India
MOU	Memorandum of Understanding
MSMEs	Micro, Small & Medium Enterprises
NA	Not Applicable
NACH	National Automated Clearing House
NAV	Net Asset Value
NEFT	National Electronic Fund Transfer
NPCI	National Payments Corporation of India
NOC	No Objection Certificate
NR/ Non-Residents	Non-Resident
NRE Account	Non-Resident External Account
NRI	Non-Resident Indian, is a person resident outside India, as defined under FEMA
	and the FEMA Regulations
NRO Account	Non-Resident Ordinary Account
NSDL	National Securities Depository Limited
NSE	National Stock Exchange of India Limited
OCB / Overseas Corporate	A company, partnership, society or other corporate body owned directly or
Body	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. OCBs are not allowed to invest in the Issue. Per annum
p.a. P/E Ratio	Price/ Earnings Ratio
PAN	Permanent Account Number allotted under the Income Tax Act, 1961, as
FAN	amended from time to time
PAT	Profit After Tax
PBT	Profit Before Tax
PIO	Person of Indian Origin
PLR	Prime Lending Rate
RBI	Reserve Bank of India
R & D	Research and Development
RBI Act	Reserve Bank of India Act, 1934, as amended from time to time
RONW	Return on Net Worth
ROCE	Return on Capital Employed
RTGS	Real Time Gross Settlement
SAT	Security Appellate Tribunal
SCRA	Security Appenate Trounal Securities Contracts (Regulation) Act, 1956, as amended from time to time
SCRA	Securities Contracts (Regulation) Act, 1936, as amended from time to time Securities Contracts (Regulation) Rules, 1957, as amended from time to Time
SCVV	Securities Contracts (Regulation) Rules, 1937, as amended from time to 11me

SEBI	The Securities and Exchange Board of India constituted under the SEBI Act, 1992			
SEBI Act	Securities and Exchange Board of India Act 1992, as amended from time to time			
SEBI Insider Trading Regulations	SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time, including instructions and clarifications issued by SEBI from time to time.			
SEBI ICDR Regulations /ICDR Regulations/SEBI ICDR / ICDR	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended from time to time.			
SEBI Takeover Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended from time to time.			
SEBI Rules and Regulations	SEBI ICDR Regulations, SEBI (Underwriters) Regulations, 1993, as amended, the SEBI (Merchant Bankers) Regulations, 1992, as amended, and any and all other relevant rules, regulations, guidelines, which SEBI may issue from time to time, including instructions and clarifications issued by it from time to time.			
Sec.	Section			
Securities Act	The U.S. Securities Act of 1933, as amended.			
SENSEX	Stock Exchange Sensitive Index			
SICA	Sick Industrial Companies (Special Provisions) Act, 1985, as amended from time to time			
SME	Small and Medium Enterprises			
Stamp Act	The Indian Stamp Act, 1899, as amended from time to time			
State Government	The Government of a State of India			
Stock Exchanges	Unless the context requires otherwise, refers to, the BSE Limited			
STT	Securities Transaction Tax			
TAN	Tax Deduction Account Number			
TDS	Tax Deducted at Source			
TIN	Tax payer Identification Number			
Tn	Trillion			
UIN	Unique Identification Number			
U.S. GAAP	Generally accepted accounting principles in the United States of America.			
VCFs	Venture capital funds as defined in, and registered with SEBI under, the erstwhile Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996, as amended, which have been repealed by the SEBI AIF Regulations. In terms of the SEBI AIF Regulations, a VCF shall continue to be regulated by the Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996 till the existing fund or scheme managed by the fund is wound up, and such VCF shall not launch any new scheme or increase the targeted corpus of a scheme. Such VCF may seek re-registration under the SEBI AIF Regulations.			
YoY	Year on Year			

NOTICE TO INVESTORS

The distribution of this Draft 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 Draft Letter of Offer, the Abridged Letter of Offer or Application Form may come are required to inform themselves about and observe such restrictions. For more details see, "Restrictions on Foreign Ownership of Indian Securities" beginning on page 121

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 provided an Indian address to our Company. In case such Eligible Equity Shareholders have provided their valid e-mail address to our Company, the Issue Materials 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 Material will be physically dispatched, on a reasonable effort basis, to the Indian addresses provided by them. Those overseas Shareholders who do not update our records with their Indian address or the address of their duly authorized representative in India, prior to the date on which we propose to dispatch the Issue Materials, shall not be sent the Issue Materials.

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

Our Company, and the Registrar will not be liable for non-dispatch of physical copies of Issue Materials, including the Letter of Offer, the Abridged Letter of Offer, the 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.

No action has been or will be taken to permit the Issue in any jurisdiction where action would be required for that purpose. Accordingly, the Rights Entitlements or Rights Equity Shares may not be offered or sold, directly or indirectly, and this Draft Letter of Offer, the Abridged Letter of Offer or any offering materials or advertisements in connection with the Issue may not be distributed, in whole or in part, in any jurisdiction, except in accordance with legal requirements applicable in such jurisdiction. Receipt of the Letter of Offer or the Abridged Letter of Offer 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 and the Abridged Letter of Offer must be treated as sent for information purposes only and should not be acted upon for subscription to the Rights Equity Shares and should not be copied or redistributed. Accordingly, persons receiving a copy of the Letter of Offer or the Abridged Letter of Offer or Application Form should not, in connection with the issue of the Rights Equity Shares or the Rights Entitlements, distribute or send the Letter of Offer or the Abridged Letter of Offer to any person outside India where to do so, would or might contravene local securities laws or regulations. If the Letter of Offer or the Abridged Letter of Offer, the Abridged Letter of Offer, the Rights Equity Shares or the Rights Entitlements referred to in the Letter of Offer, the Abridged Letter of Offer or the Application Form.

Any person who makes an application to acquire the Rights Entitlements or the Rights Equity Shares offered in the Issue will be deemed to have declared, represented, warranted and agreed that such person is authorised to acquire the Rights Entitlements or the Rights Equity Shares in compliance with all applicable laws and regulations prevailing in his jurisdiction. Our Company, the Registrar 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 Application Form.

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

THE CONTENTS OF THE LETTER OF OFFER SHOULD NOT BE CONSTRUED AS LEGAL, TAX OR INVESTMENT ADVICE. PROSPECTIVE INVESTORS MAY BE SUBJECT TO ADVERSE FOREIGN, STATE ORLOCAL TAX OR LEGAL CONSEQUENCES AS A RESULT OF THE OFFER RIGHTS OF EQUITY SHARES OR RIGHTS ENTITLEMENTS. ACCORDINGLY, EACH INVESTOR SHOULD

CONSULT THEIR OWN COUNSEL, BUSINESS ADVISOR AND TAX ADVISOR AS TO THE LEGAL, BUSINESS, TAX AND RELATED MATTERS CONCERNING THE OFFER OF EQUITY SHARES. IN ADDITION, OUR COMPANY IS NOT MAKING ANY REPRESENTATION TO ANY OFFEREE OR PURCHASER OF THE EQUITY SHARES REGARDING THE LEGALITY OF AN INVESTMENT IN THE EQUITY SHARES BY SUCH OFFEREE OR PURCHASER UNDER ANY APPLICABLE LAWS OR REGULATIONS.

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 Issue Materials are 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.

NO OFFER IN THE UNITED STATES

The Rights Entitlements and the Rights Equity Shares have not been and will not be registered under the Securities Act or the securities laws of any state of the United States and may not be offered or sold in the United States of America or the territories or possessions thereof ("United States"), except in a transaction not subject to, or exempt from, the registration requirements of the Securities Act and applicable state securities laws. The offering to which this Draft 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 the United States or as a solicitation therein of an offer to buy any of the Rights Equity Shares or Rights Entitlement. There is no intention to register any portion of the Issue or any of the securities described herein in the United States or to conduct a public offering of securities in the United States. Accordingly, the Letter of Offer / Abridged Letter of Offer and the enclosed Application Form and Rights Entitlement Letters should not be forwarded to or transmitted in or into the United States at any time. In addition, until the expiry of 40 days after the commencement of the Issue, an offer or sale of Rights Entitlements or Rights Equity Shares within the United States by a dealer (whether or not it is participating in the Issue) may violate the registration requirements of the Securities Act.

Neither our Company nor any person acting on our behalf 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 our behalf has reason to believe is in the United States when the buy order is made. Envelopes containing an Application Form and Rights Entitlement Letter should not be postmarked in the United States or otherwise dispatched from the United States or any other jurisdiction where it would be illegal to make an offer, and all persons subscribing for the Rights Equity Shares Issue and wishing to hold such Equity Shares in registered form must provide an address for registration of these Equity Shares in India. Our Company is making the Issue on a rights basis to Eligible Equity Shareholders and the Letter of Offer / Abridged Letter of Offer and Application Form and Rights Entitlement Letter will be dispatched only to Eligible Equity Shareholders who have an Indian address. Any person who acquires Rights Entitlements and the Rights Equity Shares will be deemed to have declared, represented, warranted and agreed that, (i) it is not and that at the time of subscribing for such Rights Equity Shares or the Rights Entitlements, it will not be, in the United States, and (ii) it is authorized to acquire the Rights Entitlements and the Rights Equity Shares in compliance with all applicable laws and regulations.

Our Company reserves the right to treat any Application Form as invalid which: (i) does not include the certification set out in the Application Form to the effect that the subscriber is authorised to acquire the Rights Equity Shares or Rights Entitlement in compliance with all applicable laws and regulations; (ii) appears to us or our agents to have been executed in or dispatched from the United States; (iii) where a registered Indian address is not provided; or (iv) where our Company believes that Application Form is incomplete or acceptance of such Application Form may infringe applicable legal or regulatory requirements; and our Company shall not be bound to allot or issue any Rights Equity Shares or Rights Entitlement in respect of any such Application Form.

PRESENTATION OF FINANCIAL, INDUSTRY AND MARKET DATA

Certain Conventions

Unless otherwise specified or the context otherwise requires, all references in this Draft Letter of Offer to (i) the 'US' or 'U.S.' or the 'United States' are to the United States of America, its territories and possessions, any state of the United States, and the District of Columbia; (ii) 'India' are to the Republic of India and its territories and possessions; and (iii) the 'Government' or 'GoI' or the 'Central Government' or the 'State Government' are to the Government of India, Central or State, as applicable.

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

Financial Data

Unless stated otherwise, the financial data in this Draft Letter of Offer is derived from our audited financial statements for the Period ended on December 31, 2024 and year ended on March 31, 2024, 2023, and 2022 prepared in accordance with Ind AS, the Companies Act and Financials in accordance with the SEBI (ICDR) Regulations, 2018 and the Ind AS which are included in this Draft Letter of Offer, and set out in the section titled 'Audited Financial Information' beginning on page no. 72 of this Draft Letter of Offer. Our Financial Year commences on April 1 and ends on March 31 of the following year, so all references to a particular Financial Year are to the twelve-month period ended March 31 of that year. In this Draft Letter of Offer, discrepancies in any table, graphs or charts between the total and the sums of the amounts listed are due to rounding-off.

The degree to which the financial statements included in this Draft Letter of Offer will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting practices. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in the Draft Letter of Offer should accordingly be limited.

Any percentage amounts, as set forth in the sections / chapters titled 'Risk Factors', and 'Business Overview' beginning on page 17, and 65 respectively of this Draft Letter of Offer and elsewhere in this Draft Letter of Offer, unless otherwise indicated, have been calculated on the basis of our financial statements prepared in accordance with Ind AS, the Companies Act and in accordance with the SEBI (ICDR) Regulations, 2018 and the Ind AS.

Industry and Market Data

Unless stated otherwise, industry data used throughout this Draft Letter of Offer has been obtained or derived from industry and government publications, publicly available information and sources. Industry publications generally state that the information contained in those publications has been obtained from sources believed to be reliable but that their accuracy and completeness are not guaranteed and their reliability cannot be assured. Although our Company believes that industry data used in this Draft Letter of Offer is reliable, it has not been independently verified.

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

Currency and units of presentation

In this Draft Letter of Offer, unless the context otherwise requires, all references to;

- 'Rupees' or '₹' or 'Rs.' or 'INR' are to Indian rupees, the official currency of the Republic of India.
- 'US Dollars' or 'US\$' or 'USD' or '\$' are to United States Dollars, the official currency of the United States of America, EURO or "€" are Euro currency,

All references to the word 'Lakh' or 'Lac', means 'One hundred thousand' and the word 'Million' means 'Ten lacs' and the word 'Crore' means 'Ten Million' and the word 'Billion' means 'One thousand Million'.

FORWARD - LOOKING STATEMENTS

This Draft Letter of Offer contains certain "forward-looking statements". Forward looking statements appear throughout this Draft Letter of Offer, including, without limitation, under the chapters titled "Risk Factors", "Our Business" and "Management's Discussion and Analysis of Financial Position and Results of Operations" and "Industry Overview". Forward-looking statements include statements concerning our Company's plans, objectives, goals, strategies, future events, future revenues or financial performance, capital expenditures, financing needs, plans or intentions relating to acquisitions, our Company's competitive strengths and weaknesses, our Company's business strategy and the trends our Company anticipates in the industries and the political and legal environment, and geographical locations, in which our Company operates, and other information that is not historical information. These forward-looking statements generally can be identified by words or phrases such as "aim", "anticipate", "believe", "continue", "can", "could", "expect", "estimate", "intend", "likely", "may", "objective", "plan", "potential", "project", "pursue", "shall", "seek to", "will", "will continue", "will pursue", "forecast", "target", or other words or phrases of similar import. Similarly, statements that describe the strategies, objectives, plans or goals of our Company are also forward-looking statements. However, these are not the exclusive means of identifying forward-looking statements.

All statements regarding our Company's expected financial conditions, results of operations; business plans and prospects are forward-looking statements. These forward-looking statements include statements as to our Company's business strategy, planned projects, revenue and profitability (including, without limitation, any financial or operating projections or forecasts), new business and other matters discussed in this Draft Letter of Offer that are not historical facts. These forward-looking statements contained in this Draft Letter of Offer (whether made by our Company or any third party), are predictions and involve known and unknown risks, uncertainties, assumptions and other factors that may cause the actual results, performance or achievements of our Company to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements or other projections.

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

- Changes in laws and regulations relating to the sectors/areas in which we operate
- Increased competition in Stationery and Gold and Precious Metal Industry;
- General economic and business conditions in the markets in which we operate and in the local, regional, national and international economies;
- Inflation, deflation, unanticipated turbulence in interest rates, equity prices or other rates or prices;
- Our ability to meet our further Working Capital requirements;
- Changes in political and social conditions in India, the monetary and interest rate policies of India and other countries.
- Our ability to manage risks that arise from above factors.
- Changes in government policies and regulatory actions that apply to or affect our business.
- The performance of the Gold and Precious Metal markets in India and globally.
- The occurrence of natural disasters or calamities;
- Our inability to maintain or enhance our brand recognition and
- Inability to adequately protect our trademarks.

For further discussion of factors that could cause the actual results to differ from our estimates and expectations, see "*Risk Factors*" and "*Business Overview*" beginning on pages 17 and 65, respectively, of this Draft Letter of Offer. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual gains or losses could materially differ from those that have been estimated.

We cannot assure investors that the expectations reflected in these forward-looking statements will prove to be correct. Given these uncertainties, investors are cautioned not to place undue reliance on such forward-looking statements and not to regard such statements as a guarantee of future performance.

Forward-looking statements reflect the current views of our Company as of the date of this Draft Letter of Offer and are not a guarantee of future performance. These statements are based on the management's beliefs and assumptions, which in turn are based on currently available information. Although we believe the assumptions upon which these forward-looking statements are based are reasonable, any of these assumptions could prove to be inaccurate, and the forward-looking statements based on these assumptions could be incorrect. Neither our Company, our Directors, the Promoters, the Syndicate Member(s) nor any of their respective affiliates or advisors have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition.

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

SUMMARY OF ISSUE DOCUMENT

The following is a general summary of certain disclosures included in this Draft Letter of Offer and is not exhaustive, nor does it purport to contain a summary of all the disclosures in this Draft 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 Draft Letter of Offer, including, "Risk Factors", "Objects of the Issue", "Business Overview" and "Outstanding Litigation and Defaults" on pages 17, 43, 65 and 82 in this Draft Letter of Offer.

A. SUMMARY OF BUSINESS

Currently, our Company is in trading of Gold Bullions and Bars within the state of Gujarat only. This business provides us sustainable strength and expands our vertical in the market as well. As we are already well established brand in the stationary and printing industry, we get benefit of catering clients in our trading of gold business as well.

For more details, please refer chapter titled "Business Overview" on page 65 of this Draft Letter of Offer.

B. OBJECTS OF THE ISSUE

Our Company intends to utilize the Net Proceeds for the following objects ("Objects of the Issue"):

Net Proceeds

The details of the Net Proceeds are set forth below:

Sr. No.	Particulars Particulars	Estimated Amount
1.	Gross proceeds from the issue*	Up to 2,500.00
2.	Less: Issue Related Expenses**	50.00
Net proce	eeds of the issue**	[•]

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

Schedule of implementation and Deployment of Net Proceeds

We propose to deploy the Net Proceeds for the aforesaid purposes in accordance with the estimated schedule of implementation and deployment of funds set forth in the table below:

(₹ In lakhs)

Sr. No.	Particulars	Total Estimated Cost	Amount already deployed	Estimated utilization of net proceeds in FY 2025-2026
1.	Funding of working capital requirements	Up to 500.00	[•]	[•]
2.	Repayment of unsecured loans availed by our Company from Promoter and Promoter Group	Up to 1,000.00	[•]	[•]
3.	Loan Repayment to other than Promoter and Promoter Group	Up to 650.00	[•]	[•]
4.	General corporate purposes ¹	300.00	[•]	[•]
	Total	Up to 2,450.00	[•]	[•]

¹The amount utilized for general corporate purposes shall not exceed 25.00% of the gross proceeds of the issue.

C. INTENTION AND EXTENT OF PARTICIPATION BY OUR PROMOTERS AND PROMOTER GROUP IN THE ISSUE:

^{**} To be finalized upon determination of the Issue Price and updated in the Letter of Offer. Please see "- Estimated Issue Expenses" on page 48.

Our Company does not have any promoter. Shares are owned by public and Company is operated and run by professional management. Since there is no promoter in the Company, the participation by promoters in the Issue doesn't arise.

D. SUMMARY OF OUTSTANDING LITIGATION

Particular	Nature of cases	No of outstanding cases	Amount involved (₹ in lacs)
Litigation against Company	Tax matters	11	₹124.25
Litigation against Company	Other	4	₹79.26
Litigations Filed by Our Company	Nil	-	-
Litigation filed by the promoter and directors of the Company	Nil	-	-
Litigation against Group Company	Nil	-	-
Litigation filed by Our Subsidiary	Nil	-	-
Litigation against Our Subsidiary	Nil	-	-

For further details, please refer chapter titled "Outstanding Litigations & Material Developments" beginning on page 82 of this Draft Letter of Offer.

E. RISK FACTORS

For details relating to risk factors, please refer section titled "Risk Factors" on page 17 of this Draft Letter of Offer.

F. SUMMARY OF CONTINGENT LIABILITIES

As of now there is no contingent liability which can disturb our historical or projected financial or any activity of Company, subject to govt. guidelines and actions.

G. SUMMARY OF RELATED PARTY TRANSACTIONS

For details regarding our related party transactions for the year ended on March 31, 2024, see "Related party Disclosure" at page F - 41 of this Draft Letter of Offer.

H. ISSUE OF EQUITY SHARES MADE IN LAST ONE YEAR FOR CONSIDERATION OTHER THAN CASH

Our Company has not made any issuances of Equity Shares in the last one year for consideration other than cash.

SECTION II

RISK FACTORS

Investment in the Equity Shares involves a high degree of risk. You should carefully consider all of the information in this Draft Letter of Offer, including the risks and uncertainties described below and the Financial Statements incorporated in this Draft Letter of Offer, before making an investment in the Equity Shares of our Company. Any potential investor in, and subscribers of, the Equity Shares should also pay particular attention to the fact that we are governed in India by a legal and regulatory environment which in some material respects may be different from that which prevails in other countries. In making an investment decision, prospective investors must rely on their own examination of our Company and the terms of the Issue, including the risks involved. If any or some combination of the following risks occur or if any of the risks that are currently not known or deemed to be not relevant or material now, actually occur, our business, financial condition and results of operations could suffer, the trading price of the Equity Shares could decline, and you may lose all or part of your investment. For further details, please refer to chapters titled "Business Overview" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" beginning on pages 65 and 75, respectively of this Draft Letter of Offer, as well as the other financial and statistical information contained in this Draft Letter of Offer. If our business, results of operations or financial condition suffers, the price of the Equity Shares and the value of your investments therein could decline.

The Risk factors have been determined on the basis of their materiality. The following factors have been considered for determining the materiality therein:

- Some risks may not be material at present but may have a material impact in the near future.
- Some risks may not be material individually but may be found material when considered collectively
- Some risks may have material impact qualitatively and not quantitatively and vice-versa

We have described the risks and uncertainties that our management believes are material, but these risks and uncertainties may not be the only ones we face. Additional risks and uncertainties, including those we are not aware of, or deem immaterial or irrelevant, may also result in decreased revenues, increased expenses or other events that could result in a decline in the value of the Equity Shares and may also have an adverse effect on our business. Unless specified or quantified in the relevant risk factors below, we are not in a position to quantify the financial or other implication of any of the risks described in this section. You should not invest in this Issue unless you are prepared to accept the risk of losing all or part of your investment, and you should consult your tax, financial and legal advisors about the particular consequences to you of an investment in the Equity Shares.

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

For further details, please refer to chapter titled "Forward-Looking Statements" beginning on page 13 of this Draft Letter of Offer. Unless otherwise indicated, all financial information included herein are based on our Financial Statements. Please refer to the section titled "Audited Financial Statement" beginning on page 72 of this Draft Letter of Offer.

Internal Risks

1. Gala Global Products Limited, while having a strong foundation in the printing and stationery industry, is currently navigating several business challenges that may pose risks to its operations, financial performance, and future growth.

One of the most significant risks stems from the company's dependency on government contracts and tenders, which have historically contributed a large portion of its revenue. Since December 2022, the company has experienced persistent delays in payment settlements from various government departments and public sector undertakings. This has led to a substantial build-up of outstanding receivables amounting to ₹256.25 lakhs, which has severely impacted the company's working capital position. The resultant liquidity crunch has constrained operational efficiency and hampered the company's ability to execute large-scale contracts, which typically require substantial upfront investment in materials, manpower, and infrastructure.

In response to these financial pressures, the company temporarily diversified into ancillary trading activities to meet essential overheads and sustain daily operations. However, this shift diverted resources away from its core competencies in printing and stationery manufacturing. These trading activities, while offering short-term support, do not align with the long-term strategic objectives of the company and may expose it to unfamiliar market risks and lower margins. Furthermore, any continued diversion from core business operations could dilute the brand's identity and weaken customer trust over time.

2. Our company is dependent on timely infusion of funds through the proposed rights issue.

While the capital raised is intended to restore operational normalcy, reduce dependency on external borrowings, and resume full-scale participation in government and institutional projects, any delay or shortfall in raising the required funds could prolong the financial strain and impede recovery efforts. Additionally, fluctuations in the cost of raw materials, increasing competition in both the printing and stationery sectors, and potential regulatory or policy changes affecting government procurement processes may also impact the company's revenue and profitability.

Despite these risks, we are taking active steps to overcome current challenges by leveraging its extensive industry experience, modern infrastructure, and commitment to quality and innovation. However, prospective investors should carefully consider the above risks, among others, before making any investment decision in the company's rights issue.

3. Our Company Has Faced Bank Defaults and Has Outstanding Borrowings.

The Company has faced instances of default in repayment of certain bank loans in the past, which has adversely affected its credit standing and financial flexibility. Some of these outstanding dues were subsequently resolved through negotiated settlements with the respective banks and financial institutions. While the Company has made efforts to regularize its financial obligations, it continues to carry certain outstanding loans on its books, which are currently being serviced on schedule. However, the possibility of future defaults cannot be entirely ruled out, especially given the ongoing liquidity challenges faced by the Company due to delayed receivables from government clients and overall working capital constraints.

The Company intends to utilize a portion of the proceeds from the proposed rights issue to repay or prepay some of these outstanding borrowings. This is expected to significantly reduce the interest burden and improve the Company's debt servicing capacity in the medium to long term. However, until such repayment is made, any continued pressure on cash flows may impact the Company's ability to meet its debt obligations in a timely manner, which may further affect its relationship with lenders and restrict access to additional credit facilities in the future. Accordingly, investors should consider this history of financial stress and the associated risks before making any investment decision in the rights issue.

4. Our Company Is Planning Revival Through the Issue Proceeds, but Its Success Cannot Be Assured.

While Gala Global Products Limited is taking active steps to revive its core business operations and restore financial stability, there remains significant uncertainty regarding the pace and extent of this revival. The Company's recent financial stress, driven by delayed government payments and working capital constraints, has disrupted its operational momentum and diverted focus toward ancillary trading activities that do not align with its long-term strategic objectives. Although the management is confident that the infusion of funds through the proposed rights issue will support the repayment of certain debts, reduce interest burden, and help re-focus on core printing and stationery operations, the success of these revival efforts cannot be guaranteed.

Market conditions, competitive pressures, evolving customer preferences, and potential policy changes may continue to impact the business environment adversely. Additionally, the revival of large-scale government contracts which historically formed a major part of the Company's revenue depends not only on internal readiness but also on external factors beyond the Company's control, such as government procurement timelines and budgetary constraints. If the anticipated revival does not materialize within a reasonable timeframe or fails to generate expected cash flows, it may further strain the Company's resources, limiting its ability to deliver sustainable growth and returns to shareholders. Therefore, investors should carefully consider the inherent risks associated with the uncertain path to business recovery before participating in the rights issue.

5. Our Company is involved in certain legal proceedings. Any adverse decision against our Company in such proceedings may have a material adverse effect on our reputation.

Our Company is involved in certain legal proceedings. These legal proceedings are pending at different levels of adjudication before various Courts, tribunals and forums.

Mentioned below are the details of the proceedings pending against our Company, as on the date of this Draft Letter of Offer along with the Current status of the proceedings.

Matters against our Company:

Nature of cases	No of outstanding cases	Amount involved (₹ in lacs)
Tax matters	11	₹124.25
Other	4	₹79.26

For further detail regarding litigations against our Company, please refer chapter title Outstanding Litigation and Material Developments on page no. 82 of Draft Letter of Offer.

6. Delay in raising funds from the IPO could adversely impact the implementation schedule.

The proposed expansion, as detailed in the section titled "Objects of the Issue" is to be largely funded from the proceeds of this IPO. We have not identified any alternate source of funding and hence any failure or delay on our part to mobilize the required resources or any shortfall in the Issue proceeds may delay the implementation schedule. We therefore, cannot assure that we would be able to execute the expansion process within the given timeframe, or within the costs as originally estimated by us. Any time overrun or cost overrun may adversely affect our growth plans and profitability.

7. Our revenues are dependent on a limited number of our customer(s). The loss of our Customer may adversely affect our revenues and profitability.

In light of the financial challenges faced by our core operations, our Company has initiated trading in gold as an alternative revenue stream to support business continuity and sustain essential operations. At present, this gold trading activity is highly dependent on a single customer who contributes significantly to the revenue generated from this segment. While the Company is confident in its ability to establish new relationships and expand its customer base in the gold trading business over time, the current concentration risk remains a matter of concern.

The loss or discontinuation of business with this key customer, for any reason, could lead to a temporary decline in revenue and profitability from the gold trading segment. Such a situation may also affect the overall financial performance of the Company in the short term, especially considering the present reliance on this business line as a stop-gap measure during the revival phase of the core business. Although the Company is actively exploring opportunities to diversify its clientele in the gold trading space, there is no assurance that new customers will be onboarded immediately or that they will contribute similar volumes or margins. Therefore, investors should consider the risks associated with customer concentration in the gold trading business while evaluating the Company's overall risk profile.

8. Implementing our growth strategy requires significant capital expenditure and will depend to a significant extent on our ability to obtain the necessary funding and on acceptable terms.

The successful implementation of our Company's growth strategy—including the revival of core operations, expansion of business segments, repayment of outstanding borrowings, and investment in infrastructure—requires significant capital expenditure. Achieving these objectives will largely depend on our ability to secure adequate funding in a timely manner and on terms that are commercially acceptable. While the proposed rights issue is aimed at addressing some of these capital requirements, there is no assurance that the funds raised will be sufficient to meet all of our long-term strategic and operational needs.

Any delay or shortfall in securing additional financing, or inability to raise funds on favorable terms, may adversely impact our ability to execute planned initiatives, hinder our growth prospects, and limit our competitiveness in the market. Additionally, reliance on external funding may expose the Company to risks related

to changes in interest rates, lender covenants, and market conditions. Therefore, the Company's future performance and growth are subject to uncertainties surrounding the availability and cost of required capital.

9. Our Company is dependent on third party transportation providers for the supply of raw materials and delivery of products.

Our Company uses services of third-party transportation providers for supply of raw materials and for delivery of finished products to the customers. Any non-availability of these services due to strike or any other reason may have an adverse impact on the receipt of supplies and delivery of the finished products thereby adversely affecting our operations.

10. We have not registered our logo and trade mark name.

We have applied for registration of our which is pending for approval and therefore we do not enjoy the statutory protections accorded to a registered trademark and are subject to the various risks arising out of the same, including but not limited to infringement or passing off our name and logo by a third party. As our logo is not registered, we would not enjoy the statutory protections accorded to a registered trademark and our ability to use our logo may be impaired. For further details please refer to section titled "Government and Other Approvals" on page no.85 of this Draft Letter of Offer.

11. Our Company has in Past face the penalties in delay filling and Potential Non-Compliance with Stock Exchange Filing Requirements.

Our Company was initially listed on the BSE SME platform on July 16, 2015 and subsequently migrated within the BSE SME framework on November 09, 2017. Since the listing, there have been instances of delay and non-compliance in relation to certain disclosures and filings required under the rules and regulations of the BSE and the SEBI (Listing Obligations and Disclosure Requirements) Regulations. As a result of such lapses, the Company has received penalties from the stock exchange in the past, which have been duly settled and/or paid to rectify the non-compliance.

The Company is actively working towards strengthening its compliance mechanisms to ensure timely and accurate filings in the future. However, any inadvertent delay or failure in making future filings or disclosures may again result in regulatory penalties, investor concerns, and reputational impact. Such penalties or actions could also affect the Company's financial position, especially during periods of constrained liquidity. Investors are advised to consider the potential risks associated with regulatory non-compliance while evaluating the Company's overall governance and risk profile.

12. Our Company has lapsed / erroneous in making the required filings under Companies Act, 2013 and under the applicable provisions thereof in last five financial years.

Our Company has, in the past five financial years, been delayed or erroneous in making certain statutory filings and compliances as required under the Companies Act, 2013 and the applicable provisions thereunder. These lapses include delays or inaccuracies in filings related to resolutions, returns, disclosures, and other statutory requirements mandated by the Registrar of Companies and other regulatory authorities. While the Company has taken corrective measures to regularize such non-compliances wherever identified, any past or future lapses may attract regulatory scrutiny, penalties, or other adverse consequences.

These instances of non-compliance may also reflect on the effectiveness of our internal control and compliance systems. Although the Company is taking steps to strengthen its compliance framework and ensure timely adherence to statutory obligations going forward, there can be no assurance that similar issues will not arise in the future. Any such continued non-compliance may impact the Company's corporate governance standing, lead to financial penalties, or affect the confidence of investors and stakeholders.

13. We are heavily dependent on our Promoter and Key Managerial Personnel for the continued success of our business through their continuing services and strategic guidance and support.

Our success heavily depends upon the continued services of our Key managerial personnel, along with support of our Promoter. We also depend significantly on our Key Managerial Persons for executing our day to day activities. The loss of any of our Promoter and Key Management Personnel, or failure to recruit suitable or comparable replacements, could have an adverse effect on us. The loss of service of the Promoter and other senior management could seriously impair the ability to manage and expand the business efficiently.

If we are unable to retain experienced and qualified employees at a reasonable cost, we may be unable to execute our growth strategy. For further details of our Directors and key managerial personnel, please refer to Section "Our Management" on page 69 of this Draft Letter of Offer.

14. Our Company in the past has entered into Related Party Transactions and may continue to do so in future also, which may affect our competitive edge and better bargaining power if entered with nonrelated parties resulting into relatively more favourable terms and conditions and better margins.

Our Company has entered into various transactions with our Directors, Promoter and Promoter Group. These transactions, inter-alia includes purchase and sale of services, issue of shares, remuneration, rent payments, loans and advances, etc. Our Company has entered into such transactions due to easy proximity and quick execution. However, there is no assurance that we could not have obtained better and more favourable terms than from transaction with related parties. Additionally, our company belief that all our related party transactions have been conducted on an arm's length basis, but we cannot provide assurance that we could have achieved more favourable terms had such transactions been entered with third parties. Our Company may enter into such transactions in future also and we cannot assure that in such events there would be no adverse affect on results of our operations, although going forward, all related party transactions that we may enter will be subject to board or shareholder approval, as required under the Companies Act, 2013 and the Listing Regulations. For details of related party transactions, please refer to "Annexure 33", "Related Party Transactions" on page no. F - 41 of the Auditors' Report on Audited Financial Information.

15. Our Company has availed ₹1771.38 lakhs as unsecured loan as on March 31, 2025 which are repayable on demand. Any demand from the lenders for repayment of such unsecured loan may affect our cash flow and financial condition.

As per the CA Certificate dated April 05, 2025, our Company has availed total sum of ₹1771.38 lakhs as unsecured loan. The Company has received ₹1692.12 lakhs as interest free loan from Directors, promoter as well as ₹79.26 lakhs as unsecured loan from the different banks and financial institutions, which may be recalled at any time. Sudden recall may disrupt our operations and also may force us to opt for funding at unviable terms resulting in higher financial burden. Further, we will not be able to raise funds at short notice and thus result in shortage of fund. For further details, please refer to the section- Restated Standalone Statement of Long-Term Borrowing on page no.141 of this Draft Letter of Offer. Any demand for the repayment of such unsecured loan, may adversely affect our cash flow and financial condition.

16. Our funding requirements and proposed deployment of the Net Proceeds are based on management estimates and have not been independently appraised and may be subject to change based on various factors, some of which are beyond our control.

Our funding requirements and deployment of the Net Proceeds are based on internal management estimates based on current market conditions, and have not been appraised by any bank or financial institution or another independent agency. Furthermore, in the absence of such independent appraisal, our funding requirements may be change subject to the approval of shareholders by passing special resolution pursuant to section 27 of Companies Act, 2013 through postal ballot or subject to an authority given by the Company in general meeting by way of special resolution and based on various factors which are beyond our control. For further details, please see the section titled "Objects of the Issue" beginning on page no. 43 of this Draft Letter of Offer

17. In addition to normal remuneration, other benefits and reimbursement of expenses some of our Directors (including our Promoters) and Key Managerial Personnel may be interested in our Company to the extent of interest received on loan given, their shareholding and dividend entitlement in our Company.

Some of our Directors (including our Promoters) and Key Management Personnel are interested in our Company to the extent of interest received on loan given, their shareholding and dividend entitlement in our Company, in addition to normal remuneration or benefits and reimbursement of expenses. We cannot assure you that our Directors or our Key Management Personnel would always exercise their rights as Shareholders to the benefit and best interest of our Company. As a result, our Directors will continue to exercise significant control over our Company, including being able to control the composition of our board of directors and determine decisions requiring simple or special majority voting, and our other Shareholders may be unable to affect the outcome of such voting. Our Directors may take or block actions with respect to our business, which may conflict with our best interests or the interests of other minority Shareholders, such as actions with respect to future capital raising or acquisitions. We cannot assure you that our Directors will always act to resolve any conflicts of interest in our favour, thereby adversely affecting our business and results of operations and prospect.

18. Certain data mentioned in this Draft Letter of Offer has not been independently verified.

We have not independently verified data from industry publications contained herein and although we believe these sources to be reliable, we cannot assure that they are complete or reliable. Such data may also be produced on a different basis from comparable information compiled with regard to other countries. Therefore, discussions of matters relating to India and its economy are subject to the limitation that the statistical and other data upon which such discussions are based have not been verified by us and may be incomplete or unreliable.

19. We have not identified any alternate source of raising the funds required for the object of the Issue and the deployment of funds is entirely at our discretion and as per the details mentioned in the section titled "Objects of the Issue".

Our Company has not identified any alternate source of funding for our object of the Issue and hence any failure or delay on our part to mobilize the required resources or any shortfall in the Issue proceeds can adversely affect our growth plan and profitability. The delay/shortfall in receiving these proceeds could result in inadequacy of funds or may result in borrowing funds on unfavorable terms, both of which scenarios may affect the business operation and financial performance of the company. Further the deployment of the funds raised in the issue will be entirely at the discretion of the management and any revision in the estimates may require us to reschedule our projected expenditure and may have a bearing on our expected revenues and earnings.

For further details of Please refer chapter titled "Object for the Issue" beginning on page 43 of this Draft Letter of Offer.

ISSUE SPECIFIC RISKS

1. 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. Renouncee(s) 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 Renouncee(s) prior to the Issue Closing Date. Further, in case the Rights Entitlements do not get credited in time, or in case of On Market Renunciation, such Renouncee will not be able to apply in the Issue with respect to such Rights Entitlements.

2. 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.

3. 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 realised 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 unrealised 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.

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

Applicants in this Issue are not allowed to withdraw their Applications after the Issue Closing Date. The Allotment in this Issue and the credit of such 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.

5. 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.

EXTERNAL RISK FACTORS

1. Our business, prospects, financial condition and results of operations Any changes in the regulatory framework could adversely affect our operations and growth prospects.

Our Company is subject to various regulations and policies. Our business and prospects could be materially adversely affected by changes in any of these regulations and policies, including the introduction of new laws, policies or regulations or changes in the interpretation or application of existing laws, policies and regulations. There can be no assurance that our Company will succeed in obtaining all requisite regulatory approvals in the future for our operations or that compliance issues will not be raised in respect of our operations, either of which could have a material adverse effect on our business, financial condition and results of operations.

2. Civil disturbances, extremities of weather, regional conflicts and other political instability may have adverse effects on our operations and financial performance

Certain events that are beyond our control such as earthquake, fire, floods and similar natural calamities may cause interruption in the business undertaken by us. Our operations and financial results and the market price and liquidity of our equity shares may be affected by changes in Indian Government policy or taxation or social, ethnic, political, economic or other adverse developments in or affecting India.

3. There are restrictions on daily / weekly / monthly movements in the price of the Equity Shares, which may adversely affect a shareholder's ability to sell, or the price at which it can sell, Equity Shares at a particular point in time.

Once listed, we would be subject to circuit breakers imposed by all stock exchanges in India, which does not allow transactions beyond specified increases or decreases in the price of the Equity Shares. This circuit breaker operates independently of the index-based market-wide circuit breakers generally imposed by SEBI on Indian stock exchanges. The percentage limit on circuit breakers is set by the stock exchanges based on the historical volatility in the price and trading volume of the Equity Shares. The stock exchanges do not inform us of the percentage limit of the circuit breaker in effect from time to time, and may change it without our knowledge. This circuit breaker limits the upward and downward movements in the price of the Equity Shares. As a result of this circuit breaker, no assurance may be given regarding your ability to sell your Equity Shares or the price at which you may be able to sell your Equity Shares at any particular time

4. Civil unrest, acts of violence including terrorism or war involving India and other countries could materially and adversely affect the financial markets and our business.

Any major hostilities involving India or other acts of violence, including civil unrest or similar events that are beyond our control, could have a material adverse effect on India's economy and our business. Terrorist attacks and other acts of violence may adversely affect the Indian stock markets, where our Equity Shares will trade, and the global equity markets generally.

5. Economic developments and volatility in securities markets in other countries may cause the price of the Equity Shares to decline.

The Indian economy and its securities markets are influenced by economic developments and volatility in securities markets in other countries. Investor's reactions to developments in one country may have adverse effects on the market price of securities of companies situated in other countries, including India. For instance, the recent financial crisis in the United States and European countries lead to a global financial and economic crisis that adversely affected the market prices in the securities markets around the world, including Indian securities markets. Negative economic developments, such as rising fiscal or trade deficits, or a default on national debt, in other emerging market countries may affect investor confidence and cause increased volatility in Indian securities markets and indirectly affect the Indian economy in general. The Indian stock exchanges have experienced temporary exchange closures, broker defaults, settlement delays and strikes by brokerage

firm employees. In addition, the governing bodies of the Indian stock exchanges have from time to time imposed restrictions on trading in certain securities, limitations on price movements and margin requirements. Furthermore, from time to time, disputes have occurred between listed companies and stock exchanges and other regulatory bodies, which in some cases may have had a negative effect on market sentiment.

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

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

7. The nationalized goods and services tax (GST) regimes implemented by the Government of India have impact on our operations

The Government of India has from July 01, 2017 has implemented the Goods and Service Tax a comprehensive national goods and service tax (GST) regime that combines taxes and levies by the Central and State Governments into a unified rate structure. The GST imposed on our Services may affect our business, prospects, financial condition and results of operations.

8. Conditions in the Indian securities market may affect the price or liquidity of our Equity Shares

The Indian securities markets are smaller than securities markets in more developed economies and the regulation and monitoring of Indian securities markets and the activities of investors, brokers and other participants differ, in some cases significantly, from those in the more developed economies. Indian stock exchanges have in the past experienced substantial fluctuations in the prices of listed securities. Further, the Indian stock exchanges have experienced volatility in the recent times. The Indian stock exchanges have also experienced problems that have affected the market price and liquidity of the securities of Indian companies, such as temporary exchange closures, 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 and limited price movements. A closure of, or trading stoppage on the SME Platform of BSE could adversely affect the trading price of the Equity Shares.

9. Our business, prospects, financial condition and results of operations Foreign investors are subject to foreign investment restrictions under Indian law that limits our ability to attract foreign investors, which may adversely impact the market price of the Equity Shares

Under the foreign exchange regulations currently in force in India, transfers of shares between non-residents and residents are freely permitted (subject to certain exceptions) if they comply with the pricing guidelines and reporting requirements specified by the RBI. If the transfer of shares, which are sought to be transferred, is not in compliance with such pricing guidelines or reporting requirements or fall under any of the exceptions referred to above, then the prior approval of the RBI will be required. Additionally, shareholders who seek to convert the Rupee proceeds from a sale of shares in India into foreign currency and repatriate that foreign currency from India will require a no objection / tax clearance certificate from the income tax authority. There can be no assurance that any approval required from the RBI or any other government agency.

10. The extent and reliability of Indian infrastructure could adversely affect our Company's results of operations and financial condition

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

11. Any downgrading of India's sovereign rating by an independent agency may harm our ability to raise financing

Any adverse revisions to India's credit ratings for domestic and international debt by international rating agencies may adversely impact our ability to raise additional financing, and the interest rates and other commercial terms at which such additional financing may be available. This could have an adverse effect on our business and future financial performance, our ability to obtain financing for capital expenditures and the trading price of our Equity Shares.

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

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

SECTION III - INTRODUCTION

THE ISSUE

This Issue has been authorized by way of a resolution passed by our Board of Directors on Monday, October 21, 2024 in pursuance of Section 62(1)(a) of the Companies Act, 2013.

The following is a summary of the Issue, which should be read in conjunction with, and is qualified in its entirety by, more detailed information in section titled 'Terms of the Issue' on page 93 of this Draft Letter of Offer.

Equity Shares outstanding prior to the Issue	5,45,88,083 Equity Shares;
Right Shares offered in the Issue	Up to [●] Right Shares; #
Equity Shares outstanding after the Issue (assuming full subscription for and allotment of the Rights Entitlement)	[●] Equity Shares;#
Rights Entitlement	[●] Rights Shares for every [●] Equity Shares held on the Record Date [●]
Record Date	[•]
Face Value per Equity Share	₹ 5.00/- (Rupee Five Only) each;
Fractional Entitlement	[•]
Issue Price per Equity Share	₹ [•] per Rights Equity Share (including a premium of ₹ [•] per Rights Equity Share)
Issue Size	Upto ₹ 2,500.00 lakhs*.
Terms of the Issue	Please refer to the section titled 'Terms of the Issue' beginning on page 93 of this Draft Letter of Offer.
Use of Issue Proceeds	Please refer to the section titled 'Objects of the Issue' beginning on page 43 of this Draft Letter of Offer.
Security Code/ Scrip Details	ISIN: INE480S01026 BSE Scrip Code: 539228 BSE Scrip ID: GGPL ISIN for Rights Entitlements: [●] ISIN of Rights Equity Shares: [●]

^{*}For Rights Equity Shares being offered under this Issue, if the shareholding of any Eligible Equity Shareholders is such number of shares that they receive fractional shares, the fractional entitlement of such Eligible Equity Shareholders shall be ignored for computation of the Rights Entitlements. However, Eligible Equity Shareholders whose fractional entitlements are being ignored will be given preference in the Allotment of one additional Rights Equity Share each, if such Eligible Equity Shareholders have applied for Additional Rights Equity Shares over and above their Rights Entitlements subject to availability of the Rights Equity Shares in this Issue.

#Assuming full subscription and Allotment and receipt of all Call Money with respect to Rights Equity Shares.

Terms of Payment

Amount payable per Rights Issue*	%	Face Value (₹)	Premium (₹)	Total (₹)
On Application	100	5.00/-	[•]	[•]

^{*}For details on the Payment Schedule, please see the chapter titled "Terms of the Issue" beginning on page 93. # To be paid at such time as may be determined by the Board at its sole discretion

SUMMARY OF OUR FINANCIAL INFORMATION

Balance Sheet as at March 31, 2024			
(Amounts mentioned are in Rupees unless otherw	ise specifically stated)		
Particulars			March 31
ASSETS	Notes	2024	2023
Non-current assets			
Property, plant and equipment	3	12,116,964	13,915,2
Intangible Assets	4	130,000,000	
Financial assets		250,000,000	250,000,0
Other Financial Asset	5		-
Deferred Tax Asset (Net)	6	644.095	991,3
Deletted Tax Asset (Net)	·	142,761,059	
Current assets			
Inventories	7	26,275,520	184,410,5
Financial assets			
Trade receivables	8	657,006,193	791,809,69
Loans and Advances	9	4	** ***********************************
Cash and cash equivalents	10	105,724	36,2
Others financial assets	5	247,537,641	
Other Current Assets	11	13,343,937	
		944,269,015	The same of the sa
TOTAL ASSETS		1,087,030,075	
EQUITIES AND LIABILITIES			
Equity			
Equity Share Capital	12	272,940,415	272,940,4
Other equity	12	152,329,468	
LIABILITIES		425,269,883	
Non-current liabilities		423,203,883	423,171,0
Financial liabilities			
Borrowings	13	100 227 142	220 200 0
borrowings	13	169,227,143 169,227,143	
Communa I Inchillation		169,227,143	220,288,89
Current Liabilities			
Financial liabilities	42	07.070.647	
Borrowings	13	87,870,647	
Trade payables Others	14	404,041,355	
Others Other current liabilities	15 16	498,135	
Other current liabilities	16	122,911	
TOTAL EQUITIES AND LIABILITIES		492,533,048 1,087,030,074	
	_	2,001,000,014	2,200,333,0
Summary of significant accounting policies The accompanying notes form an integral part of th	2 ese standalone financial state	ements	
As per our modified report of even date			
For	For and on behalf of the		
H K Shah & Co.,	Board of Directors of		
Chartered Accountants	Gala Global Products Limi	ted	
FRN.: 109583W	CIN: L29109GJ2010PLC06		
FRN 109583 W C&AG No WRO 510	1. 11		
(KBI UCN, 122700		Alpa Pandya	Chhayaben Mulani
	Managing Director	Director	Company Secretary
Partner \\(\(\cappa\) MEF NO. 04060	ividiaging Director		company occircuity
MEF NO. 04060 M.No.: 042758	DIN No: 09851691	DIN No : 07013011	PAN No: ERMPM5952E

Gala Global Products Limited Statement of Profit and Loss for the year ended March 31, 2024 (Amounts mentioned are in Rupees unless otherwise specifically stated) Year ended on March 31 Particulars 2024 Notes 2023 Revenue: 844,819,236 753,006,762 Sale of products 753,006,762 844,819,236 17 Revenue from operations 10,782,795 2,278,284 Other income 18 Total revenue 763,789,557 847,097,520 Expenses: Cost of materials consumed 657,815,782 877,900,662 19 Changes in inventories of finished goods 20 89,947,391 (68,011,420) Employee benefits expenses 21 3,559,300 6,463,748 16,154,293 Finance costs 22 9,703,871 Depreciation and amortisation expenses 2,377,087 3 1,826,591 11,433,643 23 2,349,447 Other expenses 765,202,383 846,318,014 Total expenses Add: Exceptional Item / Amalgamation adjustments (4,154,231) Profit before tax 2,741,406 779,506 Tax expenses: **Current tax** 295,970 Deferred tax charge / (credit) 490,688 347,226 Net Profit for the year (A) 2,098,210 288,818 OTHER COMPREHENSIVE INCOME/EXCEPTION ITEMS Total other comprehensive income for the year (A) + (D) 2,098,210 288,818 Earning per share Basic and Diluted(in Rs.) 24 0.04 0.01 [Nominal value of equity per share of Rs. 5] Summary of significant accounting policies The accompanying notes form an integral part of these standalone financial statements As per our modified report of even date For and on behalf of the For H K Shah & Co., **Board of Directors of Chartered Accountants Gala Global Products Limited** FRN.: 109583W CIN: L29109GJ2010PLC063243 Hosul H K Shah Prahladkumar Agarwal Alpa Pandya Chhayaben Mulani Partner **Managing Director** Director **Company Secretary** M.No.: 042758 DIN No: 09851691 DIN No: 07013011 PAN No:ERMPM5952E Place : Ahmedabad

Date: 06/09/2024

		Year ended Ma 2024	rch 31 2023
A	CASH FLOWS FROM OPERATING ACTIVITIES		
	Profit Before Tax	2,741,406	779,50
	Adjustments for:		
	Depreciation and amortisation expense	1,826,591	2,377,08
	Profit on Sale of property, plant and equipment, net	(*)	(1,356,01
	Finance income	(9,819,645)	(446,23
	Finance cost	9,703,871	16,154,29
	Operating Profit before working capital changes	4,452,223	17,508,63
	Adjustments for (increase) / decrease of assets:	A Time A A COLOMBIA DE LA PARTICIPACIÓN A COLOMBIA DE LA PARTICIPACION A COLOMBIA DEL PARTICIPACION A COLOMBIA DE LA PARTICIPACION A COLOMBIA DE LA PARTICIPACION A COLOMBIA DEL PARTICIPACION A COLOMBIA DE LA PARTICIPACION A COLOMBIA DEL PARTICIPACION A COLOM	
	Trade Receivables	134,803,499	(438,808,07
	Inventories	158,135,060	(14,285,75
	Increase/Decrease in Loans and Advances	•	-
	Other Current financial assets	-	9,013,00
	Other Current assets	(221,445,596)	(9,996,01
	Adjustments for increase / (decrease) of liabilities:		
	Other Provisions	- (52 542 025)	260.001.01
	Trade Payables	(53,743,835)	360,081,24
	Other Current Liabilities	(35,857,187)	4,744,23
	Cash generated from Operations Taxes paid, net	(13,655,836)	(71,742,72
	NET CASH GENERATED FROM OPERATING ACTIVITIES	(13,655,836)	(71,742,72
		(13,033,630)	(/1,/42,/2
В	CASH FLOWS FROM INVESTING ACTIVITIES		
	Purchase of tangible and intangible assets including CWIP	-	137,95
	Proceeds from sale of property, plant and equipment	-	4,520,70
	Bank Balances not considered as Cash and Cash Equivalents	ana vaneva	-
	Interest received	9,819,645	446,23
	NET CASH FLOW (USED IN) INVESTING ACTIVITIES	9,819,645	5,104,89
C	CASH FLOWS FROM FINANCING ACTIVITIES	C4 005 C45	107 105 50
	Proceeds/(Repayments) from short-term borrowings	64,995,647	127,105,53
	Proceeds/(Repayments) from long-term borrowings Finance cost	(51,061,755)	(8,914,02
	NET CASH FLOWS GENERATED FROM/(USED IN) FINANCING ACTIVITIES	(9,703,871) 4,230,021	(16,154,29
		4,230,021	102,037,21
D	EXCHANGE DIFFERENCE ARRISING ON CONVERSION OF FOREIGN SUBSIDIARIES		
	NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS	393,830	35,399,38
	Cash and cash equivalents at the beginning of the year	36,244	36,24
	Cash and cash equivalents at the end of the year	430,074	35,435,62
	Components of Cash and Cash Equivalents for cash flow:		
	Cash on hand	62,724	21,25
	Balance with banks	43,000	14,98
	Bank Deposits having maturity of less than 3 Months		1.52
	Total	105,724	36,24
	Less: Bank overdraft (Refer note 22)		
	Net Cash and Cash Equivalents	105,724	36,24

Amounts mentioned are in Rupees unless o	therwise specifically stated)		
		As at M	arch 31
articulars	Notes	2023	2022
SSETS			
on-current assets			
roperty, plant and equipment	3	13,915,253	19,318,369
ntangible Assets	. 4	130,000,000	130,000,000
inancial assets			
ther Financial Asset	5		9,013,00
referred Tax Asset (Net)	6	991,321 144,906,574	
urrent assets		144,500,574	139,813,30
nventories	7	184,410,580	170,124,83
inancial assets			,
	8	791,809,692	353,001,620
Trade receivables		751,805,052	178,200,000
Loans and Advances	9	26 245	
Cash and cash equivalents	10	36,245	
Others financial assets	5	25,559,920	
ther Current Assets	11	13,876,062	THE RESERVE THE PARTY OF THE PA
		1,015,692,499	731,646,483
OTAL ASSETS		1,160,599,073	891,459,84
QUITIES AND LIABILITIES			
quity			
	12	272,940,415	272 040 411
quity Share Capital		"	
ther equity	12	150,231,258	
IABILITIES		423,171,673	422,611,18:
lon-current liabilities			
inancial liabilities			
orrowings	13	220,288,898	THE RESIDENCE OF THE PARTY OF T
		220,288,898	3,735,561
urrent Liabilities			
inancial liabilities			
Borrowings	13	22,875,000	
Trade payables	14	457,785,190	275,899,948
Others	15	31,891,086	81,600
ther current liabilities	16	4,587,147	31,652,298
		517,138,423	465,113,104
OTAL EQUITIES AND LIABILITIES		1,160,599,073	891,459,846
ummary of significant accounting policies	2		
he accompanying notes form an integral par		ments	
s per our modified report of even date			
or	For and on behalf of the		
K Shah & Co.,	Board of Directors of		
hartered Accountants	Gala Global Products Limite	ed	
RN.: 109583W	CIN: L29109GJ2010PLC063	1243	
KN.: 109383W	200	1.0 1.	1.
FRN 109583/W	De la harmand.	- Alloways	(Kmail)
M Shah		Alpa Pandya	Chhayaben Mulani
artner RBI UCN. 12290	o January Agarwar		
I.No.: 014711 AHMEDABAD	NTAM DIN No: 09851691	Director	Company Secretary
ERED ACCOU	NTA DIN No. 00951601	DIN No : 07013011	PAN No: ERMPM5952E
	DIN NO. 09831091	DIN NO. 07013011	PAN NO. EKIMPINISSSE
lace : Ahmedabad	\		
ate: 11/09/2023	A THE REAL PROPERTY OF THE PARTY OF THE PART		
HCV/	///		
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(G AHMEDABAD)	Page 1		
(S AHMEDABAD)	Page 1		

Gala Global Products Limited				
Statement of Profit and Loss for the year ended March 31,	, 2023			
(Amounts mentioned are in Rupees unless otherwise speci	ifically stated)			
Particulars		Year ended	Year ended on March 31	
	Notes	2023	2022	
Revenue:		044 010 226	1 022 866	
Sale of products	47	844,819,236	1,033,860	
Revenue from operations	17	844,819,236	1,033,860	
Other income	18	2,278,284 847,097,521	3,697	
Total revenue		847,097,521	1,037,558	
Expenses:	19	877,900,662	000 705	
Cost of materials consumed Changes in inventories of finished goods	20	(68,011,420)	909,785 40,454	
Employee benefits expenses	21	6,463,748	17,390	
Finance costs	22	16,154,293	11,303	
Depreciation and amortisation expenses	3	2,377,087	3,027	
Other expenses	23	11,433,644	38,233	
Total expenses	2.5	846,318,015	1,020,194	
Profit before tax		779,506	17,363	
Tax expenses:			3,978	
Current tax Deferred tax charge / (credit)		490,688	274	
Net Profit for the year	(A)	288,818	13,109	
OTHER COMPREHENSIVE INCOME				
Total other comprehensive income for the year (A) + (D)		288,818	13,109	
Earning per share Basic and Diluted(in Rs.)	24	0.01		
[Nominal value of equity per share of Rs. 5]				
Summary of significant accounting policies	2			
The accompanying notes form an integral part of these star				
The accompanying notes form an integral part of these star	idalone ilitariciai statements			
As per our modified report of even date				
For	For and on behalf of the Board of Directors of			
H K Shah & Co., Chartered Accountants	Gala Global Products Lim	itad		
FRN.: 109583W	CIN : L29109GJ2010PLC0			
SHAH & CO		120 /1	Q 1.	
H FRN 109583 W	Prellices la Agressie	1/101	(Komuli	
K M Shah (& C&AG No. WKO/510) 38)	Prahladkumar Agarwal		hhayaben Mulani	
MET NO. 04000	Managing Director	Director C	Company Secretary	
M.No.: 014711	DIN No: 09851691	DIN No : 07013011 P	PAN No: ERMPM59	
Place : Ahmedabad	DIN NO. 03031031	DIR 110 . 0/013011 P	AND INC. ERIVIPINISS	
Date: 11/09/2023 PRODU				
A P				

Page 2

Jair	Global Products Limited		
Cash	Flow Statement for the period ended March 31, 2023		
Amo	ounts mentioned are in Rupees unless otherwise specifically stated)		
		Year ended	
		2023	2022
A	CASH FLOWS FROM OPERATING ACTIVITIES		
	Profit Before Tax	779,506	17,363,327
	Adjustments for:		
	Depreciation and amortisation expense	2,377,087	3,027,091
	Profit on Sale of property, plant and equipment, net	(1,356,016)	-
	Finance income	(446,237)	(1,331,968
	Finance cost	16,154,293	9,904,751
	Operating Profit before working capital changes	17,508,632	28,963,201
	Adjustments for (increase) / decrease of assets:		
	Trade Receivables	(438,808,072)	(168,770,112
	Inventories	(14,285,750)	9,257,500
	Increase/Decrease in Loans and Advances		(178,200,000
	Other Current financial assets	9,013,005	17,157,608
	Other Current assets	(9,996,017)	(16,040,076)
	Adjustments for increase / (decrease) of liabilities:		
	Other Provisions	*********	4,750
	Trade Payables	360,081,240	122,318,302
	Other Current Liabilities	4,744,335	15,211,283
	Cash generated from Operations	(71,742,626)	(170,097,543)
	Taxes paid, net	(81.843.636)	(170 007 542
	NET CASH GENERATED FROM OPERATING ACTIVITIES	(71,742,626)	(170,097,543)
В	CASH FLOWS FROM INVESTING ACTIVITIES		
В	Purchase of tangible and intangible assets including CWIP	137,955	(672 200
	Proceeds from sale of property, plant and equipment	4,520,702	(672,390
	Bank Balances not considered as Cash and Cash Equivalents	4,320,702	(1,136,698
	Interest received	446,237	1,331,968
	NET CASH FLOW (USED IN) INVESTING ACTIVITIES	5,104,894	(477,120
	NET CASH FLOW (USED IN) INVESTING ACTIVITIES	3,104,054	(4//,120
C	CASH FLOWS FROM FINANCING ACTIVITIES		
-	Proceeds/(Repayments) from short-term borrowings	(134,604,258)	127,105,530
	Proceeds/(Repayments) from long-term borrowings	216,553,337	(8,914,025
1	Finance cost	(16,154,293)	(9,904,751
	NET CASH FLOWS GENERATED FROM/(USED IN) FINANCING ACTIVITIES	65,794,786	108,286,753
	THE CASH FEOTIS GENERALED PROPERTY OF THE PROPERTY OF THE STATE OF THE	00,771,700	100,200,700
D	EXCHANGE DIFFERENCE ARRISING ON CONVERSION OF FOREIGN SUBSIDIARIES		
	NET INCREASE (DECREASE) IN CASH AND CASH FOUNTAI ENTS	(842,946)	(62,287,910
	NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS Cash and cash equivalents at the beginning of the year	879,191	30,866,235
	Cash and cash equivalents at the beginning of the year	679,191	30,000,233
	Cash and cash equivalents at the end of the year	36,245	-31,421,677
	Components of Cash and Cash Equivalents for cash flow:	50,245	-51,421,077
	Cash on hand	21,258	632,567
	Balance with banks	14,986	246,624
	Bank Deposits having maturity of less than 3 Months	. 1,500	2.0,024
	Total	36,245	879,191
		50,475	0,7,171
	Less: Bank overdraft (Refer note 22)		

The above cashflow has been prepared under the "Indirect Method" as set out in Indian Accounting Standard 7(Ind AS 7) on Cashflow Statements.

As per our report of even date attached.

GAHMEDABAD

FRN 109583/W
C&AG NO WRO/510
RBI UCN. 122900
MEF NO: 04040
AHMEDABAD

APTERED ACCOUNTA

Page 3

GALA GLOBAL PRODUCTS LIMITED

CIN - L29109GJ2010PLC063243

B-1, LAXMI COM. CO.OP. ESTATE, B/H OLD NAVNEET PRESS, SUKHRAMNAGAR,

AHMEDABAD, GUJARAT, INDIA, 380021

WEBSITE: https://www.galaglobalhub.com/ Email: inf.galaglobal@gmail.com PHONE: 079-2277 2921 / 8955, (M) 9825456600

Statement of Unaudited Standalone Financial Results for the Quarter and Nine Months ended December 31,2024

(Amount i							
		Quarter Ended		Nine Months Ended		Year Ended	
Particulars	31.12.2024	30.09.2024	31.12.2023	31.12.2024	31.12.2023	31.03.2024	
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited	
I Revenue From Operations	706.49	597.24	1,577.84	2,234.22	5,910.56	7,530.07	
II Other Income	0.50	0.05	105.02	0.64	107.83	107.83	
III Total Income (I+II)	706.99	597.29	1,682.86	2,234.86	6,018.39	7,637.90	
IV EXPENSES:							
Cost of Materials Consumed	706.64	545.44	1,586.85	2,237.70	5.330.19	6,578.16	
Purchase of Stock-in-Trade	_	20000000000000000000000000000000000000		-	120 C		
Change in inventory of finished goods, work-in-progress and Stock-in-	(48.00)	(210.88)	120	(310.76)	467.36	899.47	
Trade Employee Benefits Expenses	0.21	3.50	4.65	0.31	10.57	35.59	
Finance costs	26.35	19.11	23.49	62.73	73.76	97.04	
Depreciation and amortization expenses	4.70	4.68	4.42	14.06	13.59	18.27	
Other Expenses	8.48	4.07	8.01	31.65	20.73	23.49	
Total expenses (IV)	698.38	365.92	1,627.42	2,035.70	5,916.20	7,652.02	
V Profit/(Loss) before exceptional items and tax	8.61	231.37	55.44	199.16	102.19	(14.13)	
VI Exceptional Items	454		(6.41)	(2)	(14.80)	(41.54)	
VII Profit before extraordinary items and tax	8.61	231.37	61.85	199.16	116.99	27.41	
VIII Extraordinary items	-	-	-		120	-	
IX Profit/(Loss) before tax	8.61	231.37	61.85	199.16	116.99	27.41	
X Tax expense: -	554 7430 454	100,000,000		G2008403400	0.0000000000	2000000	
(1) Current Tax	2.17	49.56	15.16	51.72	27.72	2.96	
(2) MAT Credit Entitlement (3) Deferred Tax	(0.81)	(0.88)	(0.42)	(2.53)	(2.20)	(3.47)	
(3) Deletted Tax	(0.81)	(0.00)	(0.42)	(2.55)	(2.20)	(3.47)	
XI Profit/(Loss) for the period from continuing operation	5.64	180.93	46.27	144.91	87.07	20.98	
XII Profit/(Loss) for discontinued operation	-	2-0	-	170	-		
XIII Tax expenses of discontinued operations	170	15.	100	0.70	670	670	
XIV Profit/(Loss) form Discontinued operation (after tax)	153	250	350	(5)	1.5	250	
XV Profit/(Loss) for the period	5.64	180.93	46.27	144.91	87.07	20.98	
XVI Paid up Equity Share Capital (Face Value of Rs. 5/- per share) XVII Earnings per equity share:	2,729.40	2,729.40	2,729.40	2,729.40	2,729.40	2,729.40	
(1) Basic	0.00	0.07	0.02	0.05	0.03	0.01	
(2) Diluted	0.00	0.07	0.02	0.05	0.03	0.01	

- NOTES:

 1 The unaudited Financial Results for the quarter and Nine Months ended on 31 Dec, 2024 were reviewed by the Audit Committee and then approved by the Board of Directors at their meeting held on 14th February 2025.

 2 The unaudited Financial Results for the quarter and Nine Months ended on 31 Dec, 2024 were reviewed by the Audit Committee and then approved by the Board of Directors at their meeting held on 14th February 2025.

 3 The unaudited Financial Results for the quarter and Nine Months ended on 31 Dec, 2024 were reviewed by the Audit Committee and then approved by the Board of Directors at their meeting held on 14th February 2025.

 4 The unaudited Financial Results for the quarter and Nine Months ended on 31 Dec, 2024 were reviewed by the Audit Committee and then approved by the Board of Directors at their meeting held on 14th February 2025.

 5 The unaudited Financial Results for the quarter and Nine Months ended on 31 Dec, 2024 were reviewed by the Audit Committee and then approved by the Board of Directors at their meeting held on 14th February 2025.

 The unaudited Financial Results have been prepared in accordance with the Indian Accounting Standards (Ind AS) as prescribed under Section 133 of the Companies Act, 2013 read with Rule 3 of Companies (Indian Accounting Standards) Rules, 2015.
- The Figures for the Previous year figures/Quarter & Nine Months Ended have been regrouped / reclassified wherever necessary to confirm to the current financial year figures and as per Schedule III of the Companies Act, 2013.
- 4 As the Company is having only one segment, there are no reportable segment in accordance with the requirement of Accounting Standard (As-17) "Segment Reporting" specified under Section 133 of the Companies Act, 2013.

FOR GALA GLOBAL PRODUCTS LIMITED

Place: Ahmedabad PRAHLAD KUMAR AGARWAL Date: 14/02/2025 Managing Director DIN: 09851691

GENERAL INFORMATION

Our Company was originally incorporated as "Gala Print City Private Limited" on December 14, 2010 under the Companies Act, 1956 vide certificate of incorporation issued by the Registrar of Companies, Gujarat, Dadra and Nagar Havelli. Our Company was subsequently converted in to a public company and consequently name was changed to "Gala Print City Limited" (GPCL) vide fresh certificate of incorporation dated March 31, 2014 issued by Registrar of Companies, pursuant to section 23(1), Gujarat, Dadra and Nagar Havelli. Pursuant to Initial Public Offer on SME Platform of BSE Limited ("BSE SME"), our Company got listed on BSE SME on July 16, 2015. Our Company migrated from BSE SME Platform to BSE Main Board pursuant to BSE Notice dated November 07, 2017 w.e.f. November 09, 2017. Pursuant to amalgamation of "Gala Products Limited" into "Gala Print City Limited" and Order of Hon'ble bench of NCLT dated May 17, 2017, name of our company changed to "Gala Global Products Limited" vide fresh certificate of incorporation dated August 18, 2017. For further details regarding registered office, please see the chapter titled "General Information" beginning on page 35 of this Draft Letter of offer. CIN no of our company is L29109GJ2010PLC063243.

Company Identification Number	L29109GJ2010PLC063243
Registration Number	063243
Address of Registered Office of Company	Gala Global Products Limited
	B-1, Laxmi Com. Co.Op. Estate, B/h Old Navneet
	Press,Sukhramnagar, Ahmedabad, Gujarat, India,
	380021
	Telephone: +91 7575006464
	E-mail: inf.galaglobal@gmail.com
	Website: www.galaglobalhub.com;
Address of Registrar of Companies	Registrar of Companies, Ahmedabad
	RoC Bhavan, Opp. Rupal Park Society, Behind Ankur
	Bus-Stop, Naranpura, Ahmedabad – 380 013, Gujarat,
	India.
	Telephone: 079-27437597
	E-mail: roc.ahmedabad@mca.gov.in
Designated Stock Exchange	BSE Limited

Our Board of Directors

Details regarding our Board of Directors as on the date of this Draft Letter of Offer are set forth in the table hereunder:

Name	Age	Designation	Address	DIN
Prahlad Kumar Agarwal	48 Years	Managing	Holding No. 303/15, Malancha Road,	09851691
		Director and	Near UCO Bank, Bhagwanpur,	
		Chief Financial	Kharagpur, West Midnapore, West	
		Officer	Bangal - 721301	
Vishal Mulchandbhai	39 Years	Director	4, Dev Residency, Gujarat Society,	00692090
Gala			Near Mahalaxmi Cross Road, Paldi,	
			Ahmedabad City, Ahmedabad,	
			Gujarat, 380007	
Alpa Pandya	57 Years	Director	203/A, Syamrang Apartment, Vasna,	07013011
			Ahmedabad City, Ahmedabad,	
			Gujarat- 380007	

Umang Sanjaybhai	29 Years	Independent	Brother, C/703, Nisarg Dreams, Shilaj	09706034
Selani		Director	Bridge, near Divya Jyot School, SP	
			Ring Road, Bopal, Shilaj, Ahmedabad,	
			Gujarat, 380058	
Vipul Laxmichand Maru	52 Years	Independent	Room No. 4, Shree Niwas, 60 Feet	09723476
		Director	Road, Opp. Ganesh Temple, Thane,	
			Bhayander West, Thane, Maharashtra-	
			401101	
Dhruv Modi	27 Years	Independent	C/2/2, Harivila Society, Near Bapa	09706017
		Director	Sitaram Chok, Sarkhej Dhokla Road,	
			Sarkhej, Ahmedabad, Sarkhej, Gujarat,	
			382210	

For detailed profile of our Directors, please refer to the chapter titled "Our Management and Organisational Structure" on page 69 of this Draft Letter of Offer.

Company Secretary and Compliance Officer

Vandana Arun Baldi, Company Secretary and Compliance Officer of our Company Her contact details are set forth hereunder:

B-1, Laxmi Com. Co.Op. Estate, B/h Old Navneet Press, Sukhramnagar, Ahmedabad, Gujarat, India, 380021.

Telephone:, +91 7575006464 **E-mail**: inf.galaglobal@gmail.com

Chief Financial Officer

Prahlad Kumar Agarwal, is the Chief Financial Officer of our Company. His contact details are set forth hereunder:

B-1, Laxmi Com. Co.Op. Estate, B/h Old Navneet Press, Sukhramnagar, Ahmedabad, Gujarat, India, 380021.

Telephone: +91 7575006464 **E-mail:** inf.galaglobal@gmail.com

Details of Key Intermediaries pertaining to this Issue of our Company:

Registrar to the Issue	Statutory & Peer Review Auditor of the Company
Kfin Technologies Limited	M/s. R B Gohil & Co.,
Address: Selenium Tower B, Plot 31-32, Financial	Chartered Accountants
District, Nanakramguda, Serilingampally Mandal,	Address: 1st Floor, K.P. Shah House, K.V. Road,
Hydrabad - 500 032, Telangana,	Jamnagar-361001
Tel No: + 91-40-67162222/18003094001	Email: caraghubhagohil@gmail.com
Fax No: + 91-40-6716 1563	Tel No: +91-9426478227
Website: www.kfintech.com	Contact Person: CA R B Gohil
E-Mail: gala.rights@kfintech.com	Firm Registration Number: 119360W
Investor Grievance Email:	Membership Number: 104997
einward.ris@kfintech.com	Peer Review Number: 018826
Contact Person: Mr. M.Murali Krishna	
SEBI Registration No.: INR000000221	
CIN: L72400TG2017PLC117649	
Bankers to the Company	Banker to the Issue
HDFC Bank Limited	[•]

Address: Business Banking Group – 5th Floor, C – Block, Sheetal West Park Imperia, near Alpha One Mall, Vastrapur, Ahmedabad, Gujarat - 380054

Tel No: + 91-9714070536

Fax No: NA

Website: www.hdfcbank.com

E-Mail: niravkumar.parmar2@hdfcbank.com Contact Person: Mr. Niravkumar Parmar

Designation: Relationship Manager- Business

Banking Group

CIN: L65920MH1994PLC080618

DESIGNATED INTERMEDIARIES

Self-Certified Syndicate Banks

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

Inter-se Allocation of Responsibilities

The merchant banker is not required to be appointed upto Issue size of ₹ 5,000.00 Lakh

Expert Opinion

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

Our Company has received written consent dated March 22, 2025 from the Statutory Auditors to include their name as required under Section 26(5) of the Companies Act 2013 read with SEBI ICDR Regulations in this Draft 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) Auditor's Report on Standalone Audited Financial Statements dated September 06, 2024 on our Financial Information for Financial year ended on March 31, 2024; and Auditor's Report on Audited Financial Statements on our Financial Information for Financial years ended on March 31, 2024, March 31, 2023 and March 31, 2022; (ii) Auditor's Limited Review Report on Unaudited Financial Statements dated February 14, 2025 on our Financial Information for the Quarter ended on December 31, 2024 ("Stub Period"); and; and (iii) statement of tax benefits dated March 25, 2025 in this Draft Letter of Offer and such consent has not been withdrawn as on the date of this Draft Letter of Offer.

Investor grievances

Investors may contact the Company Secretary and Compliance Officer for any pre-Issue/ post-Issue related matters such as nonreceipt of Letters of Allotment/ share certificates/ demat credit/ Refund Orders, etc. Investors are advised to contact the Registrar to the Issue or our Company Secretary and Compliance Officer for any pre-Issue or post-Issue related problems such as nonreceipt of Abridged Letter of Offer/ Application Form and Rights Entitlement Letter/ Letter of Allotment, Split Application Forms, Share Certificate(s) or Refund Orders, etc. All grievances relating to the ASBA process may be addressed to the Registrar to the Issue, with a copy to the SCSBs, giving full details such as name, address of the applicant, ASBA Account number and the Designated Branch of the SCSBs, number of Equity Shares applied for, amount blocked, where the Application Form and Rights Entitlement Letter or the plain paper application, in case of Eligible Equity Shareholder, was submitted by the ASBA Investors through ASBA process.

Issue Schedule

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

EVENTS	INDICATIVE DATE
LAST DATE FOR CREDIT OF RIGHTS ENTITLEMENTS	[•]
ISSUE OPENING DATE	[•]
LAST DATE FOR ON MARKET RENUNCIATION OF RIGHTS	[•]
ENTITLEMENTS#	
ISSUE CLOSING DATE*	[●]
FINALISATION OF BASIS OF ALLOTMENT (ON OR ABOUT)	[●]
DATE OF ALLOTMENT (ON OR ABOUT)	[•]
DATE OF CREDIT (ON OR ABOUT)	[•]
DATE OF LISTING (ON OR ABOUT)	[•]

[#] 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.

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 two (2) Working Days prior to the Issue Closing Date, i.e., [•] 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., [•].

Investors are advised to ensure that the Applications are submitted on or before the Issue Closing Date. Our Company, or the Registrar to the Issue will not be liable for any loss on account of non-submission of Applications on or before the Issue Closing Date. For details on submitting Common Application Forms, see chapter titled "Terms of the Issue" beginning on page 93 of this Draft letter of Offer.

Please note that 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 amount 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.

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.kfintech.com after keying in their respective details along with either security control measures implemented there at. For further details, see chapter titled "*Terms of the Issue*" beginning on page 93 of this Draft Letter of Offer.

Credit Rating

As this is an Issue of Equity Shares, credit rating is not required.

Debenture Trustees

This is an issue of equity shares; hence appointment of debenture trustee is not required.

Monitoring Agency

Since the size of the Issue is not more than Rs. 10,000 Lakhs, our Company has not appointed any monitoring agency for this Issue. However, as per section 177 of the Companies Act, the Audit Committee of our Company, would be monitoring the utilization of the proceeds of the issue.

^{*}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.

For details in relation to the proposed utilisation of the Net Proceeds, see chapter titled "Objects of the Issue" on page 43 of this Draft Letter of Offer.

Appraising Agency

None of the purposes for which the Net Proceeds are proposed to be utilized have been appraised by any bank or financial institution.

Underwriting

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

Minimum Subscription

If our Company does not receive the minimum subscription of 90% of the Issue Size, or the subscription level falls below 90% of the Issue Size, after the Issue Closing Date on account of withdrawal of applications, our Company shall refund the entire subscription amount received within 4 days from the Issue Closing Date. In the event that there is a delay in making refund of the subscription amount by more than eight days after our Company becomes liable to pay subscription amount (i.e. 4 days after the Issue Closing Date) or such other period as prescribed by applicable laws, our Company shall pay interest for the delayed period at rate prescribed under applicable laws.

Filing of the Offer Document

SEBI (ICDR) (Fourth Amendment) Regulations, 2020 has granted certain relaxations with respect to Rights Issues under the SEBI ICDR Regulations. One of those relaxations is the increase of threshold of the Rights Issue size for filing of the Letter of Offer with SEBI. The threshold of the rights issue size under Regulation 3 of the SEBI ICDR Regulations has been increased from Ten crores to Fifty crores. Since the size of this Issue falls under the threshold, the Letter of Offer had been filed with the Stock Exchange and submitted with SEBI for information and dissemination.

CAPITAL STRUCTURE

Our Equity Share Capital before the issue and after giving effect to the issue, as on the date of filing of this Draft Letter of Offer, is set forth below:

Amount (Rs in Lacs except share data)

	Timount (Its the Eacs except share data)			
PARTICULARS	AGGREGATE NOMINAL VALUE	AGGREGATE VALUE AT ISSUE PRICE		
AUTHORISED SHARE CAPITAL				
9,85,00,000 Equity Shares of face value of Rs. 5 each	4,925.00*	N.A.		
ISSUED, SUBSCRIBED & PAID-UP SHARE CAPITAL BEFORE THE ISSUE				
5,45,88,083 fully paid Equity Shares of face value of Rs. 5 each	2,729.40	N.A.		
PRESENT ISSUE IN TERMS OF THIS DRAFT LETTER OF OFFER #				
Upto [•] Right Equity Shares of face value of Rs.5 each at a premium of ₹ [•] per share	[•]	[•]		
ISSUED, SUBSCRIBED AND PAID-UP CAPITAL AFTER THE PRESENT ISSUE				
[•] Equity Shares of ₹ 5 each\$	[•]			
SHARE PREMIUM ACCOUNT				
Share Premium account before the Issue	N	Nil		
Share Premium account after the Issue	[•]		
	AUTHORISED SHARE CAPITAL 9,85,00,000 Equity Shares of face value of Rs. 5 each ISSUED, SUBSCRIBED & PAID-UP SHARE CAPITAL BEFORE THE ISSUE 5,45,88,083 fully paid Equity Shares of face value of Rs. 5 each PRESENT ISSUE IN TERMS OF THIS DRAFT LETTER OF OFFER # Upto [●] Right Equity Shares of face value of Rs.5 each at a premium of ₹ [●] per share ISSUED, SUBSCRIBED AND PAID-UP CAPITAL AFTER THE PRESENT ISSUE [●] Equity Shares of ₹ 5 each\$ SHARE PREMIUM ACCOUNT Share Premium account before the Issue	AUTHORISED SHARE CAPITAL 9,85,00,000 Equity Shares of face value of Rs. 5 each 1SSUED, SUBSCRIBED & PAID-UP SHARE CAPITAL BEFORE THE ISSUE 5,45,88,083 fully paid Equity Shares of face value of Rs. 5 each PRESENT ISSUE IN TERMS OF THIS DRAFT LETTER OF OFFER # Upto [●] Right Equity Shares of face value of Rs.5 each at a premium of ₹ [●] per share ISSUED, SUBSCRIBED AND PAID-UP CAPITAL AFTER THE PRESENT ISSUE [●] Equity Shares of ₹ 5 each\$ SHARE PREMIUM ACCOUNT Share Premium account before the Issue		

Note:

The present issue of $[\bullet]$ equity shares in terms of this Draft Letter of Offer have been authorized by a resolution passed by our Board at the meeting held on dated Monday, October 21, 2024 under 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, have been approved by a resolution passed by the Board at its meeting held on $[\bullet]$.

\$ Assuming full subscription for and Allotment of Equity Shares. Subject to finalisation of Basis of Allotment, Allotment of Right Shares.

*Our Company has passed the Ordinary resolution for increasing the authorized capital. Currently, we are in process of filing necessary form in order to give effect to same on MCA.

The above figures are rounded off to two decimal places.

The company has one class of share capital i.e. Equity Shares of Face value of Rs.5.00/- each only. All equity shares issued are fully paid-up.

NOTES TO THE CAPITAL STRUCTURE:

1. Details of outstanding instruments as on the date of this Draft Letter of Offer:

There are no outstanding options or convertible securities, including any outstanding warrants or rights to convert debentures, loans or other instruments convertible into our Equity Shares as on the date of this Draft Letter of Offer. Further, our Company does not have any employee stock option scheme or employee stock purchase scheme.

2. Intention and extent of participation by our Promoter and Promoter Group in the Issue:

The Promoter of our Company through its letters dated April 03, 2025, have confirmed undertaken to subscribe in part or to the full extent of its Rights Entitlement in this Issue and to the extent of unsubscribed portion (if

any) of this Issue and that the promoter shall not renounce their Rights Entitlements except within the Promoter Group, in accordance with the provisions of Regulation 86 of the SEBI (ICDR) Regulations.

Further, the Promoter may also apply for additional Equity Shares along with their Rights Entitlement and/or renunciation. Such subscriptions of Equity Shares over and above its Rights Entitlement, if allotted, may result in an increase in their percentage shareholding above its current percentage shareholding. Any acquisition of additional Equity Shares shall not result in change of control of the management of the Company in accordance with provisions of the SEBI (SAST) Regulations and shall be exempted subject to fulfillment of the conditions of Regulation 10 of the SEBI (SAST) Regulations. The Promoter acknowledge and undertake that their investment would be restricted to ensure that the public shareholding in the Company after this Issue does not fall below the permissible minimum level as specified in the listing conditions or Regulation 38 of SEBI (LODR) Regulations.

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

- 3. Shareholding pattern of our Company as per the last quarterly filing with the Stock Exchange in compliance with the SEBI Listing Regulations
- i. The shareholding pattern of our Company as on December 31, 2024, can be accessed on the website of the BSE at:

https://www.bseindia.com/stock-share-price/gala-global-products-ltd/ggpl/539228/shareholding-pattern/

ii. Statement showing holding of Equity Shares of the Promoters and Promoter Group including details of lock-in, pledge of and encumbrance thereon, as on December 31, 2024 can be accessed on the website of the BSE at:

https://www.bseindia.com/corporates/shpPromoterNGroup.aspx?scripcd=539228&qtrid=124.00&QtrName=December%202024

iii. Statement showing holding of Equity Shares of persons belonging to the category "Public" including shareholders holding more than 1% of the total number of Equity Shares as on December 31, 2024 can be accessed on the website of BSE at:

 $\underline{\text{https://www.bseindia.com/corporates/shpPublicShareholder.aspx?scripcd=539228\&qtrid=124.00\&QtrName=December\%202024}$

iv. Details of the Shareholders holding more than 1% of the issued and paid-up equity share capital:

https://www.bseindia.com/corporates/shpdrPercnt.aspx?scripcd=539228&qtrid=124.00&CompName=Gala%20Global%20Products%20Ltd&QtrName=December%202024&Type=TM

- 4. The ex-rights price of the Equity Shares as per Regulation 10(4)(b) of the SEBI SAST Regulations is Rs. [•]. The ex-rights price per Equity Share has been calculated assuming full subscription to the Issue.
- 5. Details of shares locked-in, pledged, encumbrance by promoters and promoter group:

No Equity Shares held by our Promoter or Promoter Group have been locked-in, pledged or encumbered as of the date of this Letter of Offer.

6. Details of specified securities acquired by the promoter and promoter group in the last one year immediately preceding the date of filing of the letter of offer with the designated stock exchange

The Promoters of our Company have not acquired any securities in the one year preceding the date of filing of draft letter of offer.

Further, details of the Equity Shares acquired or sold by our Promoters can be accessed on the website of BSE at https://www.bseindia.com/corporates/shpPromoterNGroup.aspx?scripcd=539228&qtrid=124.00&QtrName=December%202024

- 7. There are no outstanding options or convertible securities, including any outstanding warrants or rights to convert debentures, loans or other instruments convertible into our Equity Shares as on the date of this Draft Letter of Offer.
- 8. At any given time, there shall be only one denomination of the Equity Shares of our Company.
- 9. All Equity Shares are fully paid-up and there are no partly paid-up Equity Shares as on the date of this Draft Letter of Offer. Further, the Equity Shares allotted pursuant to the Issue, shall be fully paid up.

SECTION IV - PARTICULARS OF THE ISSUE

OBJECTS OF THE ISSUE

The present Public Issue up to Rs. 2,500.00 lakhs of [●] Equity Shares at an issue price of [●] per Equity Share.

Our Company proposes to utilize the Net Proceeds from the issue towards the following objects:

- 1. Funding of working capital requirements of our Company;
- 2. Repayment of unsecured loans availed by our Company from Promoter and Promoter Group of our Company;
- 3. Loan Repayment to other than Promoter and Promoter Group by our Company;
- 4. Issue Related Expenses; and
- 5. General corporate purposes

(Collectively referred to as "Objects")

The main objects clause and the objects ancillary to the main objects clause 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 Rights Issue.

Net Proceeds

The details of the proceeds of the issue are summarized in the table below:

(₹ In lakhs)

Sr. No.	Particulars Particulars	Estimated Amount
3.	Gross proceeds from the issue*	Up to 2,500.00
4.	Less: Issue Related Expenses**	50.00
Net proce	eeds of the issue**	[•]

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

Requirement of funds and utilization of Net Proceeds

(₹ In lakhs)

Sr. No.	Particulars Particulars	Estimated Amount
1.	Funding of working capital requirements	Up to 500.00
2.	Repayment of unsecured loans availed by our Company from	Up to 1,000.00
	Promoter and Promoter Group	
3.	Loan Repayment to other than Promoter and Promoter Group	Up to 650.00
4.	General corporate purposes	300.00
Total util	ization of net proceeds	Up to 2,450.00

Means of Finance

The funding requirements mentioned above are based on the internal management estimates of our Company and have not been appraised by any bank, financial institution or any other external agency. They are based on current circumstances of our business and our Company may have to revise its estimates from time to time on account of various factors beyond its control, such as market conditions, competitive environment, and change in any regulations/ acts. Consequently, the funding requirements of our Company and deployment schedules are subject to revision in the future at the discretion of our management and will be subject to applicable laws and regulations. If additional funds are required for the purposes as mentioned above, such requirement may be met through internal accruals, additional capital infusion, debt arrangements or any combination of them, subject to compliance with applicable laws. Further, depending on the funding requirements of our Company and subject to market and other considerations, our Company may vary the size of the Issue by 20% of the Issue size disclosed in this Draft Letter of Offer in accordance with the SEBI ICDR Regulations and other applicable law.

^{**} To be finalized upon determination of the Issue Price and updated in the Letter of Offer. Please see "- Estimated Issue Expenses" on page 48.

Since our Company is not proposing to fund any specific project from the Net Proceeds, the requirement to make firm arrangements of finance through verifiable means towards 75% of the stated means of finance for such projects proposed to be funded from the Net Proceeds is not applicable.

Schedule of implementation and Deployment of Net Proceeds

We propose to deploy the Net Proceeds for the aforesaid purposes in accordance with the estimated schedule of implementation and deployment of funds set forth in the table below:

(₹ In lakhs)

Sr. No.	Particulars	Total Estimated Cost	Amount already deployed	Estimated utilization of net proceeds in FY 2025-2026
5.	Funding of working capital requirements	Up to 500.00	[•]	[•]
6.	Repayment of unsecured loans availed by our Company from Promoter and Promoter Group	Up to 1,000.00	[•]	[•]
7.	Loan Repayment to other than Promoter and Promoter Group	Up to 650.00	[•]	[•]
8.	General corporate purposes ¹	300.00	[•]	[•]
	Total	Up to 2,450.00	[•]	[•]

¹The amount utilized for general corporate purposes shall not exceed 25.00% of the gross proceeds of the issue.

As indicated above, our Company proposes to deploy the entire Net Proceeds towards the objects as described in the Financial Year 2025-26. In the event that the estimated utilization of the Net Proceeds in a Financial Year 2025-26 is not completely met, the same shall be utilized, in part or full, in the next Financial Year or a subsequent period towards the Objects.

In the event of a shortfall in raising the requisite capital from the Net Proceeds, towards meeting the objects of the Issue, the extent of the shortfall will be met by internal accruals or debt. In case of any surplus of monies received in relation to the Fresh Issue, we may use such surplus towards general corporate purposes.

DETAILS OF THE OBJECTS OF THE ISSUE

1. Funding of working capital requirements.

Existing Working Capital Requirement

Particulars	31.03.2022	31.03.2023	31.03.2024	31.12.2024	31.03.2025	31.03.2026
	Audited	Audited	Audited	Unaudited	Projected	Projected
Inventories	1,701.25	1,844.11	262.76	573.51	195.30	850.00
Trade Receivables	3,530.02	7,918.10	6,570.06	10331.59	7,685.90	6,900.00
Cash and Bank Balances	82.29	0.36	1.06	0.74	0.72	86.02
Short term loans and Advances	1,782.00	ı	1	1	-	380.00
Other Current Assets	220.91	394.36	2,608.82	2684.33	2,449.80	2,350.00
Total Current Assets (A)	7316.47	10156.93	9442.7	13590.37	10,331.72	10,566.02
Less:						
Trade Payables	2,759.00	4,577.85	4,040.41	7738.34	5,059.00	3,480.00
other Current Liabilities	316.52	364.78	6.21	234.82	37.00	43.50
Other current Liabilities for capital expenses	-	-	-	-	-	-
Short term provisions	0.82	-	-	-	0	91.07

Total Current Liabilities (B)	3,076.34	4,942.63	4,046.62	7,973.16	5096	3,614.57
Net Working Capital	4,240.13	5,214.30	5,396.08	5,617.21	5,235.72	6,951.45
Financed through Capital and Internal Cash Accruals	-4,240.13	-5,214.30	-5,396.08	-5,617.01	-5,235.72	5501.45
Fund from Rights Issue	0.00	0.00	0.00	0.00	0.00	1,450.00

On the basis of existing and projected working capital requirement of our Company on a standalone basis, and assumptions for such working capital requirements, the incremental and proposed working capital requirements for Fiscals 2025 and 2026 along with the proposed funding of such working capital requirements, as approved by our Board pursuant to resolution dated April 05, 2025 are as set forth below:

The details of our Company's projected working capital requirements on a standalone basis for the Financial Years 2025 and 2026, and the proposed funding of such working capital requirements are set forth in the table below:

Particular s	31.03.2022	31.03.2023	31.03.2024	Period ended on 31.12.2024 (Unaudited)			Justification of working capital Requiremen t
Inventory	60	77	51	68	20	18	In the previous years, the company used to hold average inventory holding period of 63 days. Moving ahead, the company anticipates the inventory holding period of 20 days in FY 2024-25 which will further decrease to 18 days in FY 2025-26
Trade Receivable s	125	247	351	1381	623	254	In the previous years, there was significant

							fluctuation
							in the trade
							receivable
							holding
							period.
							Moving
							ahead, now
							the
							company
							anticipates to increase
							the trade
							receivable
							holding
							period was
							high. with
							the infusion
							of proceeds
							from right
							issue the
							company
							anticipates
							decrease to
							254 days in
							FY 2025-26
			I				I I
Trade	106	165	210	1116	409	156	Historically
Trade Pavables	106	165	210	1116	409	156	Historically,
Trade Payables	106	165	210	1116	409	156	the
	106	165	210	1116	409	156	the company's
	106	165	210	1116	409	156	the company's trade
	106	165	210	1116	409	156	the company's
	106	165	210	1116	409	156	the company's trade payable
	106	165	210	1116	409	156	the company's trade payable holding
	106	165	210	1116	409	156	the company's trade payable holding period was high. With the infusion
	106	165	210	1116	409	156	the company's trade payable holding period was high. With the infusion of proceeds
	106	165	210	1116	409	156	the company's trade payable holding period was high. With the infusion of proceeds from right
	106	165	210	1116	409	156	the company's trade payable holding period was high. With the infusion of proceeds from right issue, the
	106	165	210	1116	409	156	the company's trade payable holding period was high. With the infusion of proceeds from right issue, the company
	106	165	210	1116	409	156	the company's trade payable holding period was high. With the infusion of proceeds from right issue, the company anticipates
	106	165	210	1116	409	156	the company's trade payable holding period was high. With the infusion of proceeds from right issue, the company anticipates decrease in
	106	165	210	1116	409	156	the company's trade payable holding period was high. With the infusion of proceeds from right issue, the company anticipates decrease in trade
	106	165	210	1116	409	156	the company's trade payable holding period was high. With the infusion of proceeds from right issue, the company anticipates decrease in trade payable
	106	165	210	1116	409	156	the company's trade payable holding period was high. With the infusion of proceeds from right issue, the company anticipates decrease in trade payable holding
	106	165	210	1116	409	156	the company's trade payable holding period was high. With the infusion of proceeds from right issue, the company anticipates decrease in trade payable holding period of
	106	165	210	1116	409	156	the company's trade payable holding period was high. With the infusion of proceeds from right issue, the company anticipates decrease in trade payable holding period of 156 days in
	106	165	210	1116	409	156	the company's trade payable holding period was high. With the infusion of proceeds from right issue, the company anticipates decrease in trade payable holding period of

To augment the existing and incremental working capital requirement of our company:

We fund the majority of our working capital requirements in the ordinary course of our business from our internal accruals and availed working capital loan from related parties. We operate in a competitive and dynamic market conditions and may have to revise our estimates from time to time on account of external circumstances, business or strategy, foreseeable opportunity. Consequently, our fund requirements may also change.

2. Repayment of unsecured loans availed by our Company from Promoter and Promoter Group of our Company.

Our Company has availed unsecured loans from Promoter and Promoter Group of our Company. These unsecured loans were raised by our Company for the purpose of the business of the Company. Our Company intends to utilize ₹1000.00 lakhs of the Net Proceeds towards repayment of the unsecured loans. The unsecured loans are repayable in FY 2025-26 of our Promoter and Promoter Group providing a written notice of demand to the Company. The following table provides details along with the terms on which the unsecured loans have been availed by our Company, as on March 31, 2025, which are proposed to be repaid from the Net Proceeds:-

Sr. No.	Name of the Promoter/Promoter Group/Lender	Outstanding unsecured loans as on March 31, 2025 (₹ in lakhs)*	Purpose of availing unsecured loans*	Interest rate (%) p.a.	Proposed repayment from Net (₹ in lakhs)
1.	Vishal Gala	1,668.46	Working capital and repayment of bank loans	N.A.	1,000.00

^{*} Pursuant to certificate issued by statutory auditor dated, April 05, 2025, confirming the amount outstanding and the utilization of loan for the purpose availed.

Given the nature of these borrowing facilities and the terms of repayment, the aggregate outstanding unsecured loan amounts 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 any of the above unsecured loans are paid or further unsecured loans have been availed prior to the completion of the Issue, we may utilize Net Proceeds of the Issue towards repayment of such additional unsecured loans.

Interest of Promoters and Directors in the objects of the Issue

Our Promoter and Promoter Group has confirmed that an amount of ₹1000.00 lakhs out of the total loan availed by the 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 and Promoter Group, to the extent of their entitlement, renunciation of entitlement in favor of the members of Promoter Group (if any) in the Issue and additional subscribed by them in the Rights Issue. Consequently, no fresh issue proceeds would be received by our Company to such an extent.

3. Loan Repayment to other than Promoter and Promoter Group by our Company

Our Company has, in the ordinary course of business, entered into financing arrangements with various banks, financial institutions, and other entities. The borrowing arrangements entered into by our Company comprise, among others, working capital facilities, term loans and unsecured loans. As of March 31, 2025, our Company had total fund-based borrowing amounting to ₹ 741.34 lakhs (comprising of Rs. 662.08 lakhs as secured loan and Rs. 79.26 lakhs as an unsecured loan). The Company proposes to utilize an amount of ₹ 650.00 lakhs from the Net Proceeds towards full or partial repayment/ pre-payment, in full or part, of certain secured bank borrowings (Working capital) availed by the Company.

We believe that such repayment and/or pre-payment of our borrowings will help reduce our outstanding indebtedness and debt servicing costs, improve our debt-to-equity ratio and enable utilisation of our accruals for further investment in our business growth and expansion. Additionally, we believe that our debt-equity ratio will improve, it will enable us to raise further resources at competitive rates in the future to fund potential business development opportunities and plans to grow and expand our business in the future.

The selection of borrowings proposed to be repaid/prepaid/redeemed by us shall be based on various factors including: (i) Cost of borrowings ii) any conditions attached to the borrowings restricting our ability to prepay the borrowings and time taken to fulfil such requirements, (ii) levy of any prepayment penalties and the quantum thereof, (iii) provisions of any laws, rules and regulations governing such borrowings; and (iv) other commercial considerations including, among others, the interest/ coupon rate on the borrowings, the amount of the borrowings outstanding, the prepayment / redemption charges, terms and conditions of consents and waivers, presence of onerous terms and conditions and the remaining tenor of the borrowings. We may utilise the Net Proceeds for part or full repayment of any such additional borrowings or borrowings obtained to refinance any of our existing borrowings. Given the nature of these borrowings and the terms of repayment/pre-payment, the aggregate outstanding borrowing amounts may vary from time to time.

The following table provides the details of the borrowings (Working Capital) availed by our Company from various lenders which was availed for business purposes and our Company has utilised said loans towards business purposes which is proposed to be repaid out of the Net Issue Proceeds. For the details of expansion, please see "Business Overview" beginning on page 65 of this Letter of Offer. We propose to repay the following loans out of the net issue proceeds:

Sr. No.	Lender Name	Type of Loan	Loan Amount (Rs. In lakhs)	Repayment Terms	Security Provided (if any)
1.	HDFC Bank	CC Loan	627.40	On Demand	Mortgage Against property
2.	HDFC Bank	Term Loan	34.68	Monthly EMI	Mortgage Against property
3.	IndusInd Bank	MSME Loan	22.12	Monthly	_*
4.	ICICI bank Loan	Unsecured loan	6.01	Monthly	_*
5.	SMC Finance	Unsecured loan	31.25	Monthly	_*
6.	Hero Fincorp	Unsecured loan	19.88	Monthly	_*
7.	Vishal Gala	Director Loan	1668.46	On Demand/ Conversion into Equity	_*
8.	Alpa Pandya	Director Loan	23.66	On Demand/ Conversion into Equity	_*
	Total		2433.46		

^{*}unsecured loans

4. General corporate purposes

In terms of the SEBI ICDR Regulations, the extent of the Net Proceeds proposed to be used for general corporate purposes is estimated not to exceed 25.00% of the proceeds of the issue.

Our management will have flexibility in applying [•] lakhs of the Net Proceeds towards general corporate purposes, including but not restricted to financing working capital requirements, capital expenditure, acquiring business premises, meeting exigencies etc or any other purpose as may be approved by our Board, subject to compliance with the necessary provisions of the Companies Act.

Our management in accordance with the policies of the Board 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.

Issue Related Expenses

The total expenses of the Issue are estimated to be approximately [•] lakhs. The expenses of this include, among others, underwriting and lead manager fees, printing and distribution expenses, advertisement expenses, legal fees and listing fees. The estimated issue expenses are as follows:

Activity	Estimated expenses (₹ in lakhs)	As a % of total estimated issue related expenses	As a % of Gross Issue Size
Lead Manger Fees including Underwriting Commission.	[•]	[•]	[•]
Brokerage, selling commission and Marketing	[•]	[•]	[•]
Registrar to the Issue	[•]	[•]	[•]
Legal Advisors	[•]	[•]	[•]
Advertising and marketing expenses	[•]	[•]	[•]
Regulators including stock exchanges	[•]	[•]	[•]
Printing and distribution of issue stationary	[•]	[•]	[•]
Others (Market Making fees etc.)	[•]	[•]	[•]
Total estimated issue related expenses	[•]	[•]	[•]

Interim use of Net Proceeds

Our Company in accordance with the consultancy of the Board from time to time, will have flexibility to deploy the Net Proceeds. The Net Proceeds pending utilization for the purposes described above, in accordance with the SEBI ICDR Regulations, our Company shall deposit the funds only in one or more Scheduled Commercial Banks included in the Second Schedule of Reserve Bank of India Act, 1934.

Our Company confirms that it shall not use the Net Proceeds for buying, trading or otherwise dealing in shares of any other listed company or for any investment in the equity markets.

Bridge Financing Facilities

Our Company has not raised any bridge loans from any bank or financial institution as on the date of this Draft Letter of Offer which are proposed to be repaid from the Net Proceeds.

Appraisal Report

None of the objects for which the Issue Proceeds will be utilized have been financially appraised by any financial institutions / banks.

Monitoring Utilization of Funds

As this is a Fresh Issue for less than ₹ 10,000 lakhs, we are not required to appoint a monitoring agency for the purpose of the Issue in terms of the SEBI ICDR Regulations.

Our Board and Audit committee shall monitor the utilization of the net proceeds of the Issue. 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 financial years subsequent to the completion of the Issue.

Pursuant to SEBI Listing Regulations, our Company shall disclose to the Audit Committee of the Board of Directors the uses and applications of the Net Proceeds. Our Company shall prepare a statement of funds utilized for purposes other than those stated in this Draft Letter of Offer and place it before the Audit Committee of the Board of Directors, as required under applicable law. Such disclosure shall be made only until such time that all the Net Proceeds have been utilized in full. The statement shall be certified by the statutory auditor of our Company. Furthermore, in accordance with the Regulation 32 of the SEBI Listing Regulations, our Company shall furnish to the Stock Exchange on a quarterly basis, a statement indicating (i) deviations, if any, in the utilization of the proceeds of the Issue from the Objects; and (ii) details of category wise variations in the utilization of the proceeds from the Issue from the Objects. This information will also be published in newspapers simultaneously with the interim or annual financial results, after placing the same before the Audit Committee of the Board of Directors.

Strategic or Financial Partners

There are no strategic or financial partners to the Objects of the Issue.

Variation in Objects

In accordance with Sections 13(8) and 27 of the Companies Act and applicable rules, our Company shall not vary the Objects without our Company being authorized to do so by the Shareholders by way of a special resolution through a postal ballot. In addition, the notice issued to the Shareholders in relation to the passing of such special resolution (the "Postal Ballot Notice") shall specify the prescribed details as required under the Companies Act and applicable rules. The Postal Ballot Notice shall simultaneously be published in the newspapers, one in English and one in the vernacular language of the jurisdiction where our Registered Office is situated. Our Promoters or controlling Shareholders will be required to provide an exit opportunity to such shareholders who do not agree to the above stated proposal, at a price as may be prescribed by SEBI, in this regard.

None of our suppliers / service providers for utilization of Issue proceeds for various Objects of the Issue are associated in any manner with our Company or any other related party directly or indirectly.

Other Confirmation

No part of the proceeds of the Issue will be paid by us to the Directors, Associates, Key Management Personnel or Group Companies except as stated above and in the normal course of business and in compliance with the applicable law.

Our directors do not have any interest in the objects of the Issue other than repayment of their personal loan as stated above.

There are no material existing or anticipated transactions in relation to utilization of Net Proceeds with our Promoter, our Promoter Group, our directors, and our Key Managerial Personnel.

STATEMENT OF SPECIAL TAX BENEFITS

To
The Board of Directors
GALA GLOBAL PRODUCTS LIMITED

B-1, Laxmi Com. Co.Op. Estate, B/h Old Navneet Press, Sukhramnagar, Ahmedabad, Gujarat, India, 380021

Re: Gala Global Products Limited (the "Company") pursuant to Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("SEBI Regulations") and the Companies Act, 2013, as amended (the 'Act').

We hereby report that the enclosed Statement prepared by Gala Global Products Limited (the "Company") states the possible special tax benefits available to the Company and to the shareholders of the Company under the Income-tax Act, 1961 and Income tax Rules, 1962 including amendments made by Finance Act 2024 (hereinafter referred to as "Income Tax Laws"), the Central Goods and Services Tax Act, 2017, Integrated Goods and Services Tax Act, 2017, respective State Goods and Services Tax Act, 2017, Customs Act, 1962, Customs Tariff Act, 1975 as amended, the rules and regulations there under, Foreign Trade Policy, presently in force in India under the respective tax laws of their country as on the signing date, for inclusion in the Offer Document(s) for the proposed rights issue of the Company to the existing shareholders. These benefits are dependent on the Company or the shareholders of the Company fulfilling the conditions prescribed under the relevant provisions of the Tax Laws. Hence, the ability of the Company or the shareholders of the Company to derive the special tax benefits is dependent upon fulfilling such conditions, which is based on business imperatives the Company may face in the future and accordingly, the Company or the shareholders of the Company may or may not choose to fulfil.

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

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

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

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

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

- a. the Company or the shareholders of the Company will continue to obtain these benefits in future; or b. the conditions prescribed for availing the benefits, where applicable, have been / would be met with.
- c. the revenue authorities/courts will concur with the views expressed herein.

The contents of the enclosed Statement are based on the information, explanations and representations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company. Our views expressed herein are based on the facts and assumptions indicated to us. No assurance is given that the revenue authorities/courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to change from time to time. We do not assume responsibility to update the views consequent to such changes. We shall not be liable to the Company for any claims, liabilities or expenses relating to this assignment except to the extent of fees relating to this assignment,

as finally judicially determined to have resulted primarily from bad faith or intentional misconduct. We will not be liable to any other person in respect of this Statement.

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

For , R B Gohil & Co. Chartered Accountants Firm's Registration Number: 119360W

Sd/-

Raghubha Bhaisabbha Gohil Partner Mem Number: 104997

UDIN: 25104997BMGEQI5175

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Place: Jamnagar Date: 25/03/2025

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 Company and its shareholders under 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")

There are no special tax benefits available to the Company.

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:

- a. The above Statement sets out the provisions of law in a summary manner only and is not a complete analysis or listing of all potential tax consequences of the purchase, ownership and disposal of shares.
- b. The above statement covers only certain relevant direct tax law benefits and does not cover any indirect tax law benefits or benefit under any other law.
- c. The above statement of possible tax benefits is as per the current direct tax laws relevant for the assessment year 2024-25.
- d. This statement is intended only to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of tax consequences, each investor is advised to consult his/her own tax advisor with respect to specific tax consequences of his/her investment in the shares of the Company.
- e. In respect of non-residents, the tax rates and consequent taxation will be further subject to any benefits available under the relevant DTAA, if any, between India and the country in which the non-resident has fiscal domicile.
- f. No assurance is given that the revenue authorities/courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to changes from time to time. We do not assume responsibility to update the views consequent to such changes.

SECTION IV -ABOUT THE COMPANY

INDUSTRY OVERVIEW

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, or 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 Draft Letter of Offer, including the information in the sections "Risk Factors" and "Audited Financial Statements" on pages 17 and 72, respectively of the Draft 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 17 of the Draft Letter of Offer. Accordingly, investment decisions should not be based on such information.

GEMS AND JEWELLERY INDUSTRY IN INDIA

INTRODUCTION

As of January 2022, India's gold and diamond trade contributed ~7% to India's Gross Domestic Product (GDP). The gems and jewellery sector has employs ~5 million. Based on its potential for growth and value addition, the Government declared the gems and jewellery sector as a focus area for export promotion.

The Government has undertaken various measures recently to promote investment and upgrade technology and skills to promote 'Brand India' in the international market. The Government has permitted 100% FDI in the sector under the automatic route, wherein the foreign investor or the Indian company do not require any prior approval from the Reserve Bank or the Government of India. The Indian Government also signed a Comprehensive Economic Partnership Agreement (CEPA) with the United Arab Emirates (UAE) in March



2022, this will allow the Indian Gems and Jewellery industry to further boost exports. CEPA will provide the industry with duty-free access to the UAE market. India's Gems Jewellery Export Promotion Council (GJEPC) aims to triple its exports to the UAE post the CEPA.

MARKET SIZE

India's gems and jewellery market size was at US\$ 78.50 billion in FY21. Growth in exports is mainly due to revived import demand in the export market of the US and the fulfilment of orders received by numerous Indian exhibitors during the Virtual Buyer-Seller Meets (VBSMs) conducted by GJEPC.

India's total gems and jewellery exports reached US\$ 37.73 billion in 2022-23. From April-January 2024, India's gems and jewellery exports were at US\$ 26.35 billion, a 16.03% decline compared to the previous year's period.

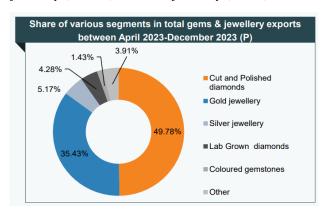


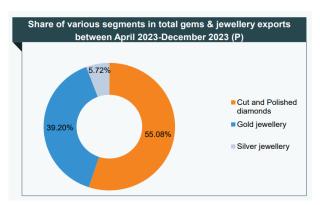
(Source: https://www.ibef.org/industry/gems-jewellery-india)

Share of various segments of gems & Jewellery in total exports

Indian exports of gems & jewellery comprises various items such as cut and polished diamonds, silver and gold jewellery, gold medallions and coins, rough diamonds, coloured gemstones and others

• In FY23, cut and polished diamonds accounted for the highest share of exports (49.78%), followed by gold jewellery (35.43%) and silver jewellery (5.17%).

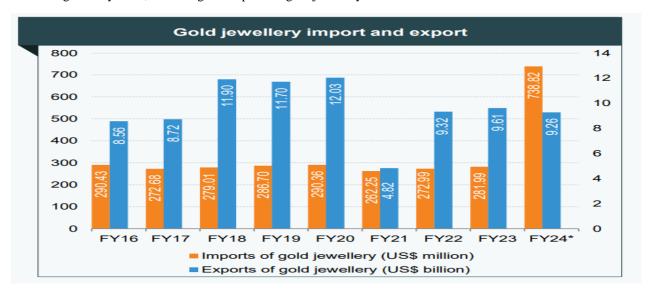




Export and import of top jewellery segments

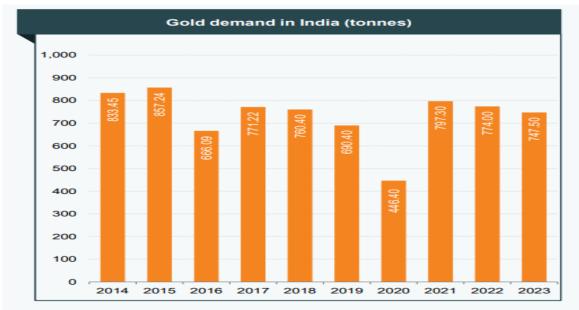
• In FY24*, the exports of gold jewellery stood at US\$ 9.26 billion whereas the imports of gold jewellery stood at US\$ 738.82 million.

During January 2024, the total gross exports of gold jewellery stood at US\$ 775.94 million.



High gold demand in India acts as a major driver for growth and opportunity

- According to Gem and Jewellery Export Promotion Council, between April-January 2024, imports of gold bars stood at US\$ 2,367.12 million and gold jewellery stood at US\$ 738.82 million.
- India's gold demand stood at 747.50 tonnes in 2023.
- The Reserve Bank of India (RBI) purchased 9 tonnes of gold in quarter, contributing to the 337 tonnes purchased by global central banks, and underscoring the importance of gold as a diversifier of its total reserves.



(Source: https://www.ibef.org/download/1714543711_Gems_and_Jewellery_March_2024.pdf)

Reasons for growth in exports of plain gold jewellery

- 1. Strong Market Demand: During Q3 the correction in the high gold price, combined with the festive and wedding season, were the two major drivers of growth of plain gold jewellery.
- **2. India-UAE CEPA:** The Comprehensive Economic Partnership Agreement (CEPA) between India and the UAE proved to be a major catalyst for the growth in exports.

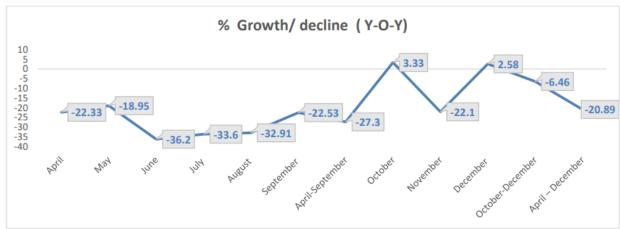
Studded Gold Jewellery

Exports of studded gold jewellery have witnessed a degrowth of (-)6.46% y-o-y in Q3 of FY2023-24 as compared to Q3 of FY2022-23. Overall, export of studded gold jewellery has declined by (-)20.89% to US\$ 3336.73 million during April-December 2023 as compared to US\$ 4217.60 million registered in April - December 2022 (Refer Table -14 and Figure 6)

Months	Gross Exports	Gross Exports	% Growth/ decline
Months	2022 - 2023 (US\$ mn)	2023 - 2024 (P) (US\$ mn)	(Y-O-Y)
April	487.18	378.41	-22.33
May	471.96	382.52	-18.95
June	431.68	275.42	-36.2
July	431.46	286.49	-33.6
August	486.52	326.40	-32.91
September	610.14	472.70	-22.53
April-September	2918.94	2121.94	-27.3
October	503.44	520.21	3.33
November	490.89	382.38	-22.1
December	304.34	312.20	2.58
October-December	1298.67	1214.79	-6.46
April – December	4217.60	3336.72	-20.89

Source: GJEPC Research Division, Notes: (P) stands for provisional Gross Exports pertains to inclusive of return consignments, Delhi Aircargo April to August data as per DGCI&S, Sept-Dec data as per GJEPC.

Figure -6- % Export growth of Studded Gold Jewellery- Apr- Dec 2023 w.r.t Apr-Dec 2022



Source: GJEPC Research Division

Future Outlook

The future outlook for gold jewellery seems to be promising amidst some challenges. Increase in dutydrawback for gold announced in Oct 2023, New year and the Valentine month are expected to result in increases exports. However, global recessionary impact, non-availability of replenishment precious metal, higher subvention rates, non-availability of scheme for gold supplied by the buyer for exports, and sluggish demand in international market may act as challenges in increasing exports

Major destinations for Gold Jewellery – April -December 2023

Among top 10 destinations, UAE and USA have more than 70% share in India's exports of gold jewellery in April-Dec 2023. It is significant to note that, exports to UAE have increased by 73.73% in April-Dec 2023 as compared to same period last year, whereas exports to USA have decreased by (-)9.65% during the same period. Except Hongkong and Bahrain where exports have significantly increased by 90% and 7%, exports to other key destinations have registered a degrowth in Apr-Dec 2023 vis-à-vis Apr-Dec 2022 (Refer Table 16).

Table 16 - Top 10 export destination for Gold Jewellery (Plain + Studded) - April -December 2023 (P)

Sr. No.	Countries	April to Dec 2022 US\$ Million	April to Dec 2023 (P) US\$ Million	% growth/ decline (Y-o-Y) (Y-o-Y)	% Share (Apr- Dec 23')
1	United Arab Emirates	2448.50	4253.67	73.73	50.11
2	United States Of America	2378.02	2148.59	-9.65	25.31
3	Hongkong	303.43	576.68	90.06	6.79
4	Singapore	603.21	360.46	-40.24	4.25
5	United Kingdom	261.32	208.69	-20.14	2.46
6	Australia	124.81	117.17	-6.12	1.38
7	Canada	108.45	89.40	-17.57	1.05
8	France	101.56	89.01	-12.35	1.05
9	Malaysia	186.98	82.60	-55.83	0.97
10	Bahrain	69.40	74.58	7.47	0.88
11	Others	792.46	488.16	-38.4	5.75
	Total	7378.13	8489.03	15.06	100

Source: GJEPC Research Division, Notes: (P) stands for provisional Gross Exports pertains to inclusive of return consignments, Delhi Aircargo April to August data as per DGCI&S, Sept-Dec data as per GJEPC.

(Source: https://gjepc.org/pdf/Quarterly_Report(Q3)_FY2023-24.pdf)

Gold Jewellery (Plain & Studded)

INVESTMENTS/DEVELOPMENTS

Cumulative FDI inflows in diamond and gold ornaments in India stood at US\$ 1,270.63 million between April 2000-December 2023, according to the Department for Promotion of Industry and Internal Trade (DPIIT).

Some of the key developments in this industry are listed below:

- In January 2024, Prime Minister, Mr. Narendra Modi inaugurated the commencement of the Bharat Ratnam Mega CFC at the SEEPZ SEZ in Mumbai in virtual mode (remotely). Bharat Ratnam Mega CFC is a Socio-economic project promoted by the Ministry of Commerce and Industry, GJEPC India and SEEPZ SEZ authority to drive exports from the country. This project aims at creating a world-class infrastructure for promoting the inherent skills of the gems & jewellery manufacturing industry. The Mega Common Facilitation Centre provides a supportive and collaborative environment for entrepreneurs, MSMEs and small businesses to grow and thrive.
- In September 2023, The Gem & Jewellery Export Promotion Council (GJEPC) has achieved a significant milestone by facilitating India's first jewellery exports through courier mode from Mumbai. This development represents a significant leap forward in simplifying international trade.
- In April 2023, The Gem & Jewellery Export Promotion Council (GJEPC) commences the first-ever Labgrown Diamond Buyer Seller Meet (BSM) in Surat.
- In February 2022, GJPEC organized a four-day Internal Jewellery Show Signature 2022, where 850 exhibitors participated and there were more than 400 international visitors, buyers, and delegations from the US, UAE, Egypt, Nepal, Uzbekistan, and Bangladesh.
- In May 2021, GJEPC and the Embassy of India, Morocco, co-hosted the 'India Global Connect' to better understand the present business climate in the gems and jewellery sector and seek trade prospects for manufacturers, exporters, and importers from both countries.
- The GJEPC will organise its first International Gems and Jewellery Show (IGJS) outside the country, in Dubai, from August 14-16, 2021. It will also hold a five-day physical exhibition—India International Jewellery Show (IIJS-2021)—in Bengaluru from September 15-19, 2021, in the first such event outside Mumbai. GJPEC sources said that >250 buyers have registered and >95 stalls have been booked for Dubai

IGJS 2021. There will be 150 booths having products such as plain gold, gold-studded jewellery, diamond-studded jewellery, silver jewellery, loose diamonds, and gemstones.

• In June 2021, the World Gold Council and Gem and Jewellery Export Promotion Council signed an agreement to promote gold jewellery in India. Under the agreement terms, both partners will jointly fund a multi-media marketing campaign that would aim to increase awareness, relevance, and adoption of gold jewellery amongst Indian consumers, especially millennials and Gen Z.

GOVERNMENT INITIATIVES

- The Indian government accepted the recommendation of GJEPC to promote indigenous manufacturing in the emerging Lab-grown diamond sector by providing research grants to the Indian Institute of Technology (IIT) for five years.
- India has signed an FTA with the UAE which will further boost exports and is expected to reach the target of US\$ 52 billion.
- The Government has reduced custom duty on cut and polished diamond and colored gemstones from 7.5% to 5% and NIL.
- Revised SEZ Act is also expected to boost gems and jewellery exports.
- In September 2021, Ms. Anupriya Patel, Minister of State for Commerce, and Industry said that reforms such as the revamped gold monetisation scheme, reduction in import duty of gold, hallmarking and others would help the industry grow. The market export target is US\$ 43.75 billion for 2021.
- The government has reduced import duty for Gold & Silver (from 12.5% to 7.5%) and Platinum & Pallidum (from 12.5% to 10%) to bring down the prices of precious metals in the local market.
- Indian Government made hallmarking mandatory for Gold Jewellery and Artefacts. A period of one year is provided for implementation i.e., till January 2021.
 - In December 2020, All India Gem and Jewellery Domestic Council (GJC) welcomed the decision to make hallmarking compulsory from June 2021 in a phased manner; urged the government to examine the key concerns of the industry for smooth implementation of the initiative.
 - Hallmarking of gold jewellery is set to begin on June 15, 2021. In view of the COVID-19 pandemic, the government accepted the request of stakeholders to provide jewellers some more time to prepare for implementation and resolve issues. Earlier, the date of implementation was June 01, 2021.
- In December 2020, the Finance Ministry notified that the amendment under the Prevention of Money Laundering Act (PMLA), notifying dealers in precious metals and stones, will maintain records of cash transactions worth Rs. 10 lakh (US\$ 13.61 thousand) or more cumulatively with a single customer.

GROWING DEMAND

- India's gems and jewellery exports reached US\$ 26.35 billion during April 2023-January 2024.
- In 2022, India ranks first among the top exporters in cut & polished diamonds, and second in gold jewellery, silver jewellery and lab-grown diamonds.

POLICY SUPPORT

- The Government has permitted 100% FDI under the automatic route in this sector.
- The Government has reduced custom duty on cut and polished diamond and colored gemstones from 7.5% to 5% and NIL.

ATTRACTIVE OPPORTUNITIES

• It is expected to break out of this range and rise to between 800 and 900 tons in 2024

• Total FDI Equity inflows in Indian G&J Sector grew by around 15% to US\$ 25.50 million during 2022-2023 in comparison to last year

ROAD AHEAD

In the coming years, growth in the gems and jewellery sector would largely be contributed by the development of large retailers/brands. Established brands are guiding the organised market and are opening opportunities to grow. Increasing penetration of organised players provides variety in terms of products and designs. Also, the relaxation of restrictions on gold import is likely to provide a fillip to the industry.

The improvement in availability along with the reintroduction of low-cost gold metal loans and likely stabilisation of gold prices at lower levels is also expected to drive volume growth for jewellers over the short to medium term. India has 450 organised jewellery manufacturers, importers & exporters and is the hub for jewellery manufacturing. These players have benefited greatly due to the increasing liberal policies by the government. The demand for jewellery is expected to be significantly supported by the recent positive developments in the industry. India's gems and jewellery industry is expected to reach US\$ 100 billion by 2027.

(Source: https://www.ibef.org/industry/gems-jewellery-india)

ABOUT INDIAN ECONOMY GROWTH RATE & STATISTICS

Introduction

Strong economic growth in the first quarter of FY23 helped India overcome the UK to become the fifthlargest economy after it recovered from the COVID-19 pandemic shock. Nominal GDP for Q2 FY25 is estimated at Rs. 76.60 lakh crore (US\$ 886.16 billion) with growth rate of 8.0%, compared to Rs. 70.90 lakh crore (US\$ 820.22 billion) for Q2 FY24. The growth in nominal GDP during 2023-24 is estimated at 9.6% as compared to 14.2% in 2022-23. Strong domestic demand for consumption and investment, along with Government's continued emphasis on capital expenditure are seen as among the key driver of the GDP in the second half of FY24. During the period April-December 2024, India's exports stood at Rs. 27.56 lakh crore (US\$ 318.96 billion), with Engineering Goods (27.32%), Petroleum Products (14.59%) and Electronic Goods (8.19%) being the top three exported commodity.



Rising employment and increasing private consumption, supported by rising consumer sentiment, will support GDP growth in the coming months.

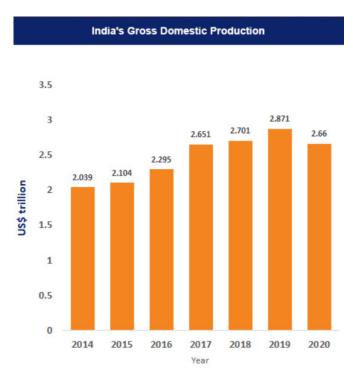
Future capital spending of the government in the economy is expected to be supported by factors such as tax buoyancy, the streamlined tax system with low rates, a thorough assessment and rationalisation of the tariff structure, and the digitization of tax filing.

In the medium run, increased capital spending on infrastructure and asset-building projects is set to increase growth multipliers. The contact-based services sector has demonstrated promise to boost growth by unleashing the pent-up demand. The sector's success is being captured by a number of HFIs (High-Frequency Indicators) that are performing well, indicating the beginnings of a comeback.

India has emerged as the fastest-growing major economy in the world and is expected to be one of the top three economic powers in the world over the next 10-15 years, backed by its robust democracy and strong partnerships.

India's appeal as a destination for investments has grown stronger and more sustainable because of the current period of global unpredictability and volatility, and the record amounts of money raised by India-focused funds in 2022 are evidence of investor faith in the "Invest in India" narrative.

Market size



Real GDP for Q2 of FY25 is estimated at Rs. 44.10 lakh crores (US\$ 509.36 billion) with growth rate of 5.4%, compared to Rs. 41.86 lakh crore (US\$ 484.27 billion) for Q2 of 2023-24. The growth in real GDP during 2023-24 is estimated at 8.2% as compared to 7.0% in 2022-23. There are 113 unicorn startups in India, with a combined valuation of over US\$ 350 billion. As many as 14 tech startups are expected to list in 2024 Fintech sector poised to generate the largest number of future unicorns in India. With India presently has the third-largest unicorn base in the world. The government is also focusing on renewable sources by achieving 40% of its energy from non-fossil sources by 2030. India is committed to achieving the country's ambition of Net Zero Emissions by 2070 through a fivepronged strategy, 'Panchamrit'. Moreover, India ranked 3rd in the renewable energy country attractive index.

According to the McKinsey Global Institute, India needs to boost its rate of employment growth and create 90 million non-farm jobs

between 2023 to 2030 in order to increase productivity and economic growth. The net employment rate needs to grow by 1.5% per annum from 2023 to 2030 to achieve 8-8.5% GDP growth between same time periods. India's Current Account Deficit (CAD) narrowed to 0.7% of GDP in FY24. The CAD stood at Rs. 96,790 crore (US\$ 11.2 billion) for Q2 of FY25 from Rs. 97,655 crore (US\$ 11.3 billion) in Q2 of FY24 or 1.3% of GDP. This was largely due to decrease in merchandise trade deficit.

Exports fared remarkably well during the pandemic and aided recovery when all other growth engines were losing steam in terms of their contribution to GDP. Going forward, the contribution of merchandise exports may waver as several of India's trade partners witness an economic slowdown. According to Minister of Commerce and Industry, Consumer Affairs, Food and Public Distribution and Textiles Mr. Piyush Goyal, Indian exports are expected to reach US\$ 1 trillion by 2030.

Recent Developments

India is primarily a domestic demand-driven economy, with consumption and investments contributing to 70% of the economic activity. With an improvement in the economic scenario and the Indian economy recovering from the Covid-19 pandemic shock, several investments and developments have been made across various sectors of the economy. According to World Bank, India must continue to prioritise lowering inequality while also putting growth-oriented policies into place to boost the economy. In view of this, there have been some developments that have taken place in the recent past. Some of them are mentioned below.

- According to HSBC Flash India PMI report, business activity surged in April to its highest level in about 14 years as well as sustained robust demand. The composite index reached 62.2, indicating continuous expansion since August 2021, alongside positive job growth and decreased input inflation, affirming India's status as the fastest-growing major economy.
- ♣ According to a report by the State Bank of India (SBI), domestic investment announcements in India have experienced a substantial increase, exceeding Rs. 37 lakh crore (US\$ 428.04 billion) in FY23 and FY24.

- According to data from the Directorate General of Civil Aviation (DGCA), India's domestic air passenger traffic increased by 6.12% in 2024, reaching a total of 161.3 million passengers. This growth follows a substantial YoY increase of 23.36% in 2023, attributed to the ongoing recovery from the pandemic.
- 4 As of January 10, 2025, India's foreign exchange reserves stood at Rs. 53,80,402 crore (US\$ 625.871 billion).
- ♣ In 1H 2024, India saw a total of US\$ 31.5 billion in PE-VC investments.
- ♣ India secured 39th position out of 133 economies in the Global Innovation Index 2024. India rose from 81st position in 2015 to 39th position in 2024. India ranks 3rd position in the global number of scientific publications.
- The gross GST (Goods and Services Tax) revenue collection stood at Rs. 1.77 lakh crore (US\$ 20.45 billion) in December 2024.
- ♣ Between April 2000–September 2024, cumulative FDI equity inflows to India stood at Rs. 89.30 lakh crore (US\$ 1,033.40 billion).
- In November 2024, the overall IIP (Index of Industrial Production) stood at 148.4. The Indices of Industrial Production for the mining, manufacturing and electricity sectors stood at 133.8, 147.4 and 184.1, respectively.
- ♣ According to data released by the Ministry of Statistics & Programme Implementation (MoSPI), India's Consumer Price Index (CPI) Combined inflation was 5.22% in December 2024 against 5.69% in December 2023.
- Foreign Institutional Investors (FII) inflows between April-July (2023-24) were close to Rs. 80,500 crore (US\$ 9.67 billion), while Domestic Institutional Investors (DII) sold Rs. 4,500 crore (US\$ 540.56 million) in the same period. As per depository data, Foreign Portfolio Investors (FPIs) invested (US\$ 13.89 billion) in India during January (up to 15th July) 2024.
- The wheat procurement during Rabi Marketing Season (RMS) 2024-25 (till May) was estimated to be 266 lakh metric tonnes (LMT) and the rice procured in Kharif Marketing Season (KMS) 2024-25 was 400 LMT.

Government Initiatives

Over the years, the Indian government has introduced many initiatives to strengthen the nation's economy. The Indian government has been effective in developing policies and programmes that are not only beneficial for citizens to improve their financial stability but also for the overall growth of the economy. Over recent decades, India's rapid economic growth has led to a substantial increase in its demand for exports. Besides this, a number of the government's flagship programmes, including Make in India, Start-up India, Digital India, the Smart City Mission, and the Atal Mission for Rejuvenation and Urban Transformation, is aimed at creating immense opportunities in India. In this regard, some of the initiatives taken by the government to improve the economic condition of the country are mentioned below:

- According to a report by Wood Mackenzie in January 2025, India, the United States, and West Asia are expected to collectively add 100 Gigawatts (GW) of solar capacity by 2025, while China is anticipated to continue its leadership in the solar industry.
- In July 2024, the Ministry of Finance held the Union Budget and announced that for 2024-25, the total receipts other than borrowings and the total expenditure are estimated at Rs. 32.07 lakh crore (US\$ 383.93 billion) and Rs. 48.21 lakh crore (US\$ 577.16 billion), respectively.
- In February 2024, the Finance Ministry announced the total expenditure in Interim 2024-25 estimated at Rs. 47,65,768 crore (US\$ 571.64 billion) of which total capital expenditure is Rs. 11,11,111 crore (US\$ 133.27 billion).

- ◆ On January 22, 2024, Prime Minister Mr. Narendra Modi announced the 'Pradhan Mantri Suryodaya Yojana'. Under this scheme, 1 crore households will receive rooftop solar installations.
- ◆ On September 17, 2023, Prime Minister Mr. Narendra Modi launched the Central Sector Scheme PM-VISHWAKARMA in New Delhi. The new scheme aims to provide recognition and comprehensive support to traditional artisans & craftsmen who work with their hands and basic tools. This initiative is designed to enhance the quality, scale, and reach of their products, as well as to integrate them with MSME value chains.
- On August 6, 2023, Amrit Bharat Station Scheme was launched to transform and revitalize 1309 railway stations across the nation. This scheme envisages development of stations on a continuous basis with a long-term vision.
- On June 28, 2023, the Ministry of Environment, Forests, and Climate Change introduced the 'Draft Carbon Credit Trading Scheme, 2023'.
- From April 1, 2023, Foreign Trade Policy 2023 was unveiled to create an enabling ecosystem to support the philosophy of 'Aatmanirbhar Bharat' and 'Local goes Global'.
- To enhance India's manufacturing capabilities by increasing investment and production in the sector, the government of India has introduced the Production Linked Incentive Scheme (PLI) for Pharmaceuticals.
- → Prime Minister's Development Initiative for North-East Region (PM-DevINE) was announced in the Union Budget 2022-23 with a financial outlay of Rs. 1,500 crore (US\$ 182.35 million).
- ♣ Prime Minister Mr Narendra Modi has inaugurated a new food security scheme for providing free food grains to Antyodaya Ann Yojna (AAY) & Primary Household (PHH) beneficiaries, called Pradhan Mantri Garib Kalyan Ann Yojana (PMGKAY) from January 1, 2023.

Road Ahead

In the second quarter of FY24, the growth momentum of the first quarter was sustained, and High-Frequency Indicators (HFIs) performed well in July and August of 2023. India's comparatively strong position in the external sector reflects the country's positive outlook for economic growth and rising employment rates. India ranked 5th in foreign direct investment inflows among the developed and developing nations listed for the first quarter of 2022.

India's economic story during the first half of FY24 highlighted the unwavering support the government gave to its capital expenditure, which, in FY24, stood 37.4% higher than the same period last year. In the Union Budget of 2024-25, capital expenditure took lead by steeply increasing the capital expenditure



outlay by 17.1 % to Rs. 11 lakh crore (US\$ 133.51 billion) over Rs. 9.48 lakh crore (US\$ 113.91 billion) in 2023-24. Stronger revenue generation because of improved tax compliance, increased profitability of the company, and increasing economic activity also contributed to rising capital spending levels.

India's is experiencing resilient growth despite the global pandemic. India's exports climbed at the second-highest rate with a year-over-year (YoY) growth of 8.39% in merchandise exports and a 29.82% growth in service exports till April 2023.

With a reduction in port congestion, supply networks are being restored. The CPI-C inflation reduction from June 2022 already reflects the impact. In September 2023 (Provisional), CPI-C inflation was 5.02%, down from 7.01% in June 2022. With a proactive set of administrative actions by the government, flexible monetary policy, and a softening of global commodity prices and supply-chain bottlenecks, inflationary pressures in India look to be on the decline overall.

(Source: https://www.ibef.org/economy/indian-economy-overview)

STATIONERY INDUSTRY

Print Media revenue to rise by 13-15% in FY24 due to higher ad spends: CRISIL

According to CRISIL, print media's revenue is anticipated to increase by 13-15% this year as a result of increased government and corporate advertising spending.

In FY24, the revenue of print media is predicted to reach US\$ 3.63 billion (Rs. 30,000 crore). According to CRISIL, this will boost the sector's profitability by 10-14.5%.

The revenue for print media is split 70:30 between subscriptions and advertisements. The industry's revenue increased by 25% and 15% in FY22 and FY23, respectively.

According to Mr. Naveen Vaidyanathan, Director, CRISIL Ratings, "Sectors that contribute about two-thirds of the print media ad revenue-retail, clothing, and fashion jewellery, new car introductions, rising preference for higher education, online shopping, and growing real estate sales, will keep the momentum in ad revenue growth going."

"In the aftermath of the impending elections, the government, which provides a fifth of the sector's advertising pie, will spend more money on advertising, which will spur growth. So, this fiscal year, we anticipate ad income to increase by 15–17% and virtually reach pre-pandemic levels.

Customers in India continue to favour print media, according to CRISIL. The revenue from subscriptions for physical newspapers increased by 8-10% during the previous two years. It is further anticipated to increase by 5-7% this year, mostly due to moderate price growth.

(Source: https://www.ibef.org/news/print-media-revenue-to-rise-by-13-15-in-fy24-due-to-higher-ad-spends-crisil)

BUSINESS OVERVIEW

The following information is qualified in its entirety by, and should be read together with, the more detailed financial and other information included in the Draft Letter of Offer, including the information contained in the section titled "Risk Factors" on page 17 of the Draft Letter of Offer. In this chapter, unless the context requires otherwise, any reference to the terms "We", "Us" and "Our" refers to Our Company. Unless stated otherwise, the financial data in this section is as per our financial statements prepared in accordance with Indian Accounting Policies set forth in the Prospectus.

Overview

Company Background

Our Company was originally incorporated as "Gala Print City Private Limited" on December 14, 2010 under the Companies Act, 1956 vide certificate of incorporation issued by the Registrar of Companies, Gujarat, Dadra and Nagar Havelli. Our Company was subsequently converted in to a public company and consequently name was changed to "Gala Print City Limited" (GPCL) vide fresh certificate of incorporation dated March 31, 2014 issued by Registrar of Companies, pursuant to section 23(1), Gujarat, Dadra and Nagar Havelli. Pursuant to Initial Public Offer on SME Platform of BSE Limited ("BSE SME"), our Company got listed on BSE SME on July 16, 2015. Our Company migrated from BSE SME Platform to BSE Main Board pursuant to BSE Notice dated November 07, 2017 w.e.f. November 09, 2017. Pursuant to amalgamation of "Gala Products Limited" into "Gala Print City Limited" and Order of Hon'ble bench of NCLT dated May 17, 2017, name of our company changed to "Gala Global Products Limited" vide fresh certificate of incorporation dated August 18, 2017. CIN no of our company is L29109GJ2010PLC063243.

Gala Global Products Limited, established in 2010, began its journey with a clear mission to offer cost-effective, high-quality printing solutions while ensuring complete customer satisfaction. Over the years, the company has evolved into a specialist in multicolor offset printing, web offset printing with binding, and creative design services. Backed by a strong infrastructural base of over 20,000 sq. ft. and equipped with state-of-the-art technology, the company has consistently delivered superior single and multicolor printing solutions to its customers. Originally rooted in the stationery industry, Gala Global Products Limited carved a niche for itself by offering an extensive range of quality products including notebooks, writing instruments, files, folders, and various office supplies that catered to educational institutions, offices, and households. Its commitment to high manufacturing standards, innovation, and sustainability earned it a reputation as a trusted brand in the industry. The company's growth was further propelled by a well-established distribution network and strategic alliances with retailers, wholesalers, and institutional clients, which helped expand its market reach across regions.

Over the years, Gala Global Products Limited positioned itself as a trusted brand known for its commitment to quality, innovation, and customer satisfaction. By maintaining high manufacturing standards, integrating advanced technology, and adopting sustainable practices, the company continuously introduced innovative and ergonomic stationery solutions that enhanced user experience and efficiency. Furthermore, its extensive distribution network, spanning multiple regions, ensured seamless availability of its products. Strategic partnerships with retailers, wholesalers, and institutional clients played a crucial role in sustaining growth and expanding the company's market reach.

Our ranges of services are:

- Multicolor Offset Printing
- Web Offset
- Binding
- Design Studio

Historically, a significant portion of the company's revenue has been derived from contracts and tenders awarded by various government departments and public sector undertakings. These projects provided a stable and rewarding business segment, ensuring consistent revenue generation. However, since December 2022, the company has been facing considerable delays in payment settlements from several government entities. This issue

has progressively intensified, resulting in a substantial accumulation of outstanding receivables amounting to ₹256.25 lakhs. The prolonged non-receipt of these funds has severely constrained the company's working capital, creating financial strain that has directly impacted its ability to maintain operational efficiency. The disruption in the working capital cycle has hindered the execution of large-scale government contracts, which typically require significant upfront investment in resources, materials, and personnel.

Faced with this challenging liquidity environment, the management made a tactical decision to engage in ancillary trading activities as an interim measure to sustain operations and meet essential overheads. While this initiative provided a temporary revenue stream, it deviated from the company's core competencies and long-term strategic focus. Moreover, managing these trading operations placed additional strain on the company's already stretched resources without resolving the fundamental working capital deficit caused by the delayed government payments. This situation remains unsustainable in the long run and has impeded the company's ability to pursue and execute potentially lucrative government projects effectively.

As Gala Global Products Limited continues to navigate these challenges, it remains committed to its core values of quality, innovation, and customer satisfaction. The company is actively exploring strategic solutions to address its liquidity concerns while maintaining a balanced presence in both the stationery and precious metals i.e. Gold industries.

Currently, our Company is in trading of Gold Bullions and Bars within the state of Gujarat only. This business provides us sustainable strength and expands our vertical in the market as well. As we are already well-established brand in the stationary and printing industry, we get benefit of catering clients in our trading of gold business as well. By adapting to evolving market conditions and strengthening its financial resilience, Gala Global Products Limited aims to ensure long-term growth, business sustainability, and value creation for its stakeholders.

Despite these financial challenges, Gala Global Products Limited remains resilient and confident in its future. The company's well-established infrastructure, experienced management team, and deep-rooted industry knowledge position it well for recovery and growth. The hardships faced have strengthened its resolve and refined its strategic vision. With the infusion of funds from the proposed Rights Issue, the company plans to restore its core focus, address working capital constraints, and re-engage in large government and institutional contracts that have historically driven its growth. Leveraging its legacy of quality, innovation, and customer satisfaction, Gala Global Products Limited is poised for a strong resurgence, aiming to unlock new opportunities, enhance operational capacity, and deliver sustainable long-term value to all stakeholders.

Our Business Strategy

1. Restoring Financial Stability and Working Capital Liquidity.

The company will prioritize replenishing its working capital using the proceeds from the Rights Issue. This will ensure uninterrupted business operations, timely procurement of raw materials, and efficient execution of government tenders and stationery supply contracts. By normalizing cash flow cycles, the company can mitigate the financial strain caused by delayed government payments and regain its ability to manage day-to-day operational expenses effectively.

2. Refocusing on Core Business and Strengthening Market Position.

Gala Global Products Limited will strategically realign its focus on its core business segments, with a strong emphasis on stationery manufacturing and government tenders. Leveraging its established market reputation and past success in securing government contracts, the company will actively pursue new projects to ensure a stable and consistent revenue stream. Simultaneously, efforts will be directed toward expanding its product offerings and strengthening distribution networks to capture a larger share of the stationery market, catering to schools, offices, and institutions. With a renewed commitment to the stationery segment, the company plans to enhance its product portfolio by introducing innovative, ergonomic, and eco-friendly solutions that address evolving consumer preferences. By investing in research and development, Gala Global Products Limited aims to maintain a competitive edge in terms of design, quality, and functionality. Additionally, the adoption of sustainable manufacturing and packaging practices will reinforce the brand's commitment to environmental responsibility, aligning with global market trends and enhancing its appeal among conscious consumers.

3. Optimizing Operations, Expanding Market Reach, and Enhancing Profitability.

Gala Global Products Limited will focus on cost optimization, improving operational efficiencies, and forging strategic partnerships to strengthen its supply chain. Expansion into high-growth domestic and international markets will be a priority, driving long-term revenue growth and business sustainability. The company will also diversify its sales channels by increasing B2B engagements and leveraging e-commerce platforms to enhance accessibility and market penetration. By implementing these strategies, Gala Global Products Limited aims to restore financial stability, regain business momentum, and position itself for sustained profitability and growth.

A strong distribution network has been one of the company's core strengths, and efforts will be made to further expand its market presence by entering new geographical regions. Strengthening collaborations with retailers, wholesalers, and institutional clients will ensure seamless product availability and wider accessibility. Additionally, digital transformation through e-commerce and online platforms will be a key driver in reaching modern consumers, enhancing brand visibility, and boosting sales across diverse customer segments.

4. Brand Reinforcement and Customer Engagement.

To strengthen its brand identity, the company will invest in marketing and promotional campaigns tailored to both stationery and gold trading businesses. Engaging with customers through digital platforms, social media, and loyalty programs will enhance brand recall and customer retention. The company also aims to collaborate with educational institutions and corporate entities to boost bulk sales and institutional partnerships in the stationery division.

COMPETITIVE STRENGTHS

1. Established Market Reputation and Industry Expertise

Gala Global Products Limited's strong market reputation, built on years of delivering high-quality stationery products and successfully executing government tenders, provides a solid foundation for its revival. The company's established relationships with government entities, wholesalers, and retailers will accelerate its market re-entry and growth. Leveraging its industry expertise, distribution network, and commitment to innovation, the company is well-positioned to regain customer confidence and secure new contracts. With a focus on sustainable practices, digital expansion, and product diversification, Gala Global Products Limited is set to restore financial stability and achieve long-term success.

2. Diversified Business Model and Revenue Streams

The company's ability to operate across multiple segments—stationery manufacturing, government tenders, and precious metals trading—enhances its financial stability and mitigates market risks. By balancing traditional business segments with new opportunities, Gala Global Products Limited can adapt to changing market conditions while ensuring long-term sustainability.

3. Strong Distribution Network and Market Expansion

Gala Global Products Limited's extensive distribution network plays a crucial role in maintaining a strong market presence and ensuring seamless product availability. By reinforcing relationships with existing partners and onboarding new retailers, wholesalers, and institutional buyers, the company can further penetrate key markets and drive higher sales volumes. Expanding into untapped geographical regions will create new revenue streams, strengthening the brand's domestic and international foothold. Additionally, embracing digital transformation through e-commerce platforms and direct-to-consumer channels will help the company reach a wider audience, capitalize on shifting consumer buying behaviors, and enhance overall customer convenience.

Infrastructure

Raw material

As Our company is currently engaged in Trading Business we are not in requirement of Raw Material, as we purchase Goods Directly and sale to our customers.

Water

As we are in Trading Business, we do not require water source for commercial purposes. For drinking and portable use, water is supplied through available water tanker provided through local municipal authority.

Power

We have a load sanction from local State Electricity Board under "Non RGP Commercial" Category for the supply of electrical energy for use in our existing facilities for operating machineries upto 4.470 KW.

Details of Immovable Property:

The details of the Owned properties and leased properties is given below:

Owned Property:

Particulars	Details
Name of the Parties (Buyer)	M/s Gala Global Products Limited
Name of Seller(s)	Mr. Dungarshibhai Ramjibhai Gala,
Description of Property	B-1, Laxmi Com. Co.Op. Estate, B/h Old Navneet Press, Sukhramnagar, Ahmedabad, Gujarat, India, 380021
Date of agreement(s)	December 26, 2007, September 16, 2001
Consideration Paid including Registration Fees, Government charges, Stamp Duty, Advocate Expenses, Brokerage, etc.	Rs. 12.50 Lakhs
Usage	Non-Cultivated Industrial Land and Construction of Industrial Shed
Area (Approx)*	113 Sq. Mts.

OUR MANAGEMENT

BOARD OF DIRECTORS

The Following table sets forth details regarding the Board of Directors as of the date of this Draft Letter of Offer:

Name, Father's Name, Address, Date of Birth, Age, Designation,	Other Directorships
Status, DIN, Occupation and Nationality	
Name: Mr. Prahlad Kumar Agarwal	Nil
Father's Name: Mr. Jagdish Prasad Agarwal	
Address: Holding No. 303/15, Malancha Road, Near UCO Bank,	
Bhagwanpur, Kharagpur, West Midnapore, West Bangal - 721301	
Date of Birth : February 07, 1977	
Age: 48 Years	
Designation : Managing Director and Chief Financial Officer	
Status: Executive Director	
DIN : 09851691	
Occupation: Business	
Nationality: Indian	
Term: Five (5) years w.e.f. January 10, 2023 to January 09, 2028	
Period of directorship: January 10, 2023 as Executive Director of the	
company.	
Name: Mr. Vishal Mulchandbhai Gala	1. Alag Brainworks Limited
Father's Name: Mr. Mulchandbhai Nanjibhai Gala	2. Smile Infrabuild Private Limited
Address: 4, Dev Residency, Gujarat Society, Near Mahalaxmi Cross	3. Gala Products Limited*
Road, Paldi, Ahmedabad City, Ahmedabad, Gujarat, 380007	
Date of Birth: October 05, 1985	Limited Liability Partnership
Age: 39 Years	Nil
Designation : Director	
Status: Executive Director	
DIN : 00692090	
Occupation: Business	
Nationality: Indian	
Term: Retire by Rotation	
Period of directorship: December 14, 2010 as Executive Director of	
the company.	
Name: Ms. Alpa Pandya	Alag Brainworks Limited
Father's Name: Mr. Rameshbhai Kantilal Bhatt	
Address: 203/A, Syamrang Apartment, Vasna, Ahmedabad City,	Limited Liability Partnership
Ahmedabad, Gujarat- 380007	Nil
Date of birth: December 14, 1967	
Age: 57 Years	
Designation: Director	
Status: Executive Director	
DIN : 07013011	
Occupation: Professional	
Nationality: Indian	
Term: Retire by Rotation	
Original Date of Appointment: March 03, 2023 as Additional	
Executive Director of the company.	
Name: Mr. Umang Sanjaybhai Selani	1. Stenzo Universal Limited
Father's Name: Mr. Sanjaybhai Rameshchandra Selani	1. Stelled Chivelan Ellinted
Address: C/703, Nisarg Dreams, Shilaj Bridge, near Divya Jyot School,	Limited Liability Partnership
SP Ring Road, Bopal, Shilaj, Ahmedabad, Gujarat, 380058	Nil
Date of Birth: September 15, 1995	1111
Age: 29 Years	
Designation: Independent Director	
Status: Non-Executive Director	
DIN : 09706034	
DII 1. 07/00034	

Occupation: Business	
Nationality: Indian	
Term: 5 years w.e.f September 03, 2022	
Original Date of Appointment: September 03, 2022 as Additional	
Independent Director of the company	
Name: Mr. Vipul Laxmichand Maru	Nil
Father's Name: Mr. Laxmichand Tokershi Maru	
Address: Room No. 4, Shree Niwas, 60 Feet Road, Opp. Ganesh	
Temple, Thane, Bhayander West, Thane, Maharashtra- 401101	
Date of Birth: February 16, 1973	
Age: 52 Years	
Designation : Independent Director	
Status: Non-Executive Director	
DIN : 09723476	
Occupation: Professional	
Nationality: Indian	
Term: 5 years w.e.f September 03, 2022	
Original Date of Appointment: September 03, 2022 as Additional	
Independent Director of the company	
Name: Mr. Dhruv Modi	Nil
Father's Name: Mr. Bharatkumar Dasrathlal Modi	
Address: C/2/2, Harivila Society, Near Bapa Sitaram Chok, Sarkhej	
Dhokla Road, Sarkhej, Ahmedabad, Sarkhej, Gujarat, 382210	
Date of Birth: March 21, 1998	
Age: 27 Years	
Designation : Independent Director	
Status: Non-Executive Director	
DIN : 09706017	
Occupation: Professional	
Nationality: Indian	
Term: 5 years w.e.f February 10, 2023	
Original Date of Appointment: February 10, 2023 as Additional	
Independent Director of the company	
* The said Company is Amalgamated with effect from October 16, 2003	

^{*} The said Company is Amalgamated with effect from October 16, 2003.

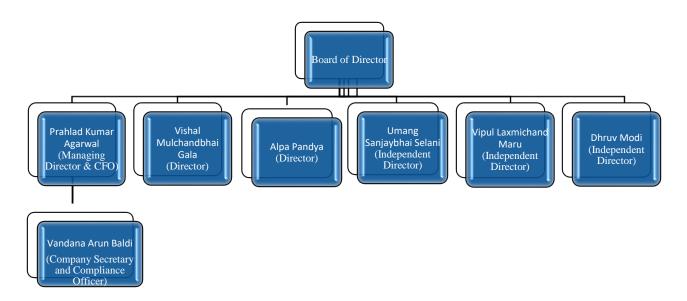
Confirmations

As on date of this Draft Letter of Offer

- A. None of the Directors are/ were directors of any company whose shares were suspended from trading by Stock Exchange(s) or under any order or directions issued by the stock exchange(s)/ SEBI/ other regulatory authority in the last five (5) years.
- B. None of the Directors are/ were directors of any listed entity whose shares were delisted from any Stock Exchange(s).

Management Organization Structure

The following chart depicts our Management Organization Structure:



Our Key Management Personnel and Senior Management Personnel

Our Company is managed by Managing Director and assisted by Board of Directors along with the qualified experienced professionals, who are permanent employees of our Company. Set forth below are the details of our Key Managerial Personnel as on the date of filing of this Draft Letter of Offer:

Name of Key Management Personnel	Designation	Date of Appointment	Qualification
Mr. Prahlad Kumar Agarwal	Managing Director & Chief Financial Officer	10/01/2023	Bachelor in Business Administration
Ms. Vandana Arun Baldi	Company Secretary & Compliance Officer	18/09/2024	Company Secretary, Chartered Accountant, Bachelor in Commerce

SECTION VI – FINANCIAL INFORMATION

AUDITED FINANCIAL STATEMENTS

Sr. No.	Particulars Particulars	Page No.
1.	The Audited Financial Statements Along with Independent Auditor's Report for the year ended on 31st March, 2024, 31st March, 2023 and 31st	F-1 to F- 77
	March, 2022	
2.	The Unaudited Financial Statements Along with Limited Review Report from Independent Auditor for the Quarter ended on 31st December, 2024	F-78 to F-80

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INDEPENDENT AUDITOR'S REPORT

To

The Members of GALA GLOBAL PRODUCTS LIMITED

[CIN: L22219GJ2010PLC063243] Ahmedabad

Report on the Audit of the Financial Statements

Qualified Opinion

We have audited the accompanying Financial Statements of GALA GLOBAL PRODUCTS LIMITED (the Company), which comprise the Balance Sheet as at March 31, 2024, the Statement Of Profit and Loss, including the Statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and Notes to the Financial Statements, including a summary of Significant Accounting Policies and other Explanatory Information (hereinafter referred to as the Financial Statements).

In our opinion and to the best of our information and according to the explanations given to us, except for the possible effects of the matter described in the Basis for Qualified Opinion section of our report, the aforesaid Financial Statements give the information required by the Companies Act, 2013 (the Act), in the manner so required and give a true and fair view in conformity with the accounting standards prescribed under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended (Ind AS), and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, the loss and total comprehensive income, changes in equity and its cash flows for the year ended on that date:

C&AG No. WRO/510 RBI UCN. 122900**

GSTIN 24AACFH1917R1Z6 | PAN AACFH1917R | FRN 109583W | UDYAM UDYAM-GJ-01-0084453





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MEF No. 04060 AHMEDABAD



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Gujarat, Maharashtra, Tamil Nadu & Uttar Pradesh

Basis for Qualified Opinion

- 1. (a) Considerable payments made as advances to the supplier can be quantified subject to detailed investigation with the outcome of future events only. As per the information and explanations provided to us, this matter is sub-judice at present. ECL Provisioning for the same will be done on the basis of a detailed investigation with the outcome of future events only. The considerable value of the stock is subject to acceptance by a customer and can be quantified with the outcome of future events only. (b) There is a major amount of stock and it is not possible to value the stock, especially in the light of the obsolescence possibility due to the nature of goods. Ind AS 2 is not followed. We are not in a position to quantify the effect on the Profit and Loss accounts and Balance Sheet of the company.
- 2. Ind AS adjustments are yet to be affected in the books. In light of this, we are not in a position to quantify the effect on the Profit and Loss accounts and Balance Sheet of the company.
- 3. During the year the company had made various transactions with Director/s and other related parties. We are unable to verify whether such transactions were carried out at arm's length price. With reference to the overall situation of the company, the company is running a current account with the Director/s and section 185 may be attracted.
- 4. As required under Ind AS 109, Financial Instruments, the company has not measured the loss allowance with regard to the provision of expected credit loss for financial instruments.
- 5. As auditors, we observe the reasonable threat to the going concern status even though visible efforts are seen to avert the treat.
- 6. As required under Ind AS 108, Operating Segments, the company has not reported the operating segment with respect to various segments. The company has entered into trading of many commodities other than paper.
- 7. The company carries Intangible assets worth Rs. 13 crores which are not amortized and are subject to valuation and we are not in a position to quantify.



- 8. The savings on OTS of Rs. 41.54 Lakh have been booked in spite of the provisional letter resulting in over statement of profit and understatement of liability to that extent.
- 9. The company has not accounted audit fees in the books. Accordingly, profit is overstated, and current liabilities is understated to that extent.
- 10. Some bank Loan Statements/ Confirmations are not provided for the verification and certifications are pending.
- 11. Bank CC Account as on 31.03.2024 is showing long outstanding with a substantial amount under reconciliation.
- 12. Provision of interest on Loans is not provided in the books.
- 13. Audit trail accounting yet to be adopted by the Company.

We conducted our audit of the Financial Statements in accordance with the Standards on Auditing ('SAs'), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Financial Statements' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Financial Statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and ICAl's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion on the Financial Statements.

Emphasis of Matters

1. We draw attention to the requirements of Ind AS 19 — Employee Benefits have not been complied with. Based on the books of account and as per the explanations given by the management, the Company is in the process of finalization of structure for the employee benefits, and hence, there were no employees who were eligible for the benefits yet. Accordingly, Employee Benefits have not been provided in the financial statements as per the criteria defined by the Company.



- 2. We draw attention to the inability to pay income tax liabilities of Rs. 63.2 lakhs based on tax audit assessment of the company on the earlier due date.
- 3. The company is required to maintain cost records and required to be audited u/s 148 of the Companies Act, 2013. However, cost records have not been maintained as prescribed, nor the same has been audited as prescribed. Hence, we are unable to review the same.
- 4. As required under Section 138 of the Companies Act 2013 read with rule 13 of Companies (Accounts) Rules,2014, every listed company is required to appoint an Internal Auditor. However, the company has not appointed an Internal Auditor and are in the process of appointment of the internal auditor.
- 5. Various compliances of statutory requirements like; company law, PF, TDS, Income tax, etc; are subject to actual compliance.
- 6. We draw attention to outstanding dues of the provident fund and outstanding TDS, TCS, etc. are yet to be paid.
- 7. Balances of Debtors, Creditors, Security Deposits, etc; are subject to confirmation.
- 8. Valuation of inventories is accounted on the basis of management evaluation.
- 9. Some mandatory disclosures as per schedule III Division II are not properly presented.

Our opinion is not modified in respect of these matters.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Financial Statements for the financial year ended March 31, 2024. These matters were addressed in the context of our audit of the Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the Basis for



Qualified Opinion' section, we have determined the matters described below to be the key audit matters to be communicated in our report.

We have fulfilled the responsibilities described in the 'Auditor's responsibilities for the audit of the Financial Statements' section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the Financial Statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying Financial Statements.

Sr. No.	Key Audit Matter	Auditor's Response
1.	None	Looking to the nature of various notificiations already reported in other sections of this report, we believe that our relevant comments are appropriately reported.

Other Matters

- 1. We draw attention to Note 3 to Note 8
- 2. We draw attention to Note 32 of the financial results, as regards the management's evaluation of COVID-19's impact on the future performance of the Company. To assess the recoverability of certain assets, investments, and trade receivables, the Company has considered internal and external information up to the date of this report in respect of the current and estimated future global including Indian economic indicators consequent to the global health pandemic. The actual impact of the pandemic may be different from that considered in assessing the recoverability of these assets.

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility



Report, Corporate Governance and Shareholder's Information, but does not include the Financial Statements and our auditor's report thereon.

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

In connection with our audit of the Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Board of Directors for the Financial Statements

The Company's Management and Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Financial Statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Ind AS and the accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Financial Statements, the Management and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.



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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

Evaluate the overall presentation, structure and content of the Standalone
Financial Statements, including the disclosures, and whether the Standalone
Financial Statements represent the underlying transactions and events in a
manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, make it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work: and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Standalone Financial Statements for the financial year ended March 31, 2024, and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, we report that:

- a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c. The company's balance sheet and the statement of profit and loss account dealt with by this report are in agreement with the books of account.
- d. In our opinion, the aforesaid Ind AS financial statements, subject to the matters mentioned in the 'Basis for Qualified Opinion' para above, comply with the Ind AS specified under Section 133 of the Act, read with relevant rules issued there under;
- e. On the basis of the written representations received from the directors taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164 (2) of the Act.
- f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".
- g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - The Company does not have any pending litigations which would impact its financial position.
 - II. The Company does not have any long-term contracts, including derivative contracts having any material foreseeable losses.
 - III. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2024.

- A. The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- B. The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- C. Based on such audit procedures that we have considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under both sub-clauses mentioned above contain any material mis-statement.
- IV. The company has not proposed or declared any dividend during the year.
- V. Based on our examination which included test check, the company has not used an accounting software for maintaining its books of account which has feature of recording audit trail (Edit Log) facility for all relevant transactions recorded in the software. As proviso Rule 3(1) of the



companies (Accounts) Rules, 2014 is applicable from April, 2023 reporting under Rule 11(g) of the companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended on March 31, 2024.

- VI. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of sub-section (16) of Section 197 of the Act, as amended, we report that to the best of our information and according to the explanations given to us, remuneration paid by the Company to its directors during the year is in accordance with the provisions of Section 197 of the Act.
- h. In our opinion, the remuneration paid/provided by the company for its directors and manager for the year ended on March 31, 2024 is in accordance with the provision of section 197 read with Schedule V to the Act.
- 2. As required by the Companies (Auditor's Report) Order, 2020 (the 'Order'), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For

H K Shah & Co.,

Chartered Accountants

FRN.: 109583W

H K Shah

Partner

M.No.: 042758

Place: Ahmedabad

Date: September 06, 2024

UDIN:

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT

Referred to in paragraph 1(f) under 'Report on other legal and regulatory requirements' section of our modified report of even date to the members of GALA GLOBAL PRODUCTS LIMITED

Report On The Internal Financial Controls With Reference To The Standalone Financial Statements Under Section 143(3)(i) Of The Act

We have audited the internal financial controls over financial reporting of the Company as of March 31, 2024 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Qualified Opinion

In our opinion, to the best of our information and according to the explanations given to us, except for the possible effects of the matter described in the Basis for Qualified Opinion section of our report, the Company has, in all material respects, an adequate internal financial controls system over financial reporting with reference to the standalone financial statements and such internal financial controls over financial reporting were operating effectively as at March 31, 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

Basis for Qualified Opinion

1. The company is in the process of outsourcing its internal audit process. Currently, there are no formal reports prepared by the review team, which suggests a lack of effective operation of system of internal control over financial reporting during the year.

Management's Responsibility For Internal Financial Controls

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

Auditor's Responsibility

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

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

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

Meaning Of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.



Inherent Limitations Of Internal Financial Controls Over Financial Reporting

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

For, CA H K Shah & Co. Chartered Accountants ICAI FRN: -

CA H K Shah

Partner

M.No.: 042758

Place: Ahmedabad

Date: September 06, 2024

UDIN: _____

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 on Report on Other Legal and Regulatory Requirements of our report of even date)

- i) (a) A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property plant and equipment.
 - B) The Company has maintained proper records showing full particulars of intangible assets as disclosed in books of accounts.
 - (b) Property Plant and Equipment have been physically verified by the management during the year in accordance with a planned programme of verifying them over the period of three years which in our opinion is reasonable having regard to size of the company and nature of its assets and according to the information and explanation given to us, no material discrepancies were identified on such verification.
 - (c) According to the information and explanation given to us and on the basis of our examination of the records, property tax receipt, etc., the title deeds of immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in note to the financial statements under Property, Plant and equipment are held in the name of the company as at the balance sheet date.
 - (d) The Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets during the year and accordingly reporting under Clause 3 (i)(d) of the order is not applicable.
 - (e) According to the information and explanation given to us and on the basis of our examination of the records of the Company, no proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

- (a) The inventory has been physically verified by the management during the year except for goods in transit and inventories lying with third parties. In our opinion, the frequency of verification by the management is reasonable. No discrepancies of 10% or more in aggregate for each class of inventory were noticed on such physical verification as confirmed by the management. Please refer our qualification in this regard.
 - (b) The Company has been sanctioned working capital limits in excess of Rs. five crores in aggregate from banks during the year on the basis of security of current assets of the Company. We have not been provided with details of the quarterly returns/statements filed by the Company with such banks. Hence, we are unable to report under these clauses.
- iii) In our opinion according to the information and explanation given to us, the Company has provided advances to suppliers in the nature of business for the purpose of tender which constitutes a large exposure of the company. The company has not provided any security to any other entity and there were no investments made, guarantees provided.
- iv) In our opinion and according to the information and explanations given to us, we have not been provided with compliance document with respect to section 185 and 186 of the Act, hence we are not able report under this clause.
- v) According to the information and explanations given to us, the Company has not accepted any deposits or amounts which are deemed deposits from the public within the meaning of Sections 73, 74, 75 and

76 of the Act and the Rules framed there under. Accordingly reporting under Clause 3 (v) of the order is not applicable.

- vi) We have broadly reviewed the regular books of account maintained by the Company, however, the Company has not maintained records pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013, related to the manufacture of paper products, and are of the opinion that prima facie, the specified accounts and records have not been made and maintained. We have not made a detailed examination of the same.
- vii) According to the information and explanations given to us and on the basis of examination of books of account of the Company, in our opinion:
 - a. The Company is generally not regular in depositing with appropriate authorities undisputed statutory dues like income tax liabilities of previous year including Provident Fund, and other material statutory dues applicable to it.

Undisputed amounts payable in respect of aforesaid statutory dues outstanding as at 31 March 2024 for a period of more than six months from the date they became payable are as follows as informed to us.

					(Rs. I	n Lakhs)
Sr. No	Name of the Statute	Nature of the Dues	Amoun t (Rs.)	Period to which the amount relates	Due Date	Date of Payme nt
1.	Income Tax	Income Tax	61.10	2020-21	Informati on not available	-



2.	Income	TDS	2.10	Various	Informati	-
	Tax	Payable		period	on not	
					available	
3.	Income	Income	33.02	2021-22	Informati	-
	Tax	Tax			on not	
					availbale	

- b. There are no any statutory dues, as referred above, which have not been deposited on account of any dispute. However, there are outstanding demand from income tax department of Rs. 104.64 Lakhs in respect of various assessment years.
- viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income-tax Act, 1961 as income during the year.
- ix) According to the information and explanations given to us:
 - (a) The company has made defaults in repayment of loans or other borrowings or in the payment of interest thereon to the lender during the year up to March 2024.
 - (b) The company has not been declared willful defaulter by the bank or financial institution or other Lender, as informed to us.
 - (c) The company had applied term loans for the purpose for which the loans were obtained except as mentioned in clause (iii).
 - (d) The company has not utilized the funds raised for short term basis for long term purpose except as mentioned in clause (iii).



- (e) The company does not have any subsidiary, associate or joint venture and accordingly reporting under clause 3(ix)(e) is not applicable.
- (f) The company does not have any subsidiary, associate or joint venture and accordingly reporting under clause 3(ix)(f) is not applicable.
- x) (a) The company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, reporting under clause 3(x)(a) of the Order is not applicable.
 - (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, reporting under clause 3(x)(b) of the Order is not applicable.
- xi) (a) According to the information and explanations given to us, no fraud is noticed or reported during the year except as mentioned in clause (xi)(b) below.
 - (b) A report under sub section (12) of section 143 of the Companies Act has been filed by the auditors in form ADT-4 as prescribed under rule 13 of companies (Audit and Auditors) rules, 2014 with the Central Government on August 28th, 2023 for the Financial year 2022-23.
 - (c) As informed to us by the management, there are no whistle blower complaints received by the company during the year.
- According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company is not a Nidhi Company. Accordingly, reporting under clause 3 (xii) of the Order is not applicable to the Company.

xiii) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, We are not provided with details required to ensure that all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act where applicable and the details have been disclosed in the financial statements as required by the applicable accounting standards. Hence, we are unable to report compliance with section 177 and 188 of the Companies Act.

xiv) In our opinion:

- a. The company does not have an internal audit system commensurate with the size and nature of its business.
- b. The Company is in the process of outsourcing its internal audit process. Currently, there are no formal reports prepared for review and our consideration, as informed to us.
- xv) In our opinion and according to the information and explanations given to us, the company has not entered into any non-cash transactions with directors or persons connected with him.
- xvi) In our opinion,
 - (a) The Company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) of the Order is not applicable.
 - (b) According to information and explanation given to us, the company has not conducted any Non-Banking Financial or Housing finance activities without obtained a valid certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.
 - (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.

- (d) The Group does not have more than one CIC as part of the Group. Accordingly, the requirements of clause 3(xvi)(d) are not applicable.
- xvii) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, The Company has not incurred cash losses in current financial year or in immediately preceding financial year, subject to qualifications reported.
- xviii) According to the information and explanation given to us and on the basis of our examination of records of the company, there has been resignation of statutory auditor during the F.Y. 2021-22 and we have taken into consideration the issues, objections, and concerns raised by the outgoing auditor. However, we have not been able to get the details of "online non skill gaming matter" mentioned in ADT-3, with a strong rebuttal of "advance given for tender" to one "Unique Enterprise" in which recovery have staggered and are delayed. Only part payment has received. We are informed that further recovery are expected.
- According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, we invite your attention to point no. 6 of the 'Basis of Qualified Opinion' para of this report, which causes us to believe about a material uncertainty as mentioned in clause (iii) of this Annexure, exists as on the date of the audit report that the Company is not capable of meeting its liabilities, existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date.

- xx) In our opinion and according to the information and explanations given to us, the Company is not required to spent any amount towards the Corporate Social Responsibility as per Section 135 of the Companies Act, 2013. Accordingly, clause 3(xx) of the Order is not applicable.
- xxi) The company is not required to prepare consolidated financial statement. Accordingly, clause 3(xxi) of the order is not applicable.

For

H K Shah & Co.,

Chartered Accountants

FRN.: 109583W

H K Shah

Partner

M.No.: 042758

Place: Ahmedabad

Date: September 06, 2024

UDIN:

Gala Global Products Limited
Balance Sheet as at March 31, 2024

(Amounts mentioned are in Rupees unless otherwise specifically stated)

D. all all and		As at March	
Particulars	Notes	2024	2023
ASSETS			
Non-current assets			
Property, plant and equipment	3	12,116,964	13,915,253
Intangible Assets	4	130,000,000	130,000,000
Financial assets			
Other Financial Asset	5	-	
Deferred Tax Asset (Net)	6	644,095	991,321
		142,761,059	144,906,574
Current assets	-		
Inventories	7	26,275,520	184,410,580
Financial assets			
Trade receivables	8	657,006,193	791,809,692
Loans and Advances	9		
Cash and cash equivalents	10	105,724	36,245
Others financial assets	5	247,537,641	25,559,920
Other Current Assets	11	13,343,937	13,876,062
		944,269,015	1,015,692,499
TOTAL ASSETS		1,087,030,075	1,160,599,073
EQUITIES AND LIABILITIES			
Equity			
Equity Share Capital	12	272,940,415	272,940,415
Other equity	12	152,329,468	150,231,258
LIABILITIES		425,269,883	423,171,673
Non-current liabilities			
Financial liabilities			
Borrowings	13	169,227,143	220,288,898
900		169,227,143	220,288,898
Current Liabilities			
Financial liabilities			
Borrowings	13	87,870,647	22,875,000
Trade payables	14	404,041,355	457,785,190
Others	15	498,135	31,891,086
Other current liabilities	16	122,911	4,587,147
		492,533,048	517,138,423
TOTAL EQUITIES AND LIABILITIES		1,087,030,074	1,160,599,073

Summary of significant accounting policies

2

The accompanying notes form an integral part of these standalone financial statements

As per our modified report of even date

*

For

H K Shah & Co., Chartered Accountants

FRN.: 109583W

Board of Directors of Gala Global Products Limited

CIN: L29109GJ2010PLC063243

For and on behalf of the

400

H K Shah Partner

M.No.: 042758

FRN 109583 W
C&AG NO WRO 510
RBI UCN. 122900
MEF NO. 04060
AHMEDABAD
PTERED ACCOUNTS

Prahladkumar Agarwal Managing Director

Alpa Pandya Director Chhayaben Mulani Company Secretary

DIN No: 09851691

DIN No: 07013011

PAN No: ERMPM5952E

Place : Ahmedabad Date : 06/09/2024 **Gala Global Products Limited**

Statement of Profit and Loss for the year ended March 31, 2024

(Amounts mentioned are in Rupees unless otherwise specifically stated)

Particulars		Year ended on March 31		
	Notes	2024	2023	
Revenue:				
Sale of products		753,006,762	844,819,236	
Revenue from operations	17	753,006,762	844,819,236	
Other income	18	10,782,795	2,278,284	
Total revenue	,	763,789,557	847,097,520	
Expenses:				
Cost of materials consumed	19	657,815,782	877,900,662	
Changes in inventories of finished goods	20	89,947,391	(68,011,420)	
Employee benefits expenses	21	3,559,300	6,463,748	
Finance costs	22	9,703,871	16,154,293	
Depreciation and amortisation expenses	3	1,826,591	2,377,087	
Other expenses	23	2,349,447	11,433,643	
Total expenses	-	765,202,383	846,318,014	
Add: Exceptional Item / Amalgamation adjustments		(4,154,231)	-	
Profit before tax		2,741,406	779,506	
Tax expenses:				
Current tax		295,970	-	
Deferred tax charge / (credit)		347,226	490,688	
Net Profit for the year	(A)	2,098,210	288,818	
OTHER COMPREHENSIVE INCOME/EXCEPTION ITEMS		-	-	
Total other comprehensive income for the year (A) + (D)		2,098,210	288,818	
Earning per share Basic and Diluted(in Rs.)	24	0.04	0.01	
[Nominal value of equity per share of Rs. 5]				
Summary of significant accounting policies	2			
The accompanying notes form an integral part of these standalone f	inancial statements			

As per our modified report of even date

For

H K Shah & Co.,

Chartered Accountants

FRN.: 109583W

H K Shah Partner

M.No.: 042758

Place : Ahmedabad Date : 06/09/2024 For and on behalf of the Board of Directors of

Gala Global Products Limited CIN: L29109GJ2010PLC063243

Prahladkumar Agarwal Managing Director Alpa Pandya Director Chhayaben Mulani Company Secretary

DIN No: 09851691

DIN No: 07013011

PAN No:ERMPM5952E

Gala Global Products Limited

Cash Flow Statement for the period ended March 31, 2024

(Amounts mentioned are in Rupees unless otherwise specifically stated)

		Year ended Ma 2024	rch 31 2023
A	CASH FLOWS FROM OPERATING ACTIVITIES		
	Profit Before Tax	2,741,406	779,506
	Adjustments for:		10 And State Control
	Depreciation and amortisation expense	1,826,591	2,377,087
	Profit on Sale of property, plant and equipment, net	•	(1,356,016)
	Finance income	(9,819,645)	(446,237)
	Finance cost	9,703,871	16,154,293
	Operating Profit before working capital changes	4,452,223	17,508,633
	Adjustments for (increase) / decrease of assets:		
	Trade Receivables	134,803,499	(438,808,072)
	Inventories	158,135,060	(14,285,750)
	Increase/Decrease in Loans and Advances		-
	Other Current financial assets		9,013,005
	Other Current assets	(221,445,596)	(9,996,017)
	Adjustments for increase / (decrease) of liabilities:	(==1, : :0,0>0)	(3,220,011)
	Other Provisions		
	Trade Payables	(53,743,835)	360,081,240
	Other Current Liabilities	(35,857,187)	4,744,235
	Cash generated from Operations	(13,655,836)	(71,742,726)
	Taxes paid, net	(13,033,030)	(/1,/42,/20)
	NET CASH GENERATED FROM OPERATING ACTIVITIES	(13,655,836)	(71,742,726)
	NET CASH GENERATED PROM OF ERATING ACTIVITIES	(13,033,630)	(/1,/42,/20)
В	CASH FLOWS FROM INVESTING ACTIVITIES		
	Purchase of tangible and intangible assets including CWIP	-	137,955
	Proceeds from sale of property, plant and equipment	-	4,520,702
	Bank Balances not considered as Cash and Cash Equivalents	-	-
	Interest received	9,819,645	446,237
	NET CASH FLOW (USED IN) INVESTING ACTIVITIES	9,819,645	5,104,894
C	CASH FLOWS FROM FINANCING ACTIVITIES		
	Proceeds/(Repayments) from short-term borrowings	64,995,647	127,105,530
	Proceeds/(Repayments) from long-term borrowings	(51,061,755)	(8,914,025)
	Finance cost	(9,703,871)	(16,154,293)
	NET CASH FLOWS GENERATED FROM/(USED IN) FINANCING ACTIVITIES	4,230,021	102,037,212
D	EXCHANGE DIFFERENCE ARRISING ON CONVERSION OF FOREIGN SUBSIDIARIES		
	NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS	393,830	35,399,380
	Cash and cash equivalents at the beginning of the year	36,244	36,245
	Cash and cash equivalents at the end of the year	430,074	35,435,625
	Components of Cash and Cash Equivalents for cash flow:	450,074	33,433,023
	Cash on hand	62,724	21,258
	Balance with banks		
	Bank Deposits having maturity of less than 3 Months	43,000	14,986
	Total	105,724	36,244
	Less: Bank overdraft (Refer note 22)	103,724	30,244
	Net Cash and Cash Equivalents	105,724	36,244
	Once the Other Equitation	103,724	30,244

The above cashflow has been prepared under the "Indirect Method" as set out in Indian Accounting Standard 7(Ind AS 7) on Cashflow Statements. As per our report of even date attached.

Gala Global Products Limited (Amounts mentioned are in Rupees unless otherwise specifically stated) STATEMENT OF CHANGES IN EQUITY (A) EQUITY SHARE CAPITAL As at March 31 **Particulars** 2024 272,940,415 Balance as at April 1, 2023 Changes during the year Balance as at March 31, 2024 272,940,415 (B) OTHER EQUITY **Security premium Particulars Retained earnings** account Balance as at April 1, 2022 34,042,325 115,628,441 Profit for the year 288,818 Balance as at March 31, 2023 34,042,325 115,917,259 Balance as at April 1, 2023 34,042,325 115,917,259 Profit for the year 2,098,210 Balance as at March 31, 2024 34,042,325 118,015,469

Particulars	Security premium account	Retained earnings	Total
Balance as at April 1, 2021 Profit for the year	34,042,325	102,518,632 13,109,809	113,347,003 13,109,809
Balance as at March 31, 2022	34,042,325	115,628,441	126,456,812
Balance as at April 1, 2022 Profit for the year	34,042,325	115,628,441 288,818	126,456,812 288,818
Balance as at March 31, 2023	34,042,325	115,917,259	126,745,630

As per our modified report of even date

SHAH & FRN 109583/W AG No. WRO/510

For

H K Shah & Co..

Chartered Accountants

FRN.: 109583W

HKShah

Partner

M.No.: 042758

Place: Ahmedabad Date: 06/09/2024

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

Gala Global Products Limited CIN: L29109GJ2010PLC063243

Prahladkumar Agarwal **Managing Director**

Alpa Pandya Director

Chhayaben Mulani **Company Secretary**

2023

Total

272,940,415

272,940,415

93,651,626

93,940,444

93,940,444

2,098,210

96,038,654

288,818

DIN No: 09851691

DIN No: 07013011 PAN No: ERMPM5952E

3. Property, plant and equipment	Factory	Plant and	Office		Furniture and	Name of the last	-
Particulars	Building	Machinery	Equipment	Computers	Fixtures	Vehicles	Total
As at March 2023	7,734,152	60,961,430	1,525,319	489,303	659,014	4,654,977	13,915,253
Additions			28,302		*		28,302
Disposals							
As at March 2024	7,734,152	60,961,430	1,553,621	489,303	659,014	4,654,977	76,052,497
Depreciation and impairment:							
As at March 2023	4,257,275	51,210,222	1,218,964	464,353	669,553	4,289,123	62,109,490
Depreciation for the year	155,492.48	1,417,648.90	133,307.02	5,975.82		114,167.06	1,826,591
Impairment for the Year							
On disposals						-	
As at March 2024	4,412,767	52,627,871	1,352,271	470,329	669,553	4,403,290	63,936,081
Net Block excluding CWIP:							
As at March 31, 2023	3,476,877	9,751,208.00	306,355	24,950	(10,539)	365,854	13,915,253
As at March 31, 2024	3,321,384	8,333,559	201,350	18,974	(10,539)	251,687	12,116,964
4. Intangible assets *							
4. Intangible assets	- 10 1000 000	787.5				- 1	
Particulars	Goodwill (Refer	Technical	Total				

4. Intangible assets *				
Particulars	Goodwill (Refer Technical note below) Knowhow		Total	
Gross Block:				
As at March 2023	115,000,000	15,000,000	130,000,000	
Additions				
Disposals				
As at March 2024	115,000,000	15,000,000	130,000,000	
Total	115,000,000	15,000,000	130,000,000	
Amortisation and impairment:				
As at March 2023				
Amortisation / impairment for the year		-		
On disposals				
As at March 2024		-		
Net Block excluding intangible Assets under development :				
As at March 31, 2023	115,000,000	15,000,000	130,000,000	
As at March 31, 2024	115,000,000	15,000,000	130,000,000	

*Intangible assets are tested for impairment annually and management believes that any reasonable possible change in any assumptions would not cause the carrying amount to exceed its recoverable amount.

Particulars	Factory Building	Plant and Machinery	Office Equipment	Computers	Furniture and Fixtures	Vehicles	Total
As at March 2022	11,338,152	66,072,887	1,392,364	489,303	654,014	6,259,244	86,205,964
Additions			132,955		5,000		137,955
Disposals	(3,604,000)	(5,111,457)				(1,604,267)	(10,319,724)
As at March 2023	7,734,152	60,961,430	1,525,319	489,303	659,014	4,654,977	76,024,195
Depreciation and impairment:							
As at March 2022	5,508,233	53,480,398	1,108,993	449,658	641,539	5,699,322	66,888,143
Depreciation for the year	221,341.57	1,889,209.00	109,970.81	14,695.17	28,014.00	113,855.13	2,377,086
Impairment for the Year			-				
On disposals	(1,472,300.00)	(4,159,385)		-		(1,524,054.00)	(7,155,739)
As at March 2023	4,257,275	51,210,222	1,218,964	464,353	669,553	4,289,123	62,109,490
Net Block excluding CWIP:							
As at March 31, 2022	5,829,919	12,592,489.00	283,371	39,645	12,475	559,922	19,317,821
As at March 31, 2023	3,476,877	9,751,208.00	306,355,19	24,949.83	(10,539.0)	365,854	13,915,253

Particulars	Goodwill (Refer note below)	Technical Knowhow	Total
Gross Block:			
As at March 2023	115,000,000	15,000,000	130,000,000
Additions			
Disposals			
As at March 2024	115,000,000	15,000,000	130,000,000
Total	115,000,000	15,000,000	130,000,000
Amortisation and impairment:			
As at March 2023			
Amortisation / impairment for the year On disposals			
As at March 2024	-		
Net Block excluding intangible Assets under development :			
As at March 31, 2023	115,000,000	15,000,000	130,000,000
As at March 31, 2024	115,000,000	15,000,000	130,000,000

*Intangible assets are tested for impairment annually and managemet believes that any reasonable possible change in any assumptions would not cause the carrying amount to exceed its recoverable amount.

Notes to the Financial States ents as at March 31, 2024 cioned are in Rupees unless otherwise specifically stated) 5 OTHER FINANCIAL ASSETS Non-current Current As at March 31 As at March 31 2024 2023 2024 2023 Security Deposites 458.338 5,014,000 Tender EMD 5,679,299 **Tender Security Deposites** 247,537,641 14,086,661 Other Advances Balance with Statutory Authorities 321.622 Interest/Subsidies Receivable Loan to Employees Tender EMD having Maturity Less than 3 Months Tender Security Deposits having Maturity Less than 3 Months 247,537,641 25,559,920 As at March 31 6 DEFERRED TAX ASSET/LIABILITIES (NET) As at March 31 2024 2023 Deferred tax asset/liabilities(Net) Excess of Net Block over Written Down Value as per Provision of Income Tax Act 644,095 Excess of Written Down Value over Net Block as per Provision of Income Tax Act 991,321 Net deferred tax Asset/(Liabilities) 644,095 991,321 As at March 31 As at March 31 2024 2023 [Valued at lower of cost and net realisable value] Finished goods (Certified by Management) 110,966,146 184,410,580 110,966,146 184,410,580 As per Company's management, it is not possible to give the details of Inventóries of Work-in-Progress as the Company uses the same materials for different kinds of products and hence, the same is difficult to bifurcate at any point of time given. 8 TRADE RECEIVABLES As at March 31 As at March 31 2024 2023 Considered good (Certified by Management) 657,006,193 791,809,692 657,006,193 791,809,692 The trade receivables ageing schedule for the years ended as on March 31, 2023 and March 31, 2022 is as follows: As at 31st March, 2024 Outstanding for following periods Not Due Total from due date of **Particulars** payment Less than Less than 1 year 1-2 years 2-3 years Undisputed trade receivables - considered good Undisputed trade receivables - credit impaired Disputed trade receivables - considered good Disputed trade receivables - credit impaired 657,006,193 Notes: Details of aging were not available for current year. As at 31st March, 2023 Outstanding for following periods Not Due from due date of **Particulars** Less than Less than 1 year 1-2 years 2-3 years More than 3 years 6 months Undisputed trade receivables - considered good Undisputed trade receivables – credit impaired Disputed trade receivables - considered good Disputed trade receivables - credit impaired Total 791,809,692 Notes: Details of aging were not available for current year. 9 LOAN AND ADVANCES Non-current Current As at March 31 As at March 31 2024 2023 2024 2023 Unsecured, considered good 10 CASH AND CASH EQUIVALENTS As at March 31 As at March 31 2024 In Current Account 43,000 On Deposit Account (having maturity less than 3 months) 62.724 36.245 Total 105,724 36,245

Gala Global Products Limited

Amounts mentioned are in Rupees unless otherwise specifically stated) 11 OTHER CURRENT ASSET				
		As at March 31	As at March 31	
		2024	2023	
Balance with Statutory Authorities		2,723,885		
Interest Receivables		321,622	•	
Other Current Assets		•	-	
Loan to Staff		40,782		
Tax Collect at Source Receivable		772,633	772,633	
Other Advances		9,485,015	13,103,429	-5
		13,343,937	13,876,062	•
		*	4	- 8
12 OTHER EQUITY		As at March 31 2024	As at March 31 2023	
Country Brownium A /a		2024	2023	•
Security Premium A/c Balance as per last financial statements		34,042,325	34,042,325	
balance as per last financial statements		34,042,323	34,042,323	
Closing Balance		34,042,325	34,042,325	
Surplus in the statement of profit and loss				
Balance as per last financial statements		116,188,933	115,628,441	
Other Adjustment		(*)	271,674	
Profit for the year		2,098,210	288,818	
Net surplus in the statement of profit and loss		118,287,143	116,188,933	
		152,329,468	150,231,258	•
FINANCIAL LIABILITIES				
13 BORROWINGS	Non-Current		Current	
	As at 1st April	As at March 31	As at March 31	As at March 31
	2024	2023	2024	2023
Term Loans		5,787,350	4,606,890	22,875,000
Other Loans	169,227,143	151,753,935	17,117,148	
Cash Credit	•	62,747,613	66,146,610	
	169,227,143	220,288,898	87,870,647	22,875,000
The above amount includes:				
Secured borrowings		-		
Unsecured borrowings	168,237,143	220,288,898	87,870,647	22,875,000
Amount disclosed under the head "Short Term Borrowing" (refer note 18)	-	-220,288,898	-87,870,647	-22,875,000
Net amount	168,237,143	0	0	
SHORT-TERM BORROWINGS			As at March 31	As at March 31
From Bank			2024	2023
Cash Credit				
The above amount includes				
Secured borrowings			2	
Total				

ounts mentioned are in Rupees unless otherwise specifically stated						
TRADE PAYABLES					As at March 31	As at March 31
TRADE PATABLES					2024	2023
Trade saushine					404,041,355	457,785,1
Trade payables					404,041,355	457,785,1
*Include dues to subsidiary						
Trade payables ageing schedule for the years ended as on March 31, (No Vendors have claimed MSME Status)	2023 and March 31, 2024 is	as follows :				
		Particulars Not due				90 <u>0</u> 000000
Particulars	Not Due	Outstanding for				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
31-Mar-24						10.00
Outstanding Dues to MSME						55
Others		120	-			
Total						404,041,3
Note: Details of ageing were not available for current year						404,042,
(No Vendors have claimed MSME Status)						
31-Mar-23						
Outstanding Dues to MSME						
Others	-					
(No Vendors have claimed MSME Status)						
Total						457,785,
		Particulars Not due				Total
Particulars	Not Due	Outstanding for				- lotal
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
March 31, 2023						
Outstanding Dues to MSME		•				
Others		1.0	•			
Total		-	-		-	
Note: Details of ageing were not available for current year						
March 31, 2022						
Outstanding Dues to MSME						
Others	32,441,077	207,744,219	34,472,278		1,242,374	275,899,9
(No Vendors have claimed MSME Status)			- 1,,		1,242,374	2/3,033,
Total	32,441,077	207,744,219			4 242 224	
OTHERS	32,441,077	207,744,219			1,242,374	275,899,9
OTHERS					As at March 31	As at March 31
Oabon Linkillaine					2024	2023
Other Liabilities					498,135	31,891,0
Total					498,135	31,891,0
OTHER CURRENT LIABILITIES					As at March 31	As at March 31
					2024	2023
Statutory Liabilities Payable					72,600	
Other Liabilities					50,311	4,587,1
Current Maturitries of Long Term Borrowings						
Credit card					2	
Salary Payable						
Salary Payable					-	

Gala	Global Products Limited		
	es to the Financial Statements as at March 31, 2024		
(Am	ounts mentioned are in Rupees unless otherwise specifically stated)		
	REVENUE FROM OPERATIONS	Year ended on	March 31
		2024	2023
İ	Sale of Products	<u>.</u>	•
1	Finished Goods	753,006,762	844,819,236
	Revenue from operations (Gross)	- 753,006,762	844,819,236
18	OTHER INCOME	Year ended on I	March 31
		2024	2023
ŀ	Interest Income on Deposites	9,819,645	446,237
	Cartrage Exp (S)	8,550	=
i	Rate Difference	254,600	-
Į	Rent Income	-	288,000
ĺ	Other misc. Income		1,544,047
		10,082,795	2,278,284
19	COST OF MATERIALS CONSUMED	Year ended on I	March 31
	· · · · · · · · · · · · · · · · · · ·	2024	2023
	Inventory at the beginning of the year	73,444,434	127,170,104
ŀ	Pursuant to the Scheme of Amalgamation		
	Add: Purchases	589,628,112	824,174,992
		663,072,546	951,345,096
1	Less: Inventory at the end of the year	5,256,764	73,444,434
	=	657,815,782	877,900,662
20			
20	CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGESS AND STOCK IN TRADE	Year ended on I	
	Inventory at the hadinal an afthe Very	2024	2023
	Inventory at the beginning of the Year Finished goods		
	Finasiieu goods	110,966,146	42,954,726
	Inventory at the and of the Ver-	110,966,146	42,954,726
	Inventory at the end of the Year		
	Finished goods	21,018,756	110,966,146
	=	21,018,756	110,966,146
	-		
	=	89,947,391	(68,011,420)
21	EMPLOYEE BENEFIT EXPENSES -	Year ended on N	Aprels 21
		2024	2023
	Salaries, wages and bonus	307,304	
	Contribution to provident and other fund	322,631	3,239,827
	Directors Remunaration	2,929,365	473,921
	-	3,559,300	2,750,000 6,463,748
	-	3,333,300	0,403,748
22	FINANCE COSTS -	Year ended on N	March 31
		2024	2023
	Interest Expenses —	9,485,114	16,154,293
	Finance charges	218,757	20,237,233
	-	9,703,871	16,154,293
	=	-,, 00,072	**,107,633

Gala Global Products Limited

Notes to the Financial Statements as at March 31, 2024

OTHER EXPENSES	Year ended on N	farch 31
	2024	2023
Manufacturing Expenses	-	2,231,599
Power and Fuel	-	717,668
Rent Expense	-	36,00
Legal & Professional Fee	1,087,197	1,938,57
Security Expense	82,800	170,40
Audit fees		370,00
Audit fee expenses	(175,000)	338,00
Audit Fees Expenses 18%	102,000	
Testing Expenses		90,65
Bad Debts		58,91
Insurance Expense	20,614	478,22
Internet & Telephone	26,798	84,08
Office and Miscellaneous	178,198	460,49
Rates and Taxes	27,885	159,09
ROC Filling Fees	25,900	40,83
Freight Expense	·-	1,648,3
Repair To Building	25,460	160,5
Repair To Machinery	15,330	(26,78
Softwarte Expenses	10,800	
Designing Expense	-	83,30
Conveyance Expense	-	35,5
Stationary , Printing and	-	443,83
Sitting fees	100,000	-
Traveling & Transporation Exps	99,299	514,03
Vehicle Expenses	100,860	268,07
Tempa Fare Expenses	31,600	
Tender Fees	(25,000)	(77,29
Loss on sale of Fixed asset	,,,	102,07
Advertisement & Business	82,246	42,29
Donation Exps	6,000	31,60
Other Expense	7,120	18,96
Processing Fees	155,525	368,2
Registration Expenses	4,350	-
Interest Expense	-	344,32
Electric Fitting Expenses	8,480	100,2
Penalty Expenses	257,911	200,2.
Rent Expenses	93,072	
Finance Charges	33,072	201,80
	2,349,447	11,433,64

Gala Global Products Limited

Notes to the Financial Statements as at March 31, 2024

(Amounts mentioned are in Rupees unless otherwise specifically stated)

24	EARNINGS PER SHARE (EPS)		Year ended on March 31		
			2024	2023	
	Net Profit as per statement of profit and loss	Rs.	2,098,210	288,818	
	Opening number of equity shares	Nos.	54,693,738	54,693,738	
	Weighted average number of equity shares in calculating basic EPS	Nos.	54, 6 93,738	54,693,738	
	Weighted average number of equity shares in calculating diluted EPS	Nos.	54,693,738	54,693,738	
	Basic and Diluted earning per share	Rs.	0.04	0.01	
	Nominal value of shares	Rs.	5.00	5.00	

- 25 The requirements of Ind AS-19 Employee Benefits have not been complied with to the full extent. The Company is in the process of Finalization of structure for the employee benefits and hence, there were no employees who were eligible for the benefits yet. Accordingly, Employee Benefits have not been provided in the financial statement.
- 26 The Company is inabled to pay Income Tax Liabilities of Rs. 63.2 lakes based on Tax Audit Assessment of the Company on the due date as well as till date, due to delay in receipt of receivables/advance to one party only, where company has high exposure in total, which causes significant impact on the liquidity of the Company and going concern in future.
- 27 The Company is required to maintain cost records and required to be audited u/s 148 of the Companies Act, 2013. However, cost records have not been maintained as prescribed, nor the same has been audited as prescribed.
- 28 During the current year, the managerial remuneration (based only on fixed component of salary) paid by the Company to its Chairman and Managing Director is in excess of the limits laid down under Section 197 read with Schedule V of the Companies Act, 2013.
 The Company has obtained approval from its shareholders at the Annual General Meeting for such excess remuneration paid.

29 EVENT OCCURRED AFTER BALANCE SHEET DATE

The Company evaluates events and transactions that occur subsequent to the Balance Sheet date prior to the approval of the financial statements to determine the necessity for recognition and/or reporting of any of these events and transactions in the Financial Statements. As of 05/09/2024, there was no subsequent event to be recognized or reported that are not already disclosed elsewhere in these Financial Statements.

- 30 Confirmations for loans and Advances/inventories has not been received.
- 31 Previous Years' figures have been regrouped/reclassified whereever necessary to confirm to Current years' classification / disclosure.
- 32 The outbreak of COVID-19 pandemic globally and in India has severely impacted businesses and economies. There has been disruption to regular business operations due to the measures taken to curb the impact of the pandemic. The Company's manufacturing operations have been partially functional during the lockdown. All the operations of the Company have resumed post lifting of lockdown. As per the current assessment of the situation based on the Internal and external information available up to the date of approval of these financial results by the Board of Directors, the Company believes that the Impact of Covid-19 on its business, assets, internal financial controls, profitability and liquidity, both present and future, would be limited and there is no indication of any material impact on the carrying amounts of Inventories, trade receivables, Investments and other financial assets.

32 The ratios for the years ended March 31, 2024 and March 31, 2023 are as follows :

Particulars	Numerator	Denominator	As at March 31	As at March 31	% CHANGE	
			2024	2023		
Current ratio	Current Asset	Current Liabilities	1.92	1.96	5%	
Debt – Equity ratio	Total debt (represents lease liabilities)	Shareholder's equity	0.60	0.57	-3%	
Debt service coverage ratio	Earnings available for debt service	Debt service	0.85	0.72	-13%	
Return on Equity (ROE) Net profits after taxes		Average shareholder's equity	0.00	0.00	0%	
Inventory Turnover Ratio	cogs	Average Inventory	6.24	4.76	-148%	
Trade receivables turnover ratio	Revenue	Average trade receivable	1.04	1.07	3%	
Trade payables turnover ratio	Purchases of services and other expenses	Average trade payables	1.74	1.77	3%	
Net capital turnover ratio	Revenue	Working capital	1.51	1.69	18%	
Net profit ratio	Net profit	Revenue	0%	0%	0%	
Return on Capital Employed (ROCE)	Earning before interest and taxes	Capital employed	2%	3%	1%	
Unquoted	Income generated from investments	Time weighted average investments			0%	
Quoted	Income generated from investments	Time weighted average investments			0%	

1 CORPORATE INFORMATION

GALA PRODUCTS LIMITED has been merged with GALA PRINT CITY LIMITED as per NCLT order dated 19th May, 2017 containing appointed date 1st April, 2016. The name of the Company has been changed from Gala Print City Limited to Gala Global Products Limited with effect from 18th August, 2017.

2 SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of Preparation

The financial statements have been prepared and presented in accordance with the Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

These Ind As financial statements have been prepared on the historical cost convention and on an accrual basis, except for the following material items in the balance sheet:

- (i) Employee defined benefit assets/(liability) are recognised as the net total of the fair value of plan assets, plus actuarial losses, less actuarial gains and the present value of the defined benefit obligation;
- (ii) Long-term borrowings, except obligations under finance leases, are measured at amortized cost using the effective interest rate method;

(b) Use of Estimates

The preparation of financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Although these estimates are based on the management's best knowledge of the current events and actions, uncertainty about these assumption and estimates could result in the outcomes requiring a material adjustment to the carrying amount of the asset & liabilities in the future period.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected. In particular, information about significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements is included in the following notes:

- Useful lives of property, plant and equipment and intangible assets (Refer 2(c)&(d))
- Valuation of inventories { Refer 2(f) }
- Employee benefits { Refer 2(h) }
- Provisions, contingent liability and contingent assets { Refer 2(I) }
- Sales returns { Refer 2(g) }
- Evaluation of recoverability of deferred tax assets { Refer 2 (i) }

(c) Property, plant and equipment

Recognition and measurement

The items of property, plant and equipment are measured at cost of acquisition or construction less accumulated depreciation and accumulated impairment losses, if any. The cost comprises of its purchase price and other incidental expenses that are directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and other costs directly attributable to bringing the asset to a working condition for its intended use. Subsequent expenditure related to an item of fixed asset is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance.

The cost of replacing part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The costs of repairs and maintenance are recognised in the statement of profit and loss as incurred.

Gains or losses arising from de-recognition of property, plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the Statement of Profit and Loss when the asset is de-recognized.

Intangible Assets

Intangible assets initially recognized at cost and are subsequently carried at cost less accumulated amortisation and accumulated impairment losses. These costs are amortised to profit or loss using the straight line method over their estimated useful lives.

The Company has adopted Policy of reviewing the intangible in the year of recognition for possible returns. In case of the returns are not sustainable the intangible assets could be written off with in a period of 2-3 years. And if sustainable the same would be written off as provided under the applicable standard. Since the Company is required to adopt Ind-As compulsory with effect from 01st April 2018 and it has specifically defined in these forthcoming standards that any such Intangible Assets needs to be reviewed at each balance sheet date for any impairment (if any) whereas existing accounting standards require to amortize such intangibles compulsory within maximum of 5/10 years. Further the management foresee that there would not be any impairment requirement comparing to its carrying value as on 31 march 2022 (even in near future as well) and hence no amortization of intangible asset has been made in the period under report.

Depreciation

Depreciation is recognised on pro-rata basis in the statement of profit and loss on a straight line basis over the estimated useful lives of property, plant and equipment.

Type of Assets	Useful life in years
Building	30 years
Plant and Machineries	15 years
Furniture, Fixtures and Equipments	10 years
Computers	3 years
Vehicles	8 to 10 years
Mobile Phones	5 years

The residual values, useful lives and method of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Advances paid towards the acquisition of property, plant and equipment outstanding at each reporting date is disclosed as capital advances under other non current assets. The cost of property, plant and equipment not ready to use before such date are disclosed under capital work-in-progress. Assets not ready for use are not depreciated.

(d) Impairment of Non Financial Assets

The Management periodically assesses using, external and internal sources, whether there is an indication that an asset may be impaired. An impairment loss is recognized wherever the carrying value of an asset exceeds its recoverable amount. The recoverable amount is higher of the asset's net selling price or value in use, which means the present value of future cash flows expected to arise from the continuing use of the asset and its eventual disposal. An impairment loss for an asset is reversed if, and only if, the reversal can be related objectively to an event occurring after the impairment loss was recognized. The carrying amount of an asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognized for the asset in prior years

Goodwill

CGUs to which goodwill has been allocated are tested for impairment annually or more frequently when there is indication for impairment. If the recoverable amount of a CGU is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit.

Determination of recoverable amount of CGU requires the management to estimate the future cash flows expected to arise and a suitable discount rate in order to calculate the present value. An impairment loss recognised for goodwill is not reversed in subsequent periods.

(e) Investments

Investments, which are readily realisable and intended to be held for not more than a year from the date on which such investments are made, are classified as current investments. All other investments are classified as Non-current investments.

Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis.

Non-current investments are carried at cost. Investments in share of foreign subsidiaries are reported in Indian Currency at the rate of exchange prevailing on the date of transaction. However, provision for diminution in value is made to recognise a decline other than temporary in the value of the investments.

On disposal of an investment, the difference between its carrying cost and net disposal proceeds is charged or credited to the statement of profit and loss.

(f) Inventories

- (i) Raw materials, Packing materials, fuel, stores and spares are valued at lower of cost and net realizable value. Cost includes Purchase Price and other directly attributable costs incidental thereto. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost is determined on a weighted average basis.
- (ii) Work-in-progress and finished goods are valued at lower of cost and net realizable value. Cost includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity. Cost is determined on a weighted average basis.
- (iii) Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.
- (iv) Provision for diminution in value of inventories has been made for expired, obsolete, non-moving and slow-moving inventories as per the management's estimate.

(g) Revenue Recognition

Revenue is recognized to the extent that the economic benefits will flow to the Company and the revenue can be reliably measured regardless of when the payment is being made.

(i) Revenue is measured at fair value of the consideration received or receivable. Revenue from sale of goods includes excise duty and are net of discounts, applicable taxes, rebates and estimated returns.

Revenue from sale of goods is recognized when all the significant risks and rewards of ownership of the goods have been passed to the buyer, usually on delivery of the goods, recoverability of consideration is probable, the amount of revenue and cost incurred or to be incurred in respect of transaction can be measured reliably and there is no continuing managerial involvement over the goods sold.. The company collects GST (01.04.2021 to 31.03.2022) on behalf of the government and, therefore, these are not economic benefits flowing to the company. Hence, they are excluded from revenue.

- (ii) Income from services is recognized when the services are rendered or based on stage of completation.
- (iii) Interest income is accounted on accrual basis at applicable rate.
- (iv) Other incomes are accounted as and when the right to receive arises.

(h) Employees retirement and other benefits

Retirement/ Post retirement Benefits: The Company has not made any provision for gratuity and leave encashment as prescribed by the Indian Accounting Standard (IndAS) – 19 on Employee Benefits. Please refer Note 28.

(i) Income Taxes

Income tax expense comprises current and deferred tax expense. Income tax expenses are recognized in statement of profit and loss, except when they relate to items recognized in other comprehensive income or directly in equity, in which case, income tax expenses are also recognized in other comprehensive income or directly in equity respectively.

Current tax is the tax payable on the taxable profit for the year, using tax rates enacted or substantively enacted by the end of reporting period by the governing taxation laws, and any adjustment to tax payable in respect of previous periods. Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred taxes arising from deductible and taxable temporary differences between the tax base of assets and liabilities and their carrying amount in the financial statements are recognized using substantively enacted tax rates and laws expected to apply to taxable income in the years in which the temporary differences are expected to be received or settled. The deferred tax arising from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction are not recognized.

Deferred tax asset are recognized only to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences can be utilized. The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax assets to be utilized.

In respect of taxable temporary differences associated with investments in subsidiaries, associates and interest in jointly controlled entities, when the timing of reversal of temporary differences can be controlled and it is probable that temporary differences will reverse in foreseeable future.

Deferred tax assets and liabilities are offset when the Company has a legally enforceable right to do the same.

MAT credit is recognized as an asset only when there is convincing evidence that the company will pay normal income tax within specified period. The assets are reviewed at each balance sheet date

(j) Earnings Per Share

Basic earnings per share is computed by dividing the net profit after tax by the weighted average number of equity shares outstanding during the period. Diluted earnings per share is computed by dividing the profit after tax by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equityshares. The number of shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for any share splits and bonus shares issues including for changes effected prior to the approval of the financial statements by the Board of Directors. Basic earnings per share is computed by dividing profit or loss attributable to equity share holders of Group by the weighted average number of equity shares outstanding during the period. Dilutes earnings per share is determined by the adjusting profit or loss attributable to ordinary shareholders and weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares.

(k) Cash and cash equivalents

Cash and cash equivalents consists of cash on hand, short demand deposits and highly liquid investments, that are readily convertible into known amounts of cash and which are subject to an insignificant risk of change in value. Short term means investments with original maturities / holding period of three months or less from the date of investments. Bank overdrafts that are repayable on demand and form an integral part of the Group's cash management are included as a component of cash and cash equivalent for the purpose of statement of cash flow.

(I) Provisions, contingent liabilities and contingent assets

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources for which reliable estimate can be made. The expenses related to provision is presented in P&L net of any reimbursement.

Liabilities which are of a contingent nature are not provided but are disclosed at their estimated amount in the notes forming part of the financial statements. Contingent assets are neither recognized nor disclosed in the financial statements.

Where the company expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognized as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the statement of profit and loss net of any reimbursement.

(m) Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of these assets, until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognised in statement of profit and loss in the period in which they are incurred.

(n) Cash flow statement

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

(o) Operating Cycle and Current/Non-current classification

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

The Company presents assets and liabilities in the balance sheet based on current/non-current classification. An asset is 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.

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.

Notes to the Financial Statements as at March 31, 2024

(Amounts mentioned are in Rupees unless otherwise specifically stated)

As At March, 31					
2024		2023			
No. of shares	Amount	No. of shares	Amount		
60,600,000	303,000,000	60,600,000	303,000,000		
60,600,000	303,000,000	60,600,000	303,000,000		
	As At March,	31			
2024		2023			
No. of shares	Amount	No. of shares	Amount		
54,588,083	272,940,415	54,588,083	272,940,415		
54,588,083	272,940,415	54,588,083	272,940,415		
	No. of shares 60,600,000 60,600,000 2024 No. of shares 54,588,083	2024 No. of shares Amount 60,600,000 303,000,000 60,600,000 303,000,000 As At March, 2024 No. of shares Amount 54,588,083 272,940,415	No. of shares Amount No. of shares 60,600,000 303,000,000 60,600,000 60,600,000 303,000,000 60,600,000 As At March, 31 2023 No. of shares Amount No. of shares 54,588,083 272,940,415 54,588,083		

(a) Reconciliation of the number of shares outstanding at the beginning and at the end of the year

As At March, 31 2024

No. of shares No. of shares **Equity Shares** Amount Amount At the beginning of the year 54,588,083 272,940,415 54,588,083 272,940,415 Add: Issued during the year 54,588,083 Outstanding at the end of the year 54,588,083 272,940,415 272,940,415

(b) Details of Shareholders holding more than 5% equity shares in the company

As At March, 31

2023

Details of Rights Shares Issued*

(c) The details of the shares held by promoters as at March 31, 2024 are as follows :

Promotor Name	No. of Shares	% of Total Shares	% Change during the Year	
VISHAL MULCHANDBHAI GALA	368,907	0.68	47.46	
NEHA VISHAL GALA	-	0.00		
VISHAL M GALA HUF		0.00		
AVANIBEN NIRAV SHAH		0.00		
PINAL DHAVALBHAI TRIVEDI		0.00	0.40	
ILABEN HARESHKUMAR DOSHI	•	0.00		
HARESH NAGINDAS DOSHI		0.00		
PARUL AMIT CHHEDA	220	0.00	2	
Total	369,127	0.68		

Notes to the Financial Statements as at March 31, 2024

(Amounts mentioned are in Rupees unless otherwise specifically stated)

The details of the shares held by promoters as at March 31,2023 are as follows :

Promotor Name	No. of Shares		% Change during the Year	
VISHAL MULCHANDBHAI GALA	26,275,250	48.13	11.22	
NEHA VISHAL GALA		0.00	114	
VISHAL M GALA HUF	<u> </u>	0.00		
AVANIBEN NIRAV SHAH	<u> </u>	0.00		
PINAL DHAVALBHAI TRIVEDI	220,720	0.40		
ILABEN HARESHKUMAR DOSHI		0.00	8=	
HARESH NAGINDAS DOSHI		0.00		
PARUL AMIT CHHEDA	220	0.00	-	
Total	26,496,190	48.54		

(d) Terms / rights attached to equity shares

The Company has only one class of equity shares having a par value of Rs. 5 per share. Each equity shareholder is entitled to one vote per share. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining Assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders

33 Related Party Disclosure

The transactions that has taken place during the year with related parties to be disclosed as required by Indian Accounting Standard - 24 "Related party Disclosures"

Key Management Personnel

Vishal Mulchandbhai Gala Avani Mulchandbhai Gala Neha Vishal Gala Apla Pandya Dhruv Modi Umang Sanjaybhai Selani Vipul Laxmichand Maru Prahladkumar Agarwal Chhayaben Chandulal Mulani Vyomesh Vaishnav

Relative of Key Management Personnel

Navya Papers Plaza Papers Plaza Gala Warehouse Vishal M Gala HUF Alag Brainworks Limited Smile Infrabuild Private Limited

				FY 2023-24	FY 2023-24
Sr. No.	Name of Related Party	Relation	Nature of Transaction	Receipts	Payments
1	Vishal Mulchandbhai Gala	Director	Salary		2,400,000
1	Visital Mulcharidorial Gala	Director	Loan Received/Paid	177,633,892.79	10,749,750
2	2 Avani Mulchandbhai Gala	Director	Salary		
2	Availi Mulchandonai Gala	Director	Loan Received/Paid		8,786.27
2	3 Neha Vishal Gala	Relative of	Salary		
3		Director	Loan Received/Paid	237,000	237,000
	4 Navya Papers Plaza	Firm of relative	Loan Received/Paid	-	
4		of Director	Sales	-	-
			Purchase	-	
5	Papers Plaza	apers Plaza	Purchase of Goods and Services	-	41,753
	-	of Director	Sales	54,248	-
6	Vishal Gala HUF	Relative of	Reimbursement of expense		-
0	o Visnai Gaia HUF	Director	Purchase	-	-
7	Alag Brainworks Limited	Relative of	Reimbursement of expense		
,	Alag Brainworks Limited	Director	Sales		

				FY 2022-23	FY 2022-23
Sr. No.	Name of Related Party	Relation	Nature of Transaction	Receipts	Payments
1	Vishal Mulchandbhai Gala	Director	Salary	-	307,800
-	Visital Widicital Gala	Director	Loan Received/Paid	259,666,650	116,023,843
2	2 Avani Mulchandbhai Gala	Director	Salary		898,200
, -		Director	Loan Received/Paid	8,786	: : : : : : : : : : : : : : : : : : :
3	Neha Vishal Gala	Relative of	Salary	-	421,200
3	Nella Visilai Gala	Director	Loan Received/Paid	493,945	-
	4 Navya Papers Plaza	Firm of relative	Loan Received/Paid	-	-
4		of Director	Sales		-
		OI DIFECTOR	Purchase	-	
5	Papers Plaza	ers Plaza Firm of relative	Purchase of Goods and Services	2,380	120
		of Director	Sales		139,476
6	Vishal Gala HUF	Relative of	Reimbursement of expense		-
U	Visital Gala FIOF	Director	Purchase	-	-
7	Alag Brainworks Limited	Relative of	Reimbursement of expense	-	-
_ ′	ring ordinatorks cliniced	Director	Sales	4,291,056	-



INDEPENDENT AUDITOR'S REPORT

To
The Members of
GALA GLOBAL PRODUCTS LIMITED
[CIN: L29109GJ2010PLC063243]
Ahmedabad

Report on the Audit of the Financial Statements

Qualified Opinion

We have audited the accompanying Financial Statements of GALA GLOBAL PRODUCTS LIMITED (the "Company"), which comprise the Balance Sheet as at March 31, 2023, the Statement Of Profit and Loss, including the Statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and Notes to the Financial Statements, including a summary of Significant Accounting Policies and other Explanatory Information (hereinafter referred to as the "Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, except for the possible effects of the matter described in the Basis for Qualified Opinion section of our report, the aforesaid Financial Statements give the information required by the Companies Act, 2013 (the "Act"), in the manner so required and give a true and fair view in conformity with the accounting standards prescribed under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS"), and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Qualified Opinion

1. Considerable payments made as advances to the supplier can be quantified subject to detailed investigation with the outcome of the future events only. As per the information and explanations provided to us, this matter is sub-judice at present. ECL Provisioning for the same will be done on the basis of a detailed investigation with the outcome of future events only. Only some amounts have been received back on this till the date of 31/03/2023 provided before us. The considerable value of the stock is subject to acceptance by a customer and can be quantified with the outcome of future events only. In light of the above, we are not in a position to quantify the effect on the Profit and Loss accounts and Balance Sheet of the company. Balances of Debtors, Creditors, Security Deposits, explanation.

GSTIN 24AACFH1917R1Z6 | PAN AACFH1917R | FRN 10958



- 2. There is a major amount of stock and it is not possible to value the stock, especially in the light of the obsolescence possibility due to the nature of goods. In light of the above, we are not in a position to quantify the effect on the Profit and Loss accounts and Balance Sheet of the company. Ind AS 2 is not followed.
- 3. Ind AS adjustments are yet to be affected in the books. In light of this, we are not in a position to quantify the effect on the Profit and Loss accounts and Balance Sheet of the company.
- 4. During the year the company had made various transactions with the Director/s and other related parties. We are unable to verify whether such transactions were carried out at arm's length price. With reference to the overall situation of the company, the company is running a current account with the Director/s and section 185 may be attracted, in spite of the fact that the prima-facie, the Director/s account is running in credit, as on 31/03/2023 as per data produced before us.
- 5. As required under Ind As 109, Financial Instruments, the company has not measured the loss allowance with regard to the provision of expected credit loss for a financial instrument. The trade receivables worth Rs. 19.22 crores are overdue for more than 365 days and trade receivables worth Rs. 17.01 crores are overdue for more than 180 days and they are subject to recovery.
- 6. As auditors, we observe the reasonable threat to the going concern status, even though visible efforts are seen to avert the threat.
- 7. As required under Ind AS 108, Operating Segments, the company has not reported the operating segment in respect of various segments. The company has entered into trading of many commodities other than paper like; Agro/ Plantation, Gold, Precious metals, etc.
- 8. The company carries Intangible assets worth Rs. 13 crores which are not amortized and are subject to valuation and we are not in a position to quantify.

We conducted our audit of the Financial Statements in accordance with the Standards on Auditing ('SAs'), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Financial Statements' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Financial Statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion on the Financial Statements.

Emphasis of Matters

- 1. We draw attention to the requirements of Ind AS 19 Employee Benefits have not been complied with. Based on the books of account and as per the explanations given by the management, the Company is in the process of finalization of structure for the employee benefits, and hence, there were no employees who were eligible for the benefits yet. Accordingly, Employee Benefits have not been provided in the financial statements as per the criteria defined by the Company.
- 2. We draw attention to the inability to pay income tax liabilities of Rs. 632 tax pages of tax audit assessment of the company on the earlier due date as well as of till date.

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- 3. The company is required to maintain cost records and required to be audited u/s 148 of the Companies Act, 2013. However, cost records have not been maintained as prescribed, nor the same has been audited as prescribed. Hence, we are unable to review the same.
- 4. Bank loan confirmations in statement form are provided but certification is pending in case of 31/03/2023.
- 5. As required under Section 138 of the Companies Act 2013 read with rule 13 of Companies (Accounts) Rules, 2014, every listed company is required to appoint Internal Auditor. However, the company has not appointed an Internal Auditor.
- 6. The Company has witnessed an en-block change in Directors which may be noted.
- 7. Various compliances of statutory requirements like; company law, PF, TDS, Income tax, etc; are subject to actual compliance as on 31/03/2023.
- 8. Balances of Debtors, Creditors, Security Deposits, etc; are subject to confirmation. Stock valuation are based on management evaluation and not audited.
- 9. Some mandatory disclosures as per Schedule III Division II are not properly presented.

Our opinion is not modified in respect of these matters.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Financial Statements for the financial year ended March 31, 2023. These matters were addressed in the context of our audit of the Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the 'Basis for Qualified Opinion' section, we have determined the matters described below to be the key audit matters to be communicated in our report.

We have fulfilled the responsibilities described in the 'Auditor's responsibilities for the audit of the Financial Statements' section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the Financial Statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying Financial Statements.

Sr. No.	Key Audit Matter	Auditor's Response
1	None	Looking to nature of various modifications already reported in other sections of this report, we believe that our relevant comments are appropriately reported.

Other Matter

- The financial statement for the year ended March 31, 2022 have been audited by the predecessor auditor whose audit report dated May 28, 2022 has expressed unmodified opinion with 'Emphasis Matter' para.
- 2. We draw attention to Note No.: 32 of the financial statements, as regards the management's evaluation of COVID-19's impact on the future performance of the company. To access the recoverability of certain assets, investments, and trade receivables, the company has considered internal and external information up to the date of this report in respect of the current and estimated future global including Indian economic indicators consequent to the global health pandemic. The actual impact of the pandemic may be different from that considered in assessing the recoverability of these assets.

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Management and Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the Financial Statements and our auditor's report thereon.

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

In connection with our audit of the Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Board of Directors for the Financial Statements

The Company's Management and Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Financial Statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Ind AS and the accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the

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preparation and presentation of the Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Financial Statements, the Management and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, make it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work: and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Financial Statements for the financial year ended March 31, 2023, and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

- 1. As required by Section 143(3) of the Act, we report that:
- We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - 2. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - The company's balance sheet and the statement of profit and loss account, Other comprehensive income, Statement of changes in equity and cash flow statements dealt with by this report are in agreement with the books of account.
 - 4. In our opinion, the aforesaid Ind AS financial statements, subject to the matters mentioned in the 'Basis for Qualified Opinion' para above, comply with the Ind AS specified under Section 133 of the Act, read with relevant rules issued there under;
 - 5. On the basis of the written representations received from directors as on March 31, 2023 taken on record by the Board of Directors, none of the directors, is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164(2) of the Act.
 - 6. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".

- 7. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - The Company does not have any pending litigations which would impact its financial position as informed to us except that the company has issue on recovery of advances given.
 - The Company does not have any long-term contracts, including derivative contracts having any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2023.
 - A. The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries except as mentioned above.
 - B. The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries except as mentioned above.
 - C. Based on such audit procedures that we have considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under both sub-clauses mentioned above contain any material mis-statement.

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- iv. The company has not proposed or declared any dividend during the year.
- v. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the company with effect from 1st April, 2023 and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended 31st March, 2023.

- In our opinion, the remuneration paid/provided by the Company for its directors and manager for the year ended March 31, 2023 is in accordance with provision of section 197 read with Schedule V to the Act.
- 2. As required by the Companies (Auditor's Report) Order, 2020 (the 'Order'), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For

H K Shah & Co.,

Chartered Accountants

FRN.: 109583W

K M Shah

Partner M.No.: 014711

Service of U.S.

Place: Ahmedabad

Date: September 11, 2023 UDIN: 23014711BGXGVK2074

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT

Referred to in paragraph 1(f) under 'Report on other legal and regulatory requirements' section of our modified report of even date to the members of GALA GLOBAL PRODUCTS LIMITED

Report On The Internal Financial Controls With Reference To The Standalone Financial Statements Under Section 143(3)(i) Of The Act

We have audited the internal financial controls over financial reporting of the Company as of March 31, 2023 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Qualified Opinion

In our opinion, to the best of our information and according to the explanations given to us, except for the possible effects of the matter described in the Basis for Qualified Opinion section of our report, the Company has, in all material respects, an adequate internal financial controls system over financial reporting with reference to the standalone financial statements and such internal financial controls over financial reporting were operating effectively as at March 31, 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

Basis for Qualified Opinion

1. The company is in the process of outsourcing its internal audit process. Currently, there are no formal reports prepared by the review team, which suggests a lack of effective operation of system of internal controls over financial reporting during the year.

Management's Responsibility For Internal Financial Controls

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

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls. C&AG No WRO 510

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over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning Of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations Of Internal Financial Controls Over Financial Reporting

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

For

H K Shah & Co.,

Chartered Accountants

FRN.: 109583W

K M Shah Partner

M.No.: 014711

Place: Ahmedabad

Date: September 11, 2023 UDIN: 23014711BGXGVK2074

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 on Report on Other Legal and Regulatory Requirements of our report of even date)

- (i) (a) A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property plant and equipment.
 - B) The Company has maintained proper records showing full particulars of intangible assets as disclosed in books of accounts.
 - (b) Property Plant and Equipment have been physically verified by the management during the year in accordance with a planned programme of verifying them over the period of three years which in our opinion is reasonable having regard to size of the company and nature of its assets and according to the information and explanation given to us, no material discrepancies were identified on such verification.
 - (c) According to the information and explanation given to us and on the basis of our examination of the records, property tax receipt, etc., the title deeds of immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in note to the financial statements under Property, Plant and equipment are held in the name of the company as at the balance sheet date.
 - (d) The Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets during the year and accordingly reporting under Clause 3 (i)(d) of the order is not applicable.
 - (e) According to the information and explanation given to us and on the basis of our examination of the records of the Company, no proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- (ii) (a) The inventory has been physically verified by the management during the year except for goods in transit and inventories lying with third parties. In our opinion, the frequency of verification by the management is reasonable. No discrepancies of 10% or more in aggregate for each class of inventory were noticed on such physical verification as confirmed by the management. Please refer our qualification in this regard.
 - (b) The Company has been sanctioned working capital limits in excess of Rs. five crores in aggregate from banks during the year on the basis of security of current assets of the Company. We have not been provided with details of the quarterly returns/statements filed by the Company with such banks. Hence, we are unable to report under these clauses.
- (iii) In our opinion according to the information and explanation given to us, during the previous year, the Company has provided advances to suppliers in the nature of business for the purpose of tender which constitutes a large exposure of the company. The company has not provided any security to any other entity and there were no investments made, guarantees provided.

- (iv) In our opinion and according to the information and explanations given to us, We have not been provided with compliance document with respect to section 185 and 186 of the Act, hence we are not able report under this clause.
- (v) According to the information and explanations given to us, the Company has not accepted any deposits or amounts which are deemed deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the Rules framed there under. Accordingly reporting under Clause 3 (v) of the order is not applicable.
- (vi) We have broadly reviewed the regular books of account maintained by the Company, however, the Company has not maintained records pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013, related to the manufacture of paper products, and are of the opinion that prima facie, the specified accounts and records have not been made and maintained. We have not made a detailed examination of the same.
- (vii) According to the information and explanations given to us and on the basis of examination of books of account of the Company, in our opinion:
 - (a) The Company is generally not regular in depositing with appropriate authorities undisputed statutory dues like income tax liabilities of previous year including Provident Fund, and other material statutory dues applicable to it. Undisputed amounts payable in respect of aforesaid statutory dues outstanding as at 31 March 2023 for a period of more than six months from the date they became payable are as follows as informed to us.

					(R	s. In Lakhs)
Sr. No.	Name of the Statute	Nature of the Dues	Amount (Rs.)	Period to which the amount relates	Due Date	Date of Payment
1.	Income Tax	Income Tax	61.10	2020-21	Information not available	-
2.	Income Tax	TDS Payable	2.10	Various period	Information not available	-

- (b) There are no any statutory dues, as referred above, which have not been deposited on account of any dispute. However, there are outstanding demand from income tax department of Rs. 104.64 Lakhs in respect of various assessment years.
- (viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income-tax Act, 1961 as income during the year.

- (ix) According to the information and explanations given to us:
 - (a) The company has not made any defaults in repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year up to March 2023. Those after March 31, 2023 are not regular.
 - (b) The company has not been declared willful defaulter by the bank or financial institution or other Lender, as informed to us.
 - (c) The company had applied term loans for the purpose for which the loans were obtained except as mentioned in clause (iii).
 - (d) The company has not utilized the funds raised for short term basis for long term purpose except as mentioned in clause (iii).
 - (e) The company does not have any subsidiary, associate or joint venture and accordingly reporting under clause 3(ix)(e) is not applicable.
 - (f) The company does not have any subsidiary, associate or joint venture and accordingly reporting under clause 3(ix)(f) is not applicable.
- (x) (a) The company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, reporting under clause 3(x)(a) of the Order is not applicable.
 - (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, reporting under clause 3(x)(b) of the Order is not applicable.
- (xi) (a) According to the information and explanations given to us, no fraud is noticed or reported during the year except as mentioned in clause (xi)(b) below.
 - (b) A report under sub-section (12) of section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government on August 28th, 2023.
 - (c) As informed to us by the management, there are no whistle blower complaints received by the company during the year.
- (xii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company is not a Nidhi Company. Accordingly, reporting under clause 3 (xii) of the Order is not applicable to the Company.
- (xiii) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, We are not provided with details required to ensure that all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act where applicable and the details have been disclosed in the financial statements as required by the applicable accounting standards. Hence, we are an applicable accounting standards.

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(xiv) In our opinion:

- (a) The company does not have an internal audit system commensurate with the size and nature of its business.
- (b) The Company is in the process of outsourcing its internal audit process. Currently, there are no formal reports prepared for review and our consideration, as informed to us.
- (xv) In our opinion and according to the information and explanations given to us, the company has not entered into any non-cash transactions with directors or persons connected with him.

(xvi) In our opinion,

- (a) The Company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) of the Order is not applicable.
- (b) According to information and explanation given to us, the company has not conducted any Non-Banking Financial or Housing finance activities without obtained a valid certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.
- (d) The Group does not have not more than one CIC as part of the Group. Accordingly, the requirements of clause 3(xvi)(d) are not applicable.
- (xvii) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, The Company has not incurred cash losses in current financial year or in immediately preceding financial year, subject to qualifications reported.
- (xviii) According to the information and explanations given to us and on the basis of our examination of records of the Company, there has been resignation of statutory auditor during the year. and we have taken into consideration the issues, objections and concerns raised by the outgoing auditor. However, we have not been able to get details of "Online non skill gaming matter" mentioned in ADT-3, with a strong rebuttal of "Advance given for tender" to one "Unique Enterprise" in which recovery have staggered and are delayed. Only part payment has come. We are informed that further recovery are expected.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, we invite your attention to point no. 6 of the 'Basis of Qualified Opinion' para of this report, which causes us to believe about a material uncertainty as mentioned in clause (iii) of this Annexure, exists as on the date of the audit report that the Company is not capable of meeting its liabilities, existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet at the payment of
- (xx) In our opinion and according to the information and explanations given to us, the Company is not required to spent any amount towards the Corporate Social Responsibility as per Section 135 of the Companies Act, 2013. Accordingly, clause 3(xx) of the Order is not applicable.
- (xxi) The company is not required to prepare consolidated financial statement. Accordingly, clause 3(xxi) of the order is not applicable.

For

H K Shah & Co.,

Chartered Accountants

FRN.: 109583W

K M Shah

Partner

M.No.: 014711

Place: Ahmedabad

Date: September 11, 2023 UDIN: 23014711BGXGVK2074

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Gala Global Products Limited (Amounts mentioned are in Rupees unless otherwise specifically stated) As at March 31 **Particulars** 2022 2023 Notes ASSETS Non-current assets 13,915,253 19,318,369 3 Property, plant and equipment 130,000,000 130,000,000 Intangible Assets Financial assets 9,013,005 Other Financial Asset 1,481,989 991,321 Deferred Tax Asset (Net) 159,813,363 144,906,574 Current assets 7 184,410,580 170,124,830 Inventories Financial assets Trade receivables 8 791,809,692 353,001,620 178,200,000 Loans and Advances 9 36,245 8,229,067 Cash and cash equivalents 10 25,559,920 8,015,295 Others financial assets 5 13,876,062 14,075,671 Other Current Assets 11 1,015,692,499 731,646,483 891,459,846 1,160,599,073 TOTAL ASSETS **EQUITIES AND LIABILITIES** Equity 272,940,415 272,940,415 **Equity Share Capital** 12 Other equity 12 150,231,258 149,670,766 LIABILITIES 423,171,673 422,611,181 Non-current liabilities Financial liabilities 220,288,898 Borrowings 13 3,735,561 220,288,898 3,735,561 **Current Liabilities** Financial liabilities 13 22,875,000 157,479,258 Borrowings Trade payables 457,785,190 275,899,948 14 31,891,086 Others 81,600 15 31,652,298 Other current liabilities 16 4,587,147 517,138,423 465,113,104 TOTAL EQUITIES AND LIABILITIES 1,160,599,073 891,459,846 Summary of significant accounting policies 2 The accompanying notes form an integral part of these standalone financial statements As per our modified report of even date For For and on behalf of the H K Shah & Co., **Board of Directors of Chartered Accountants Gala Global Products Limited** FRN.: 109583W CIN: L29109GJ2010PLC063243 FRN 109583/W C&AG No. WRO/510 RBI UCN. 122900 2 K M Shah hladkumar Agarwal navaben Mulani MEF NO. 04060 AHMEDABAD Partner anaging Director Director Company Secretary ARTERED ACCOUNT M.No.: 014711 DIN No: 09851691 DIN No: 07013011 PAN No: ERMPM5952E Place: Ahmedabad PROD

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Date: 11/09/2023

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Gala Global Products Limited Statement of Profit and Loss for the year ended March 31, 2023 (Amounts mentioned are in Rupees unless otherwise specifically stated) Year ended on March 31 **Particulars** 2023 2022 Notes Revenue: 844,819,236 1,033,860,807 Sale of products 17 844,819,236 1,033,860,807 Revenue from operations 18 2,278,284 3,697,503 Other income Total revenue 847,097,521 1,037,558,310 Expenses: 877,900,662 909,785,720 19 Cost of materials consumed (68,011,420) 40,454,605 Changes in inventories of finished goods 20 Employee benefits expenses 21 6,463,748 17,390,338 22 16,154,293 11,303,291 Finance costs 3,027,091 3 2,377,087 Depreciation and amortisation expenses 38,233,937 Other expenses 23 11,433,644 846,318,015 1,020,194,983 **Total expenses** 779,506 17,363,327 Profit before tax Tax expenses: 3,978,656 Current tax 490,688 274,862 Deferred tax charge / (credit) 288,818 13,109,809 Net Profit for the year (A) OTHER COMPREHENSIVE INCOME Total other comprehensive income for the year (A) + (D) 288,818 13,109,809 Earning per share Basic and Diluted(in Rs.) 24 0.01 0.24 [Nominal value of equity per share of Rs. 5] Summary of significant accounting policies The accompanying notes form an integral part of these standalone financial statements

As per our modified report of even date

*

FRN 109583 W No. WRO/510

RBI UCN. 122900

MEF No. 04060 AHMEDABAD

For

H K Shah & Co., **Chartered Accountants**

FRN.: 109583W

K M Shah Partner M.No.: 014711

ARTERED AC Place: Ahmedabad Date: 11/09/2023

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

Gala Global Products Limited CIN: L29109GJ2010PLC063243

relliced to Agressal Prahladkumar Agarwal

Managing Director

Director

Chhavaben Mulani **Company Secretary**

DIN No: 09851691

DIN No: 07013011

PAN No: ERMPM5952E

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Gala Global Products Limited Cash Flow Statement for the period ended March 31, 2023 (Amounts mentioned are in Rupees unless otherwise specifically stated) Year ended March 31 2023 2022 CASH FLOWS FROM OPERATING ACTIVITIES **Profit Before Tax** 779,506 17,363,327 Adjustments for: Depreciation and amortisation expense 2,377,087 3,027,091 Profit on Sale of property, plant and equipment, net (1,356,016)Finance income (446, 237)(1,331,968)16,154,293 Finance cost 9,904,751 17,508,632 28,963,201 Operating Profit before working capital changes Adjustments for (increase) / decrease of assets: Trade Receivables (438,808,072)(168,770,112)Inventories (14,285,750)9,257,500 Increase/Decrease in Loans and Advances (178,200,000)Other Current financial assets 9,013,005 17,157,608 Other Current assets (9,996,017)(16,040,076)Adjustments for increase / (decrease) of liabilities: Other Provisions 4,750 Trade Payables 360,081,240 122,318,302 Other Current Liabilities 4,744,335 15,211,283 Cash generated from Operations (71,742,626)(170,097,543)Taxes paid, net NET CASH GENERATED FROM OPERATING ACTIVITIES (71,742,626)(170,097,543)CASH FLOWS FROM INVESTING ACTIVITIES Purchase of tangible and intangible assets including CWIP 137,955 (672,390)Proceeds from sale of property, plant and equipment 4,520,702 (1,136,698)Bank Balances not considered as Cash and Cash Equivalents 446,237 1,331,968 Interest received NET CASH FLOW (USED IN) INVESTING ACTIVITIES 5,104,894 (477,120)CASH FLOWS FROM FINANCING ACTIVITIES Proceeds/(Repayments) from short-term borrowings (134,604,258)127,105,530 Proceeds/(Repayments) from long-term borrowings 216,553,337 (8,914,025)(9,904,751)Finance cost (16,154,293)NET CASH FLOWS GENERATED FROM/(USED IN) FINANCING ACTIVITIES 65,794,786 108,286,753 EXCHANGE DIFFERENCE ARRISING ON CONVERSION OF FOREIGN SUBSIDIARIES (62,287,910)NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS (842,946)879,191 30,866,235 Cash and cash equivalents at the beginning of the year 36,245 -31,421,677 Cash and cash equivalents at the end of the year Components of Cash and Cash Equivalents for cash flow: 21.258 632.567 Cash on hand 14,986 246,624 Balance with banks Bank Deposits having maturity of less than 3 Months 36,245 879,191 Less: Bank overdraft (Refer note 22) Net Cash and Cash Equivalents 36,245 879,191

* SHAH & CO
FRN 109583/W
C&AG NO. WRO/510
RBI UCN. 122900
MEF NO. 04060
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As per our report of even date attached

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The above cashflow has been prepared under the "Indirect Method" as set out in Indian Accounting Standard 7(Ind AS 7) on Cashflow Statements.

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Gala Global Products Limited (Amounts mentioned are in Rupees unless otherwise specifically stated) STATEMENT OF CHANGES IN EQUITY (A) EQUITY SHARE CAPITAL As at March 31 **Particulars** 2023 Balance as at April 1, 2022 272,940,415 272,940,415 Changes during the year Balance as at March 31, 2023 272,940,415 272,940,415 (B) OTHER EQUITY Security premium **Particulars** Retained earnings Total account Balance as at April 1, 2021 34,042,325 102,518,632 93,651,626 ofit for the year 13,109,809 13,109,809 115,628,441 106,761,435 Balance as at March 31, 2022 34,042,325 Balance as at April 1, 2022 34,042,325 115,628,441 106,761,435 Profit for the year 288,818 288,818 115,917,258 107,050,253 Balance as at March 31, 2023 34,042,325 Security premium **Particulars** Retained earnings Total account Balance as at April 1, 2020 34,042,325 79,304,678 113,347,003 Profit for the year 23,213,953 23,213,953 Balance as at March 31, 2021 34,042,325 102,518,632 136,560,957 Balance as at April 1, 2021 34,042,325 102,518,632 136,560,957 13,109,809 fit for the year 13,109,809 Balance as at March 31, 2022 34,042,325 115,628,441 149,670,766 As per our modified report of even date For For and on behalf of the H K Shah & Co., Board of Directors of **Chartered Accountants Gala Global Products Limited** FRN.: 109583W CIN: L29109GJ2010PLC063243 och kid C Agracal RBI UCN. 122900 Prahladkumar Agarwal K M Shah MEF No. 04060 Chhayaben Mulani Partner **Managing Director** Director **Company Secretary** M.No.: 014711 DIN No: 09851691 DIN No: 07013011 PAN No: ERMPM5952E Place: Ahmedabad Date: 11/09/2023

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Notes to the Financial Statements as at March 31, 2023

(Amounts mentioned are in Rupees unless otherwise specifically stated)

3. Property, plant and equipment

Particulars	Factory Building	Plant and Machinery	Office Equipment	Computers	Furniture and Fixtures	Vehicles	Total
As at March 2022	11,338,152	66,072,887	1,392,364	489,303	654,014	6,259,244	86,205,964
Additions			132,955		5,000		137,955
Disposals	(3,604,000)	(5,111,457)				(1,604,267)	(10,319,724)
As at March 2023	7,734,152	60,961,430	1,525,319	489,303	659,014	4,654,977	76,024,195
Depreciation and impairment:	v						
As at March 2022	5,508,233	53,480,398	1,108,993	449,658	641,539	5,699,322	66,888,143
Depreciation for the year	221,341.57	1,889,209.00	109,970.81	14,695.17	28,014.00	113,855.13	2,377,086
Impairment for the Year						-	
On disposals	(1,472,300.00)	(4,159,385)			-	(1,524,054.00)	(7,155,739)
As at March 2023	4,257,275	51,210,222	1,218,964	464,353	669,553	4,289,124	62,109,490
Net Block excluding CWIP:							
As at March 31, 2022	5,829,919	12,592,489.49	283,372	39,645	12,475	559,922	19,318,369
As at March 31, 2023	3,476,876.63	9,751,208.49	306,355.86	24,949.62	(10,539.4)	365,853	13,915,253
	3,515,221.39	10001595.88	353,948.43	18750.09	14798.7		

4. Intangible assets *				
Particulars	Goodwill (Refer note below)	Technical Knowhow	Total	
Gross Block:			10/22 1	
As at March 2022	90,000,000	40,000,000	130,000,000	
Additions Disposals	-			
As at March 2023	90,000,000	40,000,000	130,000,000	
Total	90,000,000	40,000,000	130,000,000	
Amortisation and impairment:				
As at March 2022	-		-	
Amortisation / impairment for the year On disposals	-			
As at March 2023	-			
Net Block excluding intangible Assets under development :				
s at March 31, 2022	90,000,000	40,000,000	130,000,000	
As at March 31, 2023	90,000,000	40,000,000	130,000,000	

*Intangible assets are tested for impairment annually and management believes that any reasonable possible change in any assumptions would not cause the carrying amount to exceed its recoverable amount.

3. Property, plant and equipment

3. Property, plant and equipment	A CHARLEST OF THE RESTRICT			-			
Particulars	Factory Building	Plant and Machinery	Office Equipment	Computers	Furniture and Fixtures	Vehicles	Total
As at March 2021	11,288,152	65,686,327	1,185,413	489,303	625,135	6,259,244	85,533,574
Additions Disposals	50,000	386,560	206,951		28,879		672,390
As at March 2022	11,338,152	66,072,887	1,392,364	489,303	654,014	6,259,244	86,205,964
Depreciation and impairment:							
As at March 2021	5,265,742	51,042,277	997,925	421,445	614,228	5,519,435	63,861,112
Depreciation for the year	242,491.47	2,438,120.96	111,067.47	28,213.00	27,311.00	179,887.37	3,027,091
Impairment for the Year					-	-	- 1
On disposals				080	DUA .	-	
As at March 2022	A L5,508,233	53,480,398	1,108,993	149,658	6AL 539	5,699,322	66,888,203

FRN 109583/W
C&AG No. WRO/510
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Gala Global Products Limited

Notes to the Financial Statements as at March 31, 2023

(Amounts mentioned are in Rupees unless otherwise specifically stated) OTHER FINANCIAL ASSETS Non-current Current As at March 31 As at March 31 2023 2022 2023 2022 Security Deposites 1,213,218 458,338 709,270 Tender EMD 1.058.800 5.014.000 11.182.454 Tender Security Deposites 6,740,987 5,679,299 3,473,447 Other Advances 14,086,661 Balance with Statutory Authorities Interest/Subsidies Receivable 321,622 Loan to Employees Tender EMD having Maturity Less than 3 Months (7,349,876) Tender Security Deposits having Maturity Less than 3 Months 9,013,005 25,559,920 8,015,295 6 DEFERRED TAX ASSET/LIABILITIES (NET) As at March 31 As at March 31 2023 2022 Deferred tax asset/liabilities(Net) Excess of Net Block over Written Down Value as per Provision of Income Tax Act Excess of Written Down Value over Net Block as per Provision of Income Tax Act 991,321 1,481,989 Net deferred tax Asset/(Liabilities) 1,481,989 7 INVENTORIES As at March 31 As at March 31 2023 2022 [Valued at lower of cost and net realisable value] Finished goods (Certified by Management) 184,410,580 Total 184,410,580 170,124,830 * As per Company's management, it is not possible to give the details of inventories of Work-in-Progress as the Company uses the same materials for different kinds of products and hence, the same is difficult to bifurcate at any point of time given. 8 TRADE RECEIVABLES As at March 31 As at March 31 2023 2022 Considered good 791,809,692 353,001,620 Total 791,809,692 353,001,620 The trade receivables ageing schedule for the years ended as on March 31, 2023 and March 31, 2022 is as follows: As at 31st March, 2023 Outstanding for following periods from due date of payment Particulars Not Due Less than Less than 1 year 1-2 years 2-3 years More than 3 years 6 months Undisputed trade receivables - considered good Undisputed trade receivables - credit impaired Disputed trade receivables - considered good Disputed trade receivables - credit impaired 791,809,692 Notes: Details of aging were not available for current year. As at 31st March, 2022 Outstanding for following periods from due date of payment Particulars Not Due Less than Less than 1 year 1-2 years 2-3 years More than 3 years Undisputed trade receivables - considered good 17.101.501 313.192.630 15 383 254 1 494 079 5.830.156 353.001.620 Undisputed trade receivables - credit impaired Disputed trade receivables - considered good Disputed trade receivables - credit impaired 17.101.501 313,192,630 15,383,254 1,494,079 5,830,156 353,001,620 Total





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ala Global Products Limited otes to the Financial Statements as at March 31, 2023				
nounts mentioned are in Rupees unless otherwise specifically stated)				
LOAN AND ADVANCES	Non-	current	Curr	ent
		March 31	As at M	
	2023	2022	2023	2022
Unsecured, considered good	-	-	-	178,200,0 178,200,0
CASH AND CASH EQUIVALENTS			As at March 31 2023	As at March 31 2022
Balances with schedule banks:				
In Current Account			14,986	246,6
On Deposit Account (having maturity less than 3 months) Cash on hand			21,258	7,349,8 632,5
Total			36,245	8,229,0
OTHER CURRENT ASSET				
			As at March 31 2023	As at March 31 2022
Balance with Statutory Authorities			-	12,118,5
Interest Receivables				
Other Current Assets Loan to Staff				55.0
Tax Collect at Source Receivable			772,633	55,8 1,542.8
Other Advances			13,103,429	358,3
		1112	13,876,062	14,075,6
OTHER EQUITY			As at March 31	As at March 31
			2023	2022
Security Premium A/c Balance as per last financial statements			34,042,325	34,042,3
Closing Balance			34,042,325	34,042,3
			The same of the sa	
Surplus in the statement of profit and loss Balance as per last financial statements			115,628,441	102,518,6
Other Adjustment			271,674	102,010,0
Profit for the year			288,818	13,109,8
Net surplus in the statement of profit and loss			116,188,933	115,628,4
			150,231,258	149,670,7
FINANCIAL LIABILITIES				
3 BORROWINGS	As at 1st April	Current As at March 31	As at March 31	As at March 31
정보에게 되었다면 바라 되었다면 그 그리는 그리지? 그는	2023	2022	2023	2022
Term Loans	5,787,350	3,735,561	22,875,000	30,134,8
Other Loans Cash Credit	151,753,935 62,747,613			
	220,288,898	3,735,561	22,875,000	30,134,8
The above amount includes:				
Secured borrowings		3,735,561	22,875,000	30,134,8
Unsecured borrowings Amount disclosed under the head "Short Term Borrowing" (refer note 18)		-3,735,561	-22,875,000	-30,134,8
Net amount		0	0	30,100,10
SHORT-TERM BORROWINGS			As at March 31	As at March 31
			2023	2022
From Bank				157,479,2
Cash Credit				20.,775,6
Cash Credit				
Cash Credit The above amount includes Secured borrowings				157,479,2





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Gala Global Products Limited Notes to the Financial Statements as at March 31, 2023 (Amounts mentioned are in Rupees unless otherwise sp specifically stated) 14 TRADE PAYABLES As at March 31 As at March 31 **2023** 457,785,190 **2022** 275,899,948 Trade payables 457,785,190 275,899,948 *Include dues to subsidiary Trade payables ageing schedule for the years ended as on March 31, 2023 and March 31, 2022 is as follows Particulars Not due Outstanding for following periods from due date of Particulars Not Due payment Total Less than 1 year 1-2 years 2-3 years More than 3 years March 31, 2023 Outstanding Dues to MSME 457,785,190 Note: Details of ageing were not available for current year March 31, 2022 Outstanding Dues to MSME Others 32,441,077 207.744.219 34.472.278 1,242,374 275,899,948 32,441,077 Total 207.744.219 1,242,374 275,899,948 Particulars Not due Outstanding for following periods from due date of Particulars Not Due payment Less than 1 year 1-2 years 2-3 years More than 3 years March 31,2022 Outstanding Dues to MSME Others 32,441,077,00 207.744.219.19 34.472.277.50 1,242,374.00 275,899,947.69 Total 32,441,077.00 207,744,219.19 34,472,277.50 1,242,374.00 275,899,947.69 March 31,2021 Outstanding Dues to MSME Others 5,262,450.45 145,252,234.20 1,816,740.00 1,250,221.00 153,581,645.65 Total 5,262,450.45 145,252,234.20 1,816,740.00 1.250,221.00 153.581.645.65 15 OTHERS As at March 31 As at March 31 **2023** 31,891,086 **2022** 81,600 Total 31,891,086 81,600 As at March 31 As at March 31 16 OTHER CURRENT LIABILITIES 2023 2022 Statutory Liabilities Payable 781,212 4,587,147 Other Liabilities Current Maturitries of Long Term Borrowings 30,134,804 Advance from Customer Salary Payable 4,587,147 31,652,298





Notes to the Financial Statements as at March 31, 2023

(Amounts mentioned are in Rupees unless otherwise specifically stated)

17 REVENUE FROM OPERATIONS

Sale of Products Finished Goods

Revenue from operations (Gross)

18 OTHER INCOME

Interest Income on Deposites Other Interest Income Rent Income Other Misc. Income

19 COST OF MATERIALS CONSUMED

Inventory at the beginning of the year Pursuant to the Scheme of Amalgamation Add: Purchases

Less: Inventory at the end of the year

20 CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGESS AND STOCK IN TRADE

Inventory at the end of the Year

Finished goods

Inventory at the beginning of the Year

Finished goods

Year ended or	
2023	2022
844,819,236	1,033,860,807
844,819,236	1,033,860,807
Year ended or	n March 31
2023	2022
446,237	1,331,968
-	
288,000	720,000
1,544,047.26	1,645,535
2,278,284	3,697,503
Year ended or	n March 31
2023	2022
127,170,104	95,972,999
824,174,992	940,982,825
951,345,096	1,036,955,824
73,444,434	127,170,104
877,900,662	909,785,720
Year ended or	
2023	2022
42,954,726	42,954,726
42,954,726	42,954,726
110,966,146	83,409,331
110,966,146	83,409,331
The second secon	
(68,011,420)	40,454,605





Notes to the Financial Statements as at March 31, 2023 (Amounts mentioned are in Rupees unless otherwise specifically stated) 21 EMPLOYEE BENEFIT EXPENSES			
다시 [8] (2) (2) (2) (2) (2) (3) (3) (3) (4) (4) (4) (4) (4) (4) (4) (4) (4) (5) (5) (6) (6) (6) (6) (6) (6) (6) (6) (6) (6			
21 EMPLOYEE BENEFIT EXPENSES	_		
한 10 TO 10		Year ended on	
	_	2023	2022
Salaries, wages and bonus		3,239,827	11,188,13
Contribution to provident and other fund		473,921	802,20
Directors Remunaration	_	2,750,000	5,400,00
		6,463,748	17,390,33
	_		
22 FINANCE COSTS		Year ended on	
	_	2023	2022
Interest Expenses		16,154,293	9,904,75
Finance charges			1,398,54
	-	16,154,293	11,303,29
23 OTHER EXPENSES		Year ended on	March 31
		2023	2022
Manufacturing Expenses	** A	2,231,599	6,905,49
Power and Fuel		717,668	1,003,50
Rent Expense		36,000	77,60
Legal & Professional Fee		1,938,571	3,103,79
Security Expense		170,400	
Audit fees		370,000	219,00
Audit fee expenses		338,000	
Testing Expenses		90,659	293,31
Bad Debts		58,914	13,07
Insurance Expense		478,225	287,94
Internet & Telephone		84,080	92,39
Office and Miscellaneous		460,490	1,523,13
Rates and Taxes		159,096	1,920,32
ROC Filling Fees		40,833	
Freight Expense		1,648,310	13,259,28
Repair To Building		160,555	1,316,68
Repair To Machinery		(26,781)	582,35
Sales Promotion Exp		2	22,20
Designing Expense		83,300	-
Conveyance Expense		35,596	
Stationary , Printing and		443,832	2,156,93
Tender Fees & tender Sample		(77,293)	1,091,88
Traveling & Transporation Exps		514,031	2,390,87
Vehicle Expenses		268,070	
Loss on sale of Fixed asset		102,071	
Advertisement & Business		42,290	116,50
Donation Exps		31,600	8,20
Other Expense		18,969	
Processing Fees		368,213	1,840,43
Finance Charges		201,807	
Interest Expense		344,326	
		100,212	2.4
Electric Fitting Expenses		-	
Electric Fitting Expenses Rent Expense			
		-	9,00
Rent Expense		11,433,644	38,233,93
Rent Expense Impairment of Asset	_	22,733,077	
Rent Expense Impairment of Asset Trade Mark Exps	=		Manah 24
Rent Expense Impairment of Asset Trade Mark Exps	=	Year ended on	
Rent Expense Impairment of Asset Trade Mark Exps 24 EARNINGS PER SHARE (EPS)		Year ended on 2023	2022
Rent Expense Impairment of Asset Trade Mark Exps 24 EARNINGS PER SHARE (EPS) Net Profit as per statement of profit and loss	Rs.	Year ended on 2023 288,818	2022 13,109,80
Rent Expense Impairment of Asset Trade Mark Exps 24 EARNINGS PER SHARE (EPS) Net Profit as per statement of profit and loss Opening number of equity shares	Nos.	Year ended on 2023 288,818 54,693,738	2022 13,109,80 54,693,73
Rent Expense Impairment of Asset Trade Mark Exps 24 EARNINGS PER SHARE (EPS) Net Profit as per statement of profit and loss Opening number of equity shares Weighted average number of equity shares in calculating basic EPS	Nos.	Year ended on 2023 288,818 54,693,738 54,693,738	2022 13,109,80 54,693,73 54,693,73
Rent Expense Impairment of Asset Trade Mark Exps 24 EARNINGS PER SHARE (EPS) Net Profit as per statement of profit and loss Opening number of equity shares	Nos.	Year ended on 2023 288,818 54,693,738	
Rent Expense Impairment of Asset Trade Mark Exps 24 EARNINGS PER SHARE (EPS) Net Profit as per statement of profit and loss Opening number of equity shares Weighted average number of equity shares in calculating basic EPS Weighted average number of equity shares in calculating diluted EPS	Nos. Nos. Nos.	Year ended on 2023 288,818 54,693,738 54,693,738 54,693,738	2022 13,109,80 54,693,73 54,693,73
Rent Expense Impairment of Asset Trade Mark Exps 24 EARNINGS PER SHARE (EPS) Net Profit as per statement of profit and loss Opening number of equity shares Weighted average number of equity shares in calculating basic EPS	Nos.	Year ended on 2023 288,818 54,693,738 54,693,738	2022 13,109, 54,693, 54,693,





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Notes to the Financial Statements as at March 31, 2023

(Amounts mentioned are in Rupees unless otherwise specifically stated)

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The requirements of Ind AS-19 - Employee Benefits have not been complied with to the full extent. The Company is in the process of Finalization of structure for the employee benefits and hence, there were no employees who were eligible for the benefits yet. Accordingly, Employee Benefits have not been provided in the financial statement.

- The Company is inabled to pay Income Tax Liabilities of Rs. 63.2 lakhs based on Tax Audit Assessment of the Company on the due date as well as till date, due to delay in receipt of receivables/advance to one party only, where company has high exposure in total, which causes significant impact on the liquidity of the Company and going concern in future.
- The Company is required to maintain cost records and required to be audited u/s 148 of the Companies Act, 2013. However, cost records have not been maintained as prescribed, nor the same has been audited as prescribed.
- During the current year, the managerial remuneration (based only on fixed component of salary) paid by the Company to its Chairman and Managing Director is in excess of the limits laid down under Section 197 read with Schedule V of the Companies Act, 2013.

 The Company has obtained approval from its shareholders at the Annual General Meeting for such excess remuneration paid.

29 EVENT OCCURRED AFTER BALANCE SHEET DATE

The Company evaluates events and transactions that occur subsequent to the Balance Sheet date prior to the approval of the financial statements to determine the necessity for recognition and/or reporting of any of these events and transactions in the Financial Statements. As of 08/09/2023, there was no subsequent event to be recognized or reported that are not already disclosed elsewhere in these Financial Statements.

- 30 Confirmations for loans and Advances/inventories has not been received.
- 31 Previous Years' figures have been regrouped/reclassified whereever necessary to confirm to Current years' classification / disclosure.

The outbreak of COVID-19 pandemic globally and in India has severely impacted businesses and economies. There has been disruption to regular business operations due to the measures taken to curb the impact of the pandemic. The Company's manufacturing operations have been partially functional during the lockdown. All the operations of the Company have resumed post lifting of lockdown. As per the current assessment of the situation based on the Internal and external information available up to the date of approval of these financial results by the Board of Directors, the Company believes that the Impact of Covid-19 on its business, assets, internal financial controls, profitability and liquidity, both present and future, would be limited and there is no indication of any material impact on the carrying amounts of Inventories, trade receivables, Investments and other financial assets.





Particulars	Numerator	Denominator	As at March 31	As at March 31	% change	9
			2023	2022	% Cilquige	reasons for changes
Current ratio	Current Asset	Current Liabilities	1.96	1.93	-3%	
Debt – Equity ratio	Total debt (represents lease liabilities)	Shareholder's equity	0.57	0.38	-19%	
Debt service coverage ratio	Earnings available for debt service	Debt service	0.20	0.15	-5%	
Return on Equity (ROE)	Net profits after taxes	Average shareholder's equity	0.00	0.03	3%	
Inventory Turnover Ratio	5903	Average Inventory	4.95	5.45	%05	Decline in bussiness
Trade receivables turnover ratio	Revenue	Average trade receivable	1.48	3.85	237%	Decline in bussiness
Trade payables turnover ratio	Purchases of services and other expenses	Average trade payables	2.21	7.49	278%	Decline in bussiness
Net capital turnover ratio	Revenue	Working capital	1.69	3.88	219%	Decline in bussiness
Net profit ratio	Net profit	Revenue	%0	1%	1%	
Return on Capital Employed (ROCE)	Earning before interest and taxes	Capital employed	3%	%9	3%	
Unquoted	Income generated from investments	Time weighted average investments			%0	
Quoted	Income generated from investments	Time weighted average investments			%0	





Notes to the Financial Statements as at March 31, 2023

(Amounts mentioned are in Rupees unless otherwise specifically stated)

2 SHARE CAPITAL		As At Mar	ch, 31	
•	. 202	3	202	2
	No. of shares	Amount	No. of shares	Amount
Authorised Shares				
Equity Shares				
11,00,00,000 equity shares of Rs.5/- each	110,000,000	550,000,000	60,600,000	303,000,000
	110,000,000	550,000,000	60,600,000	303,000,000

Issued, Subscribed and Fully Paid-up Shares

Equity Shares of Rs. 5/- each

	As At Mar	ch, 31	
2023		2022	
No. of shares	Amount	No. of shares	Amount
54,588,083	272,940,415	54,588,083	272,940,415
54,588,083	272,940,415	54,588,083	272,940,415

(a) Reconciliation of the number of shares outstanding at the beginning and at the end of the year

Equity Shares
At the beginning of the year
Add: Issued during the year
Outstanding at the end of the year

	As At Mar	ch, 31	
2023	3	202	2
No. of shares	Amount	No. of shares	Amount
54,588,083	272,940,415	54,588,083	272,940,415
54,588,083	272,940,415	54,588,083	272,940,415

(b) Details of Shareholders holding more than 5% equity shares in the company

Name of the Shareholders Vishal Gala Neha Gala

	As At Mar	ch, 31	
2023		2022	
No. of shares	% Holding	No. of shares	% Holding
26,275,250	48.13	32,402,288	59.36
-	-	6,429,197	11.78
26,275,250		38,831,485	

Details of Rights Shares Issued*

(c) The details of the shares held by promoters as at March 31, 2023 are as follows:

Promotor Name	No. of Shares	% of Total Shares	% Change during the Year
VISHAL MULCHANDBHAI GALA	26,275,250	48.13	11.22
NEHA VISHAL GALA		0.00	11.78
VISHAL M GALA HUF	the second secon	0.00	1.21
AVANIBEN NIRAV SHAH	- 1	0.00	1.17
PINAL DHAVALBHAI TRIVEDI	220,720	0.40	
ILABEN HARESHKUMAR DOSHI		0.00	0.32
HARESH NAGINDAS DOSHI	-	0.00	0.16
PARUL AMIT CHHEDA	220	0.00	_
Total	26,496,190	48.54	-



Gala Global Products Limited

Notes to the Financial Statements as at March 31, 2023

(Amounts mentioned are in Rupees unless otherwise specifically stated)

The details of the shares held by promoters as at March 31,2022 are as follows:

Promotor Name	No. of Shares	% of Total Shares	% Change during the Year
VISHAL MULCHANDBHAI GALA	32,402,288	59.36	-
NEHA VISHAL GALA	6,429,011	11.78	-
VISHAL M GALA HUF	661,302	1.21	- 45 8 8 -
AVANIBEN NIRAV SHAH	639,670	1.17	-
PINAL DHAVALBHAI TRIVEDI	220,720	0.40	
ILABEN HARESHKUMAR DOSHI 4	176,400	0.32	
HARESH NAGINDAS DOSHI	89,466	0.16	-
PARUL AMIT CHHEDA	220	0.00	1 - 1 -
Total	40,619,077	74.41	

(d) Terms / rights attached to equity shares

The Company has only one class of equity shares having a par value of Rs. 5 per share. Each equity shareholder is entitled to one vote per share. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining Assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders





1 CORPORATE INFORMATION

GALA PRODUCTS LIMITED has been merged with GALA PRINT CITY LIMITED as per NCLT order dated 19th May, 2017 containing appointed date 1st April, 2016. The name of the Company has been changed from Gala Print City Limited to Gala Global Products Limited with effect from 18th August, 2017.

The financial statements were authorized for issue in accordance with a resolution passed in Board Meeting held on May 28, 2022.

2 SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of Preparation

The financial statements have been prepared and presented in accordance with the Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

These Ind As financial statements have been prepared on the historical cost convention and on an accrual basis, except for the following material items in the balance sheet:

- (i) Employee defined benefit assets/(liability) are recognised as the net total of the fair value of plan assets, plus actuarial losses, less actuarial gains and the present value of the defined benefit obligation;
- (ii) Long-term borrowings, except obligations under finance leases, are measured at amortized cost using the effective interest rate

(b) Use of Estimates

The preparation of financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Although these estimates are based on the management's best knowledge of the current events and actions, uncertainty about these assumption and estimates could result in the outcomes requiring a material adjustment to the carrying amount of the asset & liabilities in the future period.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected. In particular, information about significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements is included in the following notes:

- Useful lives of property, plant and equipment and intangible assets {Refer 2(c)&(d)}
- Valuation of inventories { Refer 2(f) }
- Employee benefits { Refer 2(h) }
- Provisions, contingent liability and contingent assets { Refer 2(I) }
- Sales returns { Refer 2(g) }
- Evaluation of recoverability of deferred tax assets { Refer 2 (i) }

(c) Property, plant and equipment

Recognition and measurement

The items of property, plant and equipment are measured at cost of acquisition or construction less accumulated depreciation and accumulated impairment losses, if any. The cost comprises of its purchase price and other incidental expenses that are directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and other costs directly attributable to bringing the asset to a working condition for its intended use. Subsequent expenditure related to an item of fixed asset is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance.

The cost of replacing part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The costs of repairs and maintenance are recognised in the statement of profit and loss as incurred.

Gains or losses arising from de-recognition of property, plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the Statement of Profit and Loss when the asset is de-recognized.





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Intangible Assets

Intangible assets initially recognized at cost and are subsequently carried at cost less accumulated amortisation and accumulated impairment losses. These costs are amortised to profit or loss using the straight line method over their estimated useful lives.

The Company has adopted Policy of reviewing the intangible in the year of recognition for possible returns. In case of the returns are not sustainable the intangible assets could be written off with in a period of 2-3 years. And if sustainable the same would be written off as provided under the applicable standard. Since the Company is required to adopt Ind-As compulsory with effect from 01st April 2018 and it has specifically defined in these forthcoming standards that any such Intangible Assets needs to be reviewed at each balance sheet date for any impairment (if any) whereas existing accounting standards require to amortize such intangibles compulsory within maximum of 5/10 years. Further the management foresee that there would not be any impairment requirement comparing to its carrying value as on 31 march 2022 (even in near future as well) and hence no amortization of intangible asset has been made in the period under report.

Depreciation

Depreciation is recognised on pro-rata basis in the statement of profit and loss on a straight line basis over the estimated useful lives of property, plant and equipment.

Type of Assets Building	Useful life in years 30 years		
Plant and Machineries	15 years		
Furniture, Fixtures and Equipments	10 years		
Computers	3 years		
Vehicles	8 to 10 years		
Mobile Phones	5 years		

The residual values, useful lives and method of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Advances paid towards the acquisition of property, plant and equipment outstanding at each reporting date is disclosed as capital advances under other non current assets. The cost of property, plant and equipment not ready to use before such date are disclosed under capital work-in-progress. Assets not ready for use are not depreciated.

(d) Impairment of Non Financial Assets

The Management periodically assesses using, external and internal sources, whether there is an indication that an asset may be impaired. An impairment loss is recognized wherever the carrying value of an asset exceeds its recoverable amount. The recoverable amount is higher of the asset's net selling price or value in use, which means the present value of future cash flows expected to arise from the continuing use of the asset and its eventual disposal. An impairment loss for an asset is reversed if, and only if, the reversal can be related objectively to an event occurring after the impairment loss was recognized. The carrying amount of an asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognized for the asset in prior years

Goodwill

CGUs to which goodwill has been allocated are tested for impairment annually or more frequently when there is indication for impairment. If the recoverable amount of a CGU is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit.

Determination of recoverable amount of CGU requires the management to estimate the future cash flows expected to arise and a suitable discount rate in order to calculate the present value. An impairment loss recognised for goodwill is not reversed in subsequent periods.

(e) Investments

Investments, which are readily realisable and intended to be held for not more than a year from the date on which such investments are made, are classified as current investments. All other investments are classified as Non-current investments.

Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis.

Non-current investments are carried at cost. Investments in share of foreign subsidiaries are reported in Indian Currency at the rate of exchange prevailing on the date of transaction. However, provision for diminution in value is made to recognise a decline other than temporary in the value of the investments.

On disposal of an investment, the difference between its carrying cost and net disposal proceeds is charged or credited to the statement of profit and loss.



(f) Inventories

- (i) Raw materials, Packing materials, fuel, stores and spares are valued at lower of cost and net realizable value. Cost includes Purchase Price and other directly attributable costs incidental thereto. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost is determined on a weighted average basis.
- Work-in-progress and finished goods are valued at lower of cost and net realizable value. Cost includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity. Cost is determined on a weighted average basis.
- (iii) Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.
- (iv) Provision for diminution in value of inventories has been made for expired, obsolete, non-moving and slow-moving inventories as per the management's estimate.

(g) Revenue Recognition

Revenue is recognized to the extent that the economic benefits will flow to the Company and the revenue can be reliably measured regardless of when the payment is being made.

Revenue is measured at fair value of the consideration received or receivable. Revenue from sale of goods includes excise duty and are net of discounts, applicable taxes, rebates and estimated returns.

Revenue from sale of goods is recognized when all the significant risks and rewards of ownership of the goods have been passed to the buyer, usually on delivery of the goods, recoverability of consideration is probable, the amount of revenue and cost incurred or to be incurred in respect of transaction can be measured reliably and there is no continuing managerial involvement over the goods sold. The company collects GST (01.04.2021 to 31.03.2022) on behalf of the government and, therefore, these are not economic benefits flowing to the company. Hence, they are excluded from revenue.

- (ii) Income from services is recognized when the services are rendered or based on stage of completation.
- (iii) Interest income is accounted on accrual basis at applicable rate.
- (iv) Other incomes are accounted as and when the right to receive arises.

(h) Employees retirement and other benefits

Retirement/ Post retirement Benefits: The Company has not made any provision for gratuity and leave encashment as prescribed by the Indian Accounting Standard (IndAS) – 19 on Employee Benefits. Please refer Note 28.

(i) Income Taxes

Income tax expense comprises current and deferred tax expense. Income tax expenses are recognized in statement of profit and loss, except when they relate to items recognized in other comprehensive income or directly in equity, in which case, income tax expenses are also recognized in other comprehensive income or directly in equity respectively.

Current tax is the tax payable on the taxable profit for the year, using tax rates enacted or substantively enacted by the end of reporting period by the governing taxation laws, and any adjustment to tax payable in respect of previous periods. Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred taxes arising from deductible and taxable temporary differences between the tax base of assets and liabilities and their carrying amount in the financial statements are recognized using substantively enacted tax rates and laws expected to apply to taxable income in the years in which the temporary differences are expected to be received or settled. The deferred tax arising from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction are not recognized.

Deferred tax asset are recognized only to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences can be utilized. The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax assets to be utilized.

In respect of taxable temporary differences associated with investments in subsidiaries, associates and interest in jointly controlled entities, when the timing of reversal of temporary differences can be controlled and it is probable that temporary differences will reverse in foreseeable future.

Deferred tax assets and liabilities are offset when the Company has a legally enforceable right to do the same.

MAT credit is recognized as an asset only when there is convincing evidence that the company will pay normal income tax within specified period. The assets are reviewed at each balance sheet date





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(i) Earnings Per Share

Basic earnings per share is computed by dividing the net profit after tax by the weighted average number of equity shares outstanding during the period. Diluted earnings per share is computed by dividing the profit after tax by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equityshares. The number of shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for any share splits and bonus shares issues including for changes effected prior to the approval of the financial statements by the Board of Directors. Basic earnings per share is computed by dividing profit or loss attributable to equity share holders of Group by the weighted average number of equity shares outstanding curing the period. Dilutes earnings per share is determined by the adjusting profit or loss attributable to ordinary sharesholders and weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares.

(k) Cash and cash equivalents

Cash and cash equivalents consists of cash on hand, short demand deposits and highly liquid investments, that are readily convertible into known amounts of cash and which are subject to an insignificant risk of change in value. Short term means investments with original maturities / holding period of three months or less from the date of investments. Bank overdrafts that are repayable on demand and form an integral part of the Group's cash management are included as a component of cash and cash equivalent for the purpose of statement of cash flow.

(I) Provisions, contingent liabilities and contingent assets

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources for which reliable estimate can be made. The expenses related to provision is presented in P&L net of any reimbursement.

Liabilities which are of a contingent nature are not provided but are disclosed at their estimated amount in the notes forming part of the financial statements. Contingent assets are neither recognized nor disclosed in the financial statements.

Where the company expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognized as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the statement of profit and loss net of any reimbursement.

(m) Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of these assets, until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognised in statement of profit and loss in the period in which they are incurred.

(n) Cash flow statement

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

(o) Operating Cycle and Current/Non-current classification

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

The Company presents assets and liabilities in the balance sheet based on current/non-current classification. An asset is 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.

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.

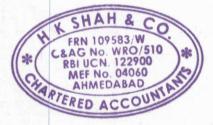


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Net Block excluding CWIP:							
As at March 31, 2021	6,022,410	14,644,050	187,488	67,858	10,907	739,809	21,673,070
As at March 31, 2022	5,829,919	12,592,489	283,372	39,645	12,475	559,922	19,318,369
4. Intangible assets *							
Particulars	Goodwill (Refer note below)	Technical Knowhow	Total				
Gross Block:							
As at March 2021	90,000,000	40,000,000	130,000,000				
Additions Disposals							
As at March 2022	90,000,000	40,000,000	130,000,000				
Total	90,000,000	40,000,000	130,000,000				
Amortisation and impairment:							
As at March 2021	-	metric - 1	-				
Amortisation / impairment for the year On disposals							
As at March 2022	-	-	-				
let Block excluding intangible Assets under development :	4						
As at March 31, 2021	90,000,000	40,000,000	130,000,000				
As at March 31, 2022	90,000,000	40,000,000	130,000,000				

*Intangible assets are tested for impairment annually and managemet believes that any reasonable possible change in any assumptions would not cause the carrying amount to exceed its recoverable amount.





33 Related Party Disclosure

The transactions that has taken place during the year with related parties to be disclosed as required by Indian Accounting Standard -24 "Related party Disclosures"

Key Management Personnel

Vishal Mulchandbhai Gala Avani Mulchandbhai Gala Neha Vishal Gala Apla Pandya Dhruv Modi Umang Sanjaybhai Selani Vipul Laxmichand Maru Prahladkumar Agarwal Chhayaben Chandulal Mulani Vymesh Vaishnav

Relative of Key Management Personnel

Navya Papers Plaza Papers Plaza Gala Warehouse Vishal M Gala HUF Alag Brainworks Limited Smile Infrabuild Private Limited

				FY 2022-23	FY 2022-23
Sr. No.	Name of Related Party	Relation	Nature of Transaction	Receipts	Payments
1	Vishal Mulchandbhai Gala	Director	Salary	-	307,800
1	Visital Mulchandbrial Gala	Director	Loan Received/Paid	259,666,650	116,023,843
2	Avani Mulchandbhai Gala	Director	Salary	-	898,200
	Availi Midicilaridoriai Gala	Director	Loan Received/Paid	8,786	
3	Neha Vishal Gala	Relative of	Salary	-	421,200
3	iveria visitai Gala	Director	Loan Received/Paid	493,945	-
	4 Navya Papers Plaza	Firm of relative	Loan Received/Paid	-	-
4		of Director	Sales	-	-
		Of Director	Purchase	-	-
5	Papers Plaza	Firm of relative	Purchase of Goods and Services	2,380	-
		of Director	Sales	-	139,476
6	Vishal Gala HUF	Relative of	Reimbursement of expense	-	-
0	Visital Gala HOP	Director	Purchase	-	-
7	Alag Brainworks Limited	Relative of	Reimbursement of expense	-	-
1	Alag Brainworks Limited	Director	Sales	4,291,056	-





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				FY 2021-22	FY 2021-22
Sr. No.	Name of Related Party	Relation	Nature of Transaction	Receipts	Payments
1	Vishal Mulchandbhai Gala	Director	Salary	-	3,693,600
1	Visital Mulchanubrial Gala	Director	Loan Received/Paid	174,925,240	174,890,783
2	Avani Mulchandbhai Gala	Director	Salary	-	1,197,600
2	Avani Mulchandbhai Gala	Director	Loan Received/Paid	569,267	546,209
3	Neha Vishal Gala	Relative of	Salary	-	561,600
3	Neria Visital Gala	Director	Loan Received/Paid	5,165,000	5,165,000
		Firm of relative	Loan Received/Paid	175,000	175,000
4	Navya Papers Plaza	of Director	Sales	96,250	-
		Of Director	Purchase	-	37,637,601
5	Papers Plaza	Firm of relative	Purchase of Goods and Services	-	20,468,808
		of Director	Sales	117,754	
6	Vishal Gala HUF	Relative of	Reimbursement of expense	100,000	100,000
0	VISITAL GATA FIOR	Director	Purchase	-	1,320,578







R. B. Gohil & Co. Chartered Accountants

Independent Auditor's Limited Review Report on Unaudited Quarterly Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

To
The Board of Directors
GALA GLOBAL PRODUCTS LIMITED

We have reviewed the accompanying statement of unaudited financial results of GALA GLOBAL PRODUCTS LIMITED ('the Company') for the quarter ended & nine months ended 31st December, 2024 being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended). Our responsibility is to issue a report on the financial statement based on our review.

This Statement, which is the responsibility of the Company's Management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013, and rules thereunder, requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.

We conducted our review of the Statement in accordance with the Standard on Review Engagement (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited

Jamnagar M:104997



R. B. Gohil & Co. Chartered Accountants

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

Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement prepared in accordance with applicable accounting standards i.e. Ind AS prescribed under section 133 of the act read with relevant rules issued there under and other recognized accounting practice and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), including the manner in which it is to be disclosed, or that it contains any material misstatement.

Thanking you

FOR, R. B. GOHIL & Co.

CHARTERED ACCOUNTANTS

FRN 119360W

CA RAGHUBHA B. GOHIL

Partner

Membership No. 104997

Date: 14/02/2025 Place: Jamnagar

UDIN: 25104997BMGEP08833

GALA GLOBAL PRODUCTS LIMITED

CIN - L29109GJ2010PLC063243

B-1, LAXMI COM. CO.OP. ESTATE, B/H OLD NAVNEET PRESS, SUKHRAMNAGAR,

AHMEDABAD, GUJARAT, INDIA, 380021

WEBSITE: https://www.galaglobalhub.com/ Email: inf.galaglobal@gmail.com PHONE: 079-2277 2921 / 8955, (M) 9825456600

Statement of Unaudited Financial Results for the Quarter and Nine Months ended December 31,2024

(Amount in Rs Lakhs)

		Quarter Ended			Nine Months Ended		Year Ended
	Particulars		30.09.2024	31.12.2023	31.12.2024	31.12.2023	31.03.2024
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
I	Revenue From Operations	706.49	597.24	1,577.84	2,234.22	5,910.56	7,530.07
II	Other Income	0.50	0.05	105.02	0.64	107.83	107.83
				4 400 04			
III	Total Income (I+II)	706.99	597.29	1,682.86	2,234.86	6,018.39	7,637.90
IV	EXPENSES:						
	Cost of Materials Consumed	706.64	545.44	1,586.85	2,237.70	5,330.19	6,578.16
	Purchase of Stock-in-Trade	-	-	-	-	-	-
	Change in inventory of finished goods, work-in-progress and Stock-in- Trade	(48.00)	(210.88)	-	(310.76)	467.36	899.47
	Employee Benefits Expenses	0.21	3.50	4.65	0.31	10.57	35.59
	Finance costs	26.35	19.11	23.49	62.73	73.76	97.04
	Depreciation and amortization expenses	4.70	4.68	4.42	14.06	13.59	18.27
	Other Expenses	8.48	4.07	8.01	31.65	20.73	23.49
	Total expenses (IV)	698.38	365.92	1.627.42	2.035.70	5.916.20	7.652.02
	Total expenses (21)	0,0,0		_/-	_,	0,010.10	,,,,,,
V	Profit/(Loss) before exceptional items and tax	8.61	231.37	55.44	199.16	102.19	(14.13)
VI	Exceptional Items	-	-	(6.41)	-	(14.80)	(41.54)
VII	Profit before extraordinary items and tax	8.61	231.37	61.85	199.16	116.99	27.41
VIII	Extraordinary items	-	-	-		-	-
IX	Profit/(Loss) before tax	8.61	231.37	61.85	199.16	116.99	27.41
x	Tax expense: -						
	(1) Current Tax	2.17	49.56	15.16	51.72	27.72	2.96
	(2) MAT Credit Entitlement				-	-	
	(3) Deferred Tax	(0.81)	(0.88)	(0.42)	(2.53)	(2.20)	(3.47)
ΧI	Profit/(Loss) for the period from continuing operation	5.64	180.93	46.27	144.91	87.07	20.98
XII	Profit/(Loss) for discontinued operation	_	_	_	_	_	_
	Tax expenses of discontinued operations	-	-	-	-	-	-
XIV	Profit/(Loss) form Discontinued operation (after tax)	-	-	-	-	-	-
	Profit/(Loss) for the period	5.64	180.93	46.27	144.91	87.07	20.98
	Paid up Equity Share Capital (Face Value of Rs. 5/- per share)	2,729.40	2,729.40	2,729.40	2,729.40	2,729.40	2,729.40
XVII	Earnings per equity share: (1) Basic	0.00	0.07	0.02	0.05	0.03	0.01
	(1) basic	0.00	0.07	0.02	0.05	0.03	0.01
	(L) Diaced	0.00	0.07	0.02	0.05	0.05	0.01

NOTES:

- The unaudited Financial Results for the quarter and Nine Months ended on 31 Dec, 2024 were reviewed by the Audit Committee and then approved by the Board of Directors at their meeting held on 14th February 2025.
- The unaudited Financial Results have been prepared in accordance with the Indian Accounting Standards (Ind AS) as prescribed under Section 133 of the Companies Act, 2013 read with Rule 3 of Companies (Indian Accounting Standards) Rules, 2015.
- The Figures for the Previous year figures/Quarter & Nine Months Ended have been regrouped / reclassified wherever necessary to confirm to the current financial year figures and as per Schedule III of the Companies Act, 2013.
- As the Company is having only one segment, there are no reportable segment in accordance with the requirement of Accounting Standard (As-17) "Segment Reporting" specified under Section 133 of the Companies Act, 2013.

FOR GALA GLOBAL PRODUCTS LIMITED

MULCHANDBHAI GALA

Discriber (1977) (2077) (

VISHAL MULCHANDBHAI GALA

Director & Chairperson DIN: 00692090

Place: Ahmedabad Date: 14/02/2025

MARKET PRICE INFORMATION

The Equity Shares of our Company are listed on the BSE. As our Equity Shares are listed only on the BSE, stock market data for our Equity Shares has been given for BSE.

For the purpose of this section:

- Year is a Financial Year;
- Average price is the average of the daily closing prices of the Equity Shares, for the year, or the month, or the week, as the case may be;
- High price is the maximum of the daily high prices and Low price is the minimum of the daily low prices of the Equity Shares, for the year, or the month, as the case may be; and
- In case of two days with the same high/low/closing price, the date with higher volume has been considered.

Yearly Stock Market Quotation at BSE

The high, low prices and average of closing prices recorded on the BSE for the preceding three Financial Years and the number of Equity Shares traded on the days the high and low prices were recorded are stated below:

Year ended on March 31		O .	No. of Shares traded on date of high	Low (in Rs)			Average price for the year (in Rs.) *
2025	4.43	May 29, 2024	4,30,074	2.94	April 01, 2024	6,87,867	3.46
2024	9.78	June 15, 2023	16,73,879	2.94	March 28, 2024	5,63,055	5.52
2023	102.7	August 19, 2022	10,31,145	6.08	March 29, 2023	2,04,367	32.64

^{*}Average price for the year is based on WAP available on the BSE.

(Source: www.bseindia.com)

Monthly Stock Market Quotation at BSE

The high and low prices and volume of the Equity Shares traded on the respective dates during the last six months is as follows:

Month	High (in Rs)	Date of High#	No. of Shares traded on date of high	Low (in Rs)	Date of Low#	No. of Shares traded on date of low	Average price for the month (in Rs.) *
March 2025	3.65	March 25, 2025	3,24,276	3.03	March 17, 2025	1,29,155	3.32
February 2025	3.91	February 01, 2025	6,11,129	3.24	February 27, 2025	1,96,782	3.50
January 2025	3.92	January 31, 2025	19,71,594	3.08	January 28, 2025	64,425	3.26
December 2024	3.50	December 09, 2024	1,28,614	3.26	December 30, 2024	56,826	3.38
November 2024	3.63	November 06, 2024	3,22,493	3.33	November 28, 2024	85,815	3.47
October 2025	3.68	October 17, 2024	13,83,596	2.98	October 07, 2024	1,82,329	3.23

^{*}Average price for the month is based on WAP available on the BSE.

(Source: www.bseindia.com)

Weekly Stock Market Quotation at BSE

Week end closing prices of the Equity Shares for the last four weeks on the BSE are as below:

[#] Dates were taken on the basis of highest Price of shares.

[#] Dates were taken on the basis of highest traded number of shares.

Week Ended on	Closing Price (in Rs.)	High (in Rs.)	Date of High	Low (in Rs.)	Date of Low
March 14, 2025	3.11	3.17	March 10, 2025	3.10	March 12, 2025
March 21, 2025	3.48	3.48	March 21, 2025	3.03	March 17, 2025
March 28, 2025	3.51	3.65	March 25, 2025	3.51	March 28, 2025
April 04, 2025	3.49	3.59	April 02, 2025	3.46	April 01, 2025

The closing price of the Equity Shares as on October 18, 2024 was Rs.3.40 on the BSE, the trading day immediately preceding the day on which Board of Directors approved the Issue.

The closing price of the Equity Shares as on April 08, 2025 was Rs. 3.53 on the BSE Limited.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL POSITION AND RESULTS OF OPERATIONS

The following discussion is intended to convey management's perspective on our financial condition and results of operations for the period ended on December 31, 2024 and for the year ended on March 31, 2024 & March 31,2023. you should read the following discussion of our financial condition and results of operations together with our Audited financial statements included in the letter of offer. You should also read the section entitled "Risk Factors" beginning on page 17 of this letter of offer, which discusses a number of factors, risks and contingencies that could affect our financial condition and results of operations. The following discussion relates to our Company and, is based on our Audited financial statements, which have been prepared in accordance with Indian GAAP, the Companies Act and the SEBI Regulations. Portions of the following discussion are also based on internally prepared statistical information and on other sources. Our fiscal year ends on March 31 of each year, so all references to a particular fiscal year ("Fiscal Year") are to the twelve-month period ended March 31 of that year.

In this section, unless the context otherwise requires, any reference to "we", "us" or "our" refers to Gala Global Products Limited, our Company. Unless otherwise indicated, financial information included herein are based on our "Audited Financial Statements" for period ended on March 31, 2024, March 31, 2023, March 31, 2022 included in this letter of offer beginning on page 72 of this Letter of Offer.

BUSINESS OVERVIEW

Gala Global Products Limited, established in 2010, began its journey with a clear mission to offer cost-effective, high-quality printing solutions while ensuring complete customer satisfaction. Over the years, the company has evolved into a specialist in multicolor offset printing, web offset printing with binding, and creative design services. Backed by a strong infrastructural base of over 20,000 sq. ft. and equipped with state-of-the-art technology, the company has consistently delivered superior single and multicolor printing solutions to its customers. Originally rooted in the stationery industry, Gala Global Products Limited carved a niche for itself by offering an extensive range of quality products including notebooks, writing instruments, files, folders, and various office supplies that catered to educational institutions, offices, and households. Its commitment to high manufacturing standards, innovation, and sustainability earned it a reputation as a trusted brand in the industry. The company's growth was further propelled by a well-established distribution network and strategic alliances with retailers, wholesalers, and institutional clients, which helped expand its market reach across regions.

Over the years, Gala Global Products Limited positioned itself as a trusted brand known for its commitment to quality, innovation, and customer satisfaction. By maintaining high manufacturing standards, integrating advanced technology, and adopting sustainable practices, the company continuously introduced innovative and ergonomic stationery solutions that enhanced user experience and efficiency. Furthermore, its extensive distribution network, spanning multiple regions, ensured seamless availability of its products. Strategic partnerships with retailers, wholesalers, and institutional clients played a crucial role in sustaining growth and expanding the company's market reach.

For more details, please refer chapter titled "Business Overview" on page 65 of this letter of offer.

SIGNIFICANT DEVELOPMENTS SUBSEQUENT TO THE LAST FINANCIAL YEAR:

After the date of last financial period i.e. March 31, 2024, there are no significant development occurred in the Company except the Company has increased its Authorized Capital from Rs. 30,30,00,000/- (Thirty Crore Thirty Lakhs Rupees Only) divided into 6,06,00,000 (Six Crore Six Lakhs) Equity Shares of Rs. 5/- each to Rs. 49,25,00,000/- (Forty-Nine Crore Twenty-Five Lakh Rupees Only) divided into 9,85,00,000 (Nine Crore Eighty-Five Lakhs) Equity Shares of Rs. 5/- each by passing of Ordinary Resolution at the Extra-Ordinary General Meeting held on Thursday, May 16, 2024.

KEY FACTORS AFFECTING THE RESULTS OF OPERATION:

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

- 1. Changes in Laws and Regulations that apply to our Industry.
- 2. Changes in Fiscal, Economic or Political conditions in India
- 3. Company's inability to retain the experienced staff
- 4. Failure to adapt the changing technology in our industry of operation may adversely affect our business
- 5. Failure to comply with regulations prescribed by authorities of the jurisdiction in which we operate

6. Competition with existing and new entrants

OUR SIGNIFICANT ACCOUNTING POLICIES

For Significant accounting policies please refer Significant Accounting Policies, "Annexure 2" beginning under Chapter titled "Audited Financial Statements" beginning on page 72 of the Draft letter of offer.

Financial performance of the stub period for the period ended on December 31, 2024

(Rs. in Lacs)

Income from continuing operations	Amount	%
Revenue from operations	2234.22	99.97
Total Revenue	2234.22	
Other Income	0.64	0.03
Total Income	2234.86	
Expenses		
Cost of Material Consumed	1926.94	86.25
Employee benefits expense	0.31	0.02
Finance Costs	62.73	3.08
Other expenses	31.65	1.55
Depreciation and amortisation expenses	14.06	0.69
Total Expenses	2035.69	91.09
EBDITA	275.96	12.35
Total tax expense	54.25	·
Profit After Tax from continuing operations (A)	144.92	6.48

Total Income from Operations

The Total income from the operation for the stub period ended on December 31, 2024, was ₹ 2234.86 Lacs which includes revenue from operation of ₹ 2234.22 lacs and other income of ₹ 0.64 lacs.

Total Expenditure

The total expenditure for stub period ended on December 31, 2024 was ₹2035.69 lacs which is 91.09% of the total Income for the stub period.

EBDITA

The EBDITA for the stub period was ₹275.96 lacs representing 12.35% of total Income

Profit after Tax

The Profit after tax for the stub period ended on December 31, 2024 was ₹144.92 lacs representing to 6.48% of the total income.

Financial Performance and Results of Key Operations for the period ended on March 31, 2024:

(₹ in lacs)

Particulars	For the Year ended on					
	31.03.2024	31.03.2023	31.03.2022			
Income from continuing operations						
Revenue from operations	7530.07	8448.19	10338.60			
Total Revenue	7530.07	8448.19	10338.60			
% total Revenue	98.59	99.73	99.64			
% of growth	(10.87)	(18.28)	(1.37)			
Other Income	107.83	22.78	36.97			
% total Income	1.41	0.27	0.36			
% of growth	373.35	(38.38)	74.14			
Total Income (A)	7637.90	8470.97	10375.57			
% of growth	(9.83)	(18.36)	(1.22)			
Expenses						

Cost of material Consumed	7477.63	8098.89	9502.40
% of Revenue from operations	99.30	95.87	91.91
Employee benefits expense	35.59	64.64	173.90
% Increase/(Decrease)	(44.94)	(62.83)	27.48
Finance Costs	97.04	161.54	113.03
% Increase/(Decrease)	(39.93)	42.92	23.52
Other expenses	23.49	114.34	382.34
% Increase/(Decrease)	(79.46)	(70.09)	(11.20)
Depreciation and amortisation expenses	18.27	23.77	30.27
% Increase/(Decrease)	(23.14)	(21.47)	(55.17)
Total Expenses(B)	7652.02	8463.18	10201.94
% to total Income	100.18	99.91	98.33
EBDITA	101.19	193.10	316.93
% to total Income	1.32	2.28	3.05
Profit before tax from continuing operations(A)-(B)=(C)	(14.12)	7.79	173.63
Exceptional Item (D)	41.54	0.00	0.00
Total tax expense(E)	6.43	4.91	42.53
Profit after tax from continuing operations (C)+(D)-(F)	20.99	2.88	131.10
% to total Income	0.27	0.03	1.26

COMPARISON OF F.Y. 2023-24 WITH F.Y. 2022-23:

Income from Operations:

Revenue from operations: -

In the Financial Year 2023-24, the Company achieved a revenue from operation of ₹ 7530.07 Lacs, reflecting a reduction of 10.87% compared to ₹ 8448.19 Lacs in the previous Financial Year 2022-23. Revenue decreased during FY 2024, due to Certain reason as under:

Historically, a significant portion of the company's revenue has been derived from contracts and tenders awarded by various government departments and public sector undertakings. These projects provided a stable and rewarding business segment, ensuring consistent revenue generation. However, since December 2022, the company has been facing considerable delays in payment settlements from several government entities. This issue has progressively intensified, resulting in a substantial accumulation of outstanding receivables amounting to ₹256.25 lacs. The prolonged non-receipt of these funds has severely constrained the company's working capital, creating financial strain that has directly impacted its ability to maintain operational efficiency. The disruption in the working capital cycle has hindered the execution of large-scale government contracts, which typically require significant upfront investment in resources, materials, and personnel. Ultimately, it caused operational deficiencies that further caused revenue reduction.

Other Income: -

In the Financial Year 2023-24, the Company reported other income of ₹ 107.83 lacs, marking a remarkable increase of 373.35% compared to ₹ 22.78 lacs in FY 2022-23. In FY 2023-24, the interest income on deposits which forms major part of the Other income has given significant increase amounting to Rs. 98.19 lacs as compared to Rs. 4.46 Lacs in the previous year 2022-23, this amount of rise in other income had also offset the impact of non-occurrence of rent and other Miscellaneous income occurred in the f.y. 2022-23.

Expenditure:

Cost of Material Consumed:

In the Financial Year 2023-24, the Company's cost of Material consumed amounted to ₹ 7477.63 lacs, which is 99.30% of the total revenue from operations, as compared to ₹ 8098.89 lacs in FY 2022-23. The reductions of the

business by 9.83% also reduce the cost of material consumed. This decline in cost of material consumed is primarily due to undertaking of less assignments by the company due to payment settlements issues with the entities the company is dealing with. Consequently, it caused operational deficiencies which caused less revenue generation, less Purchases and less Consumption of Materials.

Employee Benefits Expenses:

In the Financial Year 2023-24, the Company's employee expenses amounted to ₹ 35.59 lacs, a substantial decrease of 44.94% compared to ₹ 64.64 lacs in FY 2022-23 due to decrease in salary, wages and Bonus significantly. The reduction of the business by 9.83 % reduced Employees cost also in view of less necessity of work force and also due to improve efficiency and focus on cost saving to improve the margin. However, employee cost % to total expenses has reduced to 0.47% as compared to 0.76% in the previous year 2022-23 which shows efficient employee cost management. However, the Directors remuneration has been slightly increased to retain the efficiency and expertise brought by them in the Company.

Finance Cost:

In the Financial Year 2023-24, the Company's finance cost was ₹ 97.04 lacs, reflecting a significant decrease of 39.93% compared to ₹ 161.54 lacs in FY 2022-23. Despite the reduction in business operations, The Company has been able to manage its financial costs effectively, contributing to overall financial stability. The reduction in interest expenses is due to re-payment of long-term borrowings of Rs. 510.62 Lacs creating less interest pay-out. The addition of finance charges are relatively small which amount to Rs. 2.18 lacs.

Other Expenses:

In the Financial Year 2023-24, the Company's other expenses decreased to ₹ 23.49 lacs, showing a decrease of 79.46% compared to ₹ 114.34 lacs in FY 2022-23.

The reduction of the business by 9.83 % reduced expenses in the significant amount. Expenses such as Rent expenses, Software expenses, sitting fees, tempa fare expenses, penalty expenses, Registration expenses were the expenses which had no equivalent in FY 2022-23 and arisen in the f.y. 2023-24 contributed a minor increase in total expenses during the year but a Major Part of the other expenses occurred in the f.y. 2022-23 such as Manufacturing expenses, Power & fuel expenses, testing expenses, bad debts, freight expenses, designing, conveyance and stationery printing and postage etc. not occurred in FY 2023-24 played the significant role in reduction of other expenses in the current year and in addition to that, some expenses which were present in f.y. 2022-23 with a huge amount attributed less than 50% amount in the current year as compared to that year mainly as, insurance expenses, legal & professional fees, security expenses, office expenses, Repairs, Travelling and transportation, vehicle and processing fees, electric fitting expenses, Repairs, rates and taxes and other miscellaneous expenses, audit fees etc.

Depreciation and Amortization Expenses:

In the Financial Year 2023-24, the Company recorded depreciation of ₹18.27 lacs, a decrease of 23.14% compared to ₹23.77 lacs in FY 2022-23. Since, there is minor addition of assets such as office equipment worth Rs. 0.28 Lacs and no reduction in the assets during the year, the whole decrease of depreciation is due to the writing down of the assets by the depreciation amount at the usual rates being charged every year and for no other reason.

EBDITA:

For the Financial Year 2023-24, the Company achieved an EBITDA of ₹ 101.19 lacs, leading to 1.32% Reduction, compared to ₹ 193.10 lacs in FY 2022-23.

However, the EBITDA margin decreased to 1.32% of total income in FY 2023-24, compared to 2.28% in FY 2022-23. The decline in the EBITDA margin indicates that it was relatively less efficient in converting revenue into operational profit. This reduction in the margin may be attributed to less generation of operation revenues comparatively and higher operational expenses, including cost of material consumed, which have impacted the profitability relative to the revenue growth.

Profit after Tax (PAT):

In the Financial Year 2023-24, the Company reported a PAT of ₹ 20.99 lacs, a significant increase from ₹ 2.88 lacs in FY 2022-23. This represents a significant rise in PAT, reflecting a increase in profitability.

The PAT as a percentage of total revenue was 0.27% in FY 2023-24, compared to 0.03% in FY 2022-23. This increase in the PAT margin and absolute profit indicates that while total revenue decreased, the Company's profitability as a percentage of revenue has increased substantially. Factors contributing to this rise could include higher operational efficiency, employee and finance cost management, less other expenses, and increased Interest on deposits income, which have impacted the overall profitability.

COMPARISON OF F.Y. 2022-23 WITH F.Y. 2021-22:

Income from Operations:

In the F.Y. 2022-23, the Company's total Income was ₹8470.97 Lacs, which is decreased by 18.36 % in compare to total Income from operations of ₹10375.57 Lacs in F.Y. 2021-22. In the Financial Year 2022-23, the Company achieved a total revenue of ₹8448.19 lacs, marking a significant decrease of 18.28% compared to ₹10338.60 lacs in FY 2021-22. Revenue decreased during FY 2023, due to Certain reason as under:

Historically, a significant portion of the company's revenue has been derived from contracts and tenders awarded by various government departments and public sector undertakings. These projects provided a stable and rewarding business segment, ensuring consistent revenue generation. However, since December 2022, the company has been facing considerable delays in payment settlements from several government entities. This issue has progressively intensified, resulting in a substantial accumulation of outstanding receivables amounting to ₹256.25 lacs. The prolonged non-receipt of these funds has severely constrained the company's working capital, creating financial strain that has directly impacted its ability to maintain operational efficiency. The disruption in the working capital cycle has hindered the execution of large-scale government contracts, which typically require significant upfront investment in resources, materials, and personnel. Ultimately, it caused operational deficiencies that further caused revenue reduction.

Other Income:

In the Financial Year 2022-23, the Company reported other income of ₹ 22.78 lacs, marking a decrease of 38.38% compared to ₹ 36.97 lacs in FY 2021-22. The primary reason for this decline is the higher decrease of other income proportionately as compared to the Previous f.y. 2021-22.

Expenditure:

Cost of Material Consumed:

In the Financial Year 2022-23, the Company's cost of Material consumed amounted to ₹ 8098.89 lacs, compared to ₹ 9502.40 lacs in FY 2022-23. The reductions of the business by 18.36% also reduce the cost of material consumed. This decline in cost of material consumed is primarily due to undertaking of less assignments by the company due to payment settlements issues with the entities the company is dealing with. Consequently, it caused operational deficiencies which caused less revenue generation, less Purchases and less Consumption of Materials.

Employee Benefits Expenses:

The Employee expenses for F.Y. 2022-23 was ₹ 64.64 Lacs against the expenses of ₹ 173.90 Lacs in F.Y. 2021-22 showing a decrease by 62.83% due to decrease in salary, wages and Bonus & Directors remuneration significantly. The reduction of the business by 18.36 % reduced Employees cost also in view of less necessity of work force and also due to improve efficiency and focus on cost saving to improve the margin. However, employee cost % to total expenses has reduced to 0.76% as compared to 1.70% in the previous year 2022-23 which shows efficient employee cost management.

Finance Cost:

In the Financial Year 2022-23, the Company's finance cost increased to ₹ 161.54 lacs, compared to ₹ 113.03 lacs in FY 2021-22. This represents a substantial increase of 42.92%. The sharp rise in finance cost is primarily due to the higher interest payments on short-term borrowings which significantly contributed to the higher finance

cost for the year. However, finance charges were nil during the year 2022-23 as compared to Rs. 13.98 Lacs in the f.y. 2021-22.

Other Expenses:

In the Financial Year 2022-23, the Company's other expenses decreased to ₹ 114.34 lacs, a substantial fall of 70.09% compared to ₹ 382.34 lacs in FY 2021-22. This decrease is primarily attributed to overall reduction in business by 18.36 % which affected reduction in other expenses too. More than 75% of the total other expenses were decreased due to this reason. Less than 25% of total other expenses increased for two reason, one is: due to being present during the year 2022-23 and absent in the year 2021-22 such as Security expenses, ROC filing fees, Design expenses, conveyance expenses, Vehicle expenses, loss on sale of fixed asset, other miscellaneous expenses, Interest expenses and electricity expenses and another reason given below for the expenses that took major high in this year:

Audit fees: The Company incurred Audit fees amounting to ₹ 7.08 lacs in FY 2022-23, compared to ₹ 2.19 lacs in FY 2021-22. This significant rise indicates higher spending on external expertise, likely for advisory services, legal consultations, or specialized financial services related to complex transactions.

Bad debts: The Company incurred Bad debts in the year 2022-23 which were 0.59 lacs as compared to 0.13 in the previous year 2021-22 due to non-receipt of funds from the debtors that created financial strain that has directly impacted its ability to maintain operational efficiency.

Insurance and Donation expenses: Insurance and Donation expenses has also increased substantially due to Company's strategic planning and efforts to safeguard interest of its stakeholders and for the fulfilling its ethical vision of maintaining sustainability respectively which is crucial for a successful venture.

Depreciation and Amortization Expenses:

In the Financial Year 2022-23, the Company's depreciation expense decreased to ₹ 23.77 lacs, a fall of 21.47% compared to ₹ 30.27 lacs in FY 2021-22. During the year, there are no major addition in the assets except office equipment and furniture for Rs. 1.33 lacs and 0.05 lac Respectively, the whole decrease of depreciation is on account of disposals of factory building, plant and machinery & vehicles amounting to Rs. 36.04 lacs, Rs. 51.11 Lacs & Rs.16.04 Lacs respectively that resulted into less depreciable assets in the Company. In the year 2021-22, there were purchase of various assets and no disposals which caused the higher amount of depreciation in that year compared to the f.y. 2022-23.

EBDITA:

In the Financial Year 2022-23, the Company reported an EBITDA of ₹ 193.10 lacs, a significant decrease from ₹ 316.93 lacs in FY 2021-22. This reduction in EBITDA is due to a significant 18.36% fall in the Company's total income during FY 2022-23 compared to FY 2021-22.

The EBITDA margin decreased to 2.28% of total income in FY 2022-23, compared to 3.05% in FY 2021-22. This decline in the EBITDA margin indicates that the Company's efficiency in converting revenue into operational profit decreased. This reduction in margin may be due to lesser operational revenues and higher operational costs, which impacted the proportion of revenue converted into EBITDA and profitability.

Profit after Tax (PAT):

In the Financial Year 2022-23, the Company's PAT was ₹ 2.88 lacs, compared to ₹ 131.10 lacs in FY 2021-22. This represents a decrease in PAT, reflecting less profitability. The PAT as a percentage of total revenue decreased to 0.03% in FY 2022-23, compared to 1.26% in FY 2021-22. This decline in PAT margin indicates that the proportion of revenue converted into net profit decreased. The reduced margin may be attributed to increased operational or other expenses, which affected the overall profitability relative to revenue.

CASH FLOW (₹ in lacs)

Particulars	March 31, 2024	March 31, 2023	March 31, 2022
Net cash flow from Operating Activities	(136.56)	(717.42)	(1377.97)
Net cash flow from Investing Activities	98.20	51.05	(4.77)

Net Cash Flow from Financing Activities	42.30	657.95	(1082.87)

1. Unusual or infrequent events or transactions.

There have been no unusual or infrequent events or transactions that have taken places during the last three years.

2. Significant economic changes that materially affected or are likely to affect income from continuing operations.

Our business has been subject, and we expect it to continue to be subject to significant economic changes arising from the trends identified above in 'Factors Affecting our Results of Operations' and the uncertainties described in the section entitled "Risk Factors" beginning on page 17 of this letter of Offer. To our knowledge, except as we have described in this letter of Offer, there are no known factors which we expect to bring about significant economic changes.

3. Income and Sales on account of major product/main activities.

Income and sales of our Company on account of major activities derives from Trading of Gold Bullions and Bars.

4. Whether the company has followed any unorthodox procedure for recording sales and revenues.

Our Company has not followed any unorthodox procedure for recording sales and revenues.

5. Known trends or uncertainties that have had or are expected to have a material adverse impact on sales, revenue or income from continuing operations.

Apart from the risks as disclosed under Section titled "Risk Factors" beginning on page 17 in this letter of Offer, in our opinion there are no other known trends or uncertainties that have had or are expected to have a material adverse impact on revenue or income from continuing operations.

6. Extent to which material increases in net sales or revenue are due to increased sales volume, introduction of new products or services or increased sales prices.

Increases in revenues are by and large linked to increases in volume of business.

7. Total turnover of each major industry segment in which the issuer company operated.

The Company is in the business of Trading of Gold Bullions and Bars. the relevant industry data, as available, has been included in the chapter titled "Industry Overview" beginning on page no 54 of this letter of Offer

8. Status of any publicly announced new products or business segment.

Our Company has not announced any new services or business segment.

9. The extent to which business is seasonal.

Our Company's business is not seasonal,

10. Any significant dependence on a single or few suppliers or customers.

The Company is not dependent on few suppliers or customers for its requirement.

11. Competitive conditions.

Competitive conditions are as described under the Chapters titled "Industry Overview" and "Business Overview" beginning on pages 54 and 65, respectively of this letter of Offer.

SECTION VII – LEGAL AND OTHER REGULATORY INFORMATION

OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

Except as stated in this section, there are no outstanding (I) criminal or Civil proceedings (II) actions taken by statutory or regulatory authorities, (III) disciplinary action including penalty imposed by the SEBI or stock exchanges against our Promoters in the last five (5) Financial Years, including outstanding action, (IV) claims related to direct and indirect taxes in a consolidated manner, (V) details of any other pending material litigation which are determined to be material as per the policy on Identification of Material Creditors and Material Litigations adopted by our Board ("Materiality Policy"), in each case involving our Company and Directors (the "Relevant Parties")

For the purpose of point (V) above, our Board has considered and pass the Resolution for identification of material litigation involving the Relevant Parties in its meeting held on February 14, 2025 and has considered for identification of material litigation involving the Relevant Parties.

In terms of the Materiality, all pending litigation involving the Relevant Parties, other than criminal proceedings, actions by regulatory authorities and statutory authorities, disciplinary action including penalty imposed by SEBI or stock exchanges against the Promoters since incorporation including outstanding action, and tax matters, would be considered 'material' if:

- (a) the monetary amount of claim by or against the entity or person in any such pending proceeding is in excess of Rs. 5.00 Lakhs shall be considered material; or;
- (b) the monetary liability is not quantifiable, however, the outcome of any such pending proceedings may have a bearing on the business, operations, performance, prospects or reputation of our Company.

Unless otherwise stated to the contrary, the information provided is as of the date of this Draft Letter of Offer.

Pre-litigation notices received by our Company from third parties (excluding notices pertaining to any offense involving issues of moral turpitude, criminal liability, material violations of statutory regulations, or proceedings related to economic offenses) shall not be evaluated for materiality until such time our Company are impleaded as defendants in litigation proceedings before any judicial forum.

PART I - LITIGATIONS INVOLVING OUR COMPANY

LITIGATIONS AGAINST OUR COMPANY

i. Proceedings involving issues of moral turpitude or criminal liability on the part of our Company:

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

ii. Matters involving economic offences where proceedings have been initiated against our Company:

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

iii. Civil Case against our Company:

As on date of this Draft Letter of Offer, there are no Civil Case filed against our Company.

iv. Action and proceeding initiated by Statutory/Regulatory Authorities against our Company:

As on date of this Draft Letter of Offer, there are proceedings involving Material Violations of Statutory Regulations by our Company.

v. Litigation involving Tax Liabilities:

Indirect Taxes Liabilities-

Particulars	Assessment Year	Matter	Demand Outstanding (Amount Involved in Rs.)	Current Status
VAT	2018	State VAT Tax not paid	Rs. 57,150	Amount Recovered under GST Laws

Direct Tax Liabilities-

Particulars	Assessment Year	Matter	Demand Outstanding (Amount Involved in Rs.)	Current Status
Income Tax	2021	Section 143(1)(a)	Demand- Rs. 67,03,030 Interest- Rs. 19,43,870	Not Resolved
	2022	Section 143(1)(a)	Demand- Rs. 28,20,740 Interest – Rs. 7,89,796	Not Resolved
	To	tal	Rs. 1,22,57,436	

Particulars	Assessment Year	Matter	Demand Outstanding (Amount Involved in Rs.)	Current Status
TDS	2012-13	Interest on Payments Defaults u/s 201 — Rs. 1137 Late Filing Fee u/s 234E – Rs. 41371 Interest u/s 220(2) – Rs. 1040	Rs. 43,550	Not resolved
	2013-14	Short Payment – Rs. 17,928 Short Deduction – Rs. 6023 Interest on Payments Defaults u/s 201 – Rs. 8575.50 Interest on Deduction Defaults u/s 201 – Rs. 2040	Rs. 34,570	Not resolved
	2014-15	Interest on Payments Defaults u/s 201 - Rs. 1350 Late Filing Fee u/s 234E - Rs. 3000	Rs. 4,350	Not resolved
	2015-16	Short Deduction – Rs. 11362 Interest on Payments Defaults u/s 201 – Rs. 752.50 Interest on Deduction Defaults u/s 201 – Rs. 1356 Late Filing Fee u/s 234E – Rs. 5800 Interest u/s 220(2) – Rs. 294	Rs. 19,560	Not resolved
	2016-17	Interest on Payments Defaults u/s 201 – Rs. 466.50 Late Filing Fee u/s 234E – Rs. 3000	Rs. 3,470	Not resolved
	2017-18	Interest on Payments Defaults u/s 201 – Rs. 505 Interest on Deduction Defaults u/s 201 – Rs. 18 Late Filing Fee u/s 234E – Rs. 18	Rs. 540	Not resolved
	2018-19	Late Filing Fee u/s 234E – Rs. 3000 Interest u/s 220(2) – Rs. 744	Rs. 3,740	Not resolved
	2019-20	Interest on Deduction Defaults u/s 201 – Rs. 222 Interest u/s 220(2) – Rs. 196	Rs. 420	Not resolved
		Total	Rs. 1,10,200	

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

As on the date of this Draft letter of Offer, following are the details of Bank Defaults by our Company which, if they result in an adverse outcome would materially and adversely affect the operations or the financial position of our Company

(Rs. in Lakhs)

Bank Name	Particulars	Defaults Amount	Current Status
IndusInd Bank	MSME Loan	Rs. 22.12	Default
ICICI Bank	Unsecured Business Loan	Rs. 6.01	Settlement Process completed; NOC is pending
Hero Fincorp	Unsecured Business Loan	Rs. 31.25	Approached for Settlement
SMC Finance	Unsecured Business Loan	Rs. 19.88	Approached for Settlement

LITIGATIONS BY OUR COMPANY

As on date of this Draft Letter of Offer, there are no subsisting litigations filed by our Company.

PART II - LITIGATION INVOLVING OUR SUBSIDIARY

As on date of this Draft Letter of Offer, there are no subsisting litigations filed by or against our Subsidiary;

WILFUL DEFAULTER OR FRAUDULENT BORROWERS

Our Directors have not been identified as a wilful defaulter or fraudulent Borrowers in terms of the SEBI ICDR Regulations as on the date of this Draft Letter of Offer.

DETAILS OF MATERIAL DEVELOPMENTS AFTER THE DATE OF LAST BALANCE SHEET FOR MARCH 31, 2024

Except as mentioned in this Draft Letter of Offer, no material circumstances have arisen since the date of last financial statement until the date of filing the Draft Letter of Offer, which materially and adversely affect or are likely to affect the operations or profitability of our Company, or value of its assets, or its ability to pay its liability within next twelve months to our knowledge.

GOVERNMENT AND OTHER STAUTORY APPROVALS

In view of the licenses, permissions, approvals, no-objections, certifications, registrations, (collectively "Approvals") from the Government of India and various statutory, regulatory, governmental authorities listed below, our Company has received the necessary consents, licenses, permissions and approvals from the Government and various governmental agencies required for our present business activities (as applicable on date of this Letter of offer). No further approvals are required for carrying on our present business. It must be distinctly understood that in granting these Approvals, the Government of India and other authority does not take any responsibility for our financial soundness or for the correctness of any of the statements made or opinions expressed in this behalf.

We are not required to obtain any licenses or approvals from any government or regulatory authority for the objects of this Issue. For further details, please refer to the chapter titled "Objects of the Issue" at page 43 of this Draft Letter of Offer.

OTHER REGULATORY AND STATUTORY DISCLOSURES

AUTHORITY FOR THE ISSUE

This Issue has been authorized by way of a resolution passed by our Board of Directors on October 21, 2024 in pursuance of Section 62(1)(a) of the Companies Act, 2013 and in accordance with the Articles of Association of Company.

Board of Directors in its meeting held on [•] has resolved to issue up to [•] Equity Shares to the eligible Equity Shareholders on Right Issue Basis. Issue Price is Rs. [•] per Equity Share (including premium of Rs. [•] per Equity Share), in the ratio of [•] Equity Shares for every [•] Equity Share as held by Public Shareholders on the Record Date. The Issue Price Rs. [•] per Equity Share has been arrived at prior to determination of the Record Date.

The Draft Letter of Offer has been approved by our Board pursuant to its resolution dated Saturday, April 05, 2025.

The Letter of Offer has been approved by our Board pursuant to its resolution dated [•].

We have received In-Principle Approval from BSE vide their letter dated [●] to use the name of BSE in the Letter of Offer for listing of our Right equity Shares on Platform of BSE. BSE Ltd is the Designated Stock Exchange.

PROHIBITION BY SEBI AND OTHER GOVERNMENTAL AUTHORITIES

Our Company, Promoters and Directors are not prohibited from accessing the capital markets or debarred from buying, selling or dealing in securities under any order or direction passed by the Board or any securities market regulator in any other jurisdiction or any other authority/court as on the date of this Draft Letter of Offer.

Further, 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 of our Directors or Promoters are associated with the securities market in any manner. There is no outstanding action initiated against them by SEBI in the five years preceding the date of filing of this Draft Letter of Offer.

ASSOCIATION OF OUR DIRECTORS WITH SECURITIES MARKET

We confirm that none of our Director(s) are associated with the securities market in any manner except for trading on day to day basis for the purpose of investment.

CONFIRMATION

- 1. Our Company, is in compliance with the Companies (Significant Beneficial Ownership) Rules, 2018 to the extent applicable to each of them as on the date of the Draft Letter of Offer.
- 2. Our Directors and Promoters are not in any manner associated with the securities market and no action has been taken by the SEBI against any of the Directors or any entity with which our Directors are associated as promoters or directors in past (5 five) years.

DECLARATION AS WILFUL DEFAULTERS & FUGITIVE ECONOMIC OFFENDER

Neither our Company or our promoters or our Directors, have been identified as a willful defaulter or a fugitive economic offender by the RBI or other government authorities.

ELIGIBILITY FOR THE ISSUE

Our Company is a listed company incorporated under the Companies Act, 1956. Our Equity Shares are presently listed on the BSE Limited. Our Company undertakes to make an application to the Designated Stock Exchange i.e. BSE for listing of the Rights Equity Shares to be issued pursuant to this Rights Issue.

COMPLIANCE WITH 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 "*In-Principle Approvals*" for listing of the Rights Equity Shares to be issued pursuant to this Issue. BSE Limited is the Designated Stock Exchange for this Issue.

Compliance with Part B of Schedule VI of the SEBI ICDR Regulations

Our Company is in Compliance with the Provisions Specified in Clause (1) Of Part B of Schedule VI of The SEBI ICDR Regulations

- 1. Our Company has been filing periodic reports, statements and information in compliance with the SEBI listing regulations, as applicable for the last one year immediately preceding the date of filing of the Draft Letter of Offer with the Designated Stock Exchange;
- 2. The reports, statements and information referred to above are available on the websites of BSE; and
- 3. Our Company has an investor grievance-handling mechanism which includes meeting of the Stakeholders Relationship Committee at frequent intervals, appropriate delegation of power by our Board as regards share transfer and clearly laid down systems and procedures for timely and satisfactory redressal of investor grievances.

As our Company satisfies the conditions specified in Clause (1) of Part B of Schedule VI of SEBI ICDR Regulations, and given that the conditions specified in Clause (3) of Part B of Schedule VI of SEBI ICDR Regulations are not applicable to our Company, the disclosures in this Letter of Offer are in terms of Clause (4) of Part B of Schedule VI of the SEBI ICDR Regulations.

SEBI DISCLAIMER CLAUSE

The present Issue being of less than Rs. 5,000 Lakhs, our Company shall submit the copy of the Letter of Offer with SEBI for information and dissemination on the website of SEBI for informative purposes as a gesture of good governance.

DISCLAIMER CLAUSE FROM OUR COMPANY

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

Investors who invest in this Issue will be deemed to have represented to our Company, and their respective directors, officers, agents, affiliates and representatives that they are eligible under all applicable law, rules, regulations, guidelines and approvals to acquire the Rights Equity Shares, of our company, and are relying on independent advice/evaluation as to their ability and quantum of investment in this issue and will not issue, sell, pledge, or transfer the Equity Shares to any person who is not eligible under any applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares. Our Company and their respective directors, promoters, officers, agents, affiliates, and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire the Equity Shares.

Our Company shall make all relevant information available to the Eligible Equity Shareholders in accordance with 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 Draft Letter of Offer.

No dealer, sales person or other person is authorized to give any information or to represent anything not contained in this Draft Letter of Offer. You must not rely on any unauthorized information or representations. This Draft Letter of Offer is an offer to sell only the Equity Shares and rights to purchase the Equity Shares offered hereby, but only under circumstances and in jurisdictions where it is lawful to do so. The information contained in this Draft Letter of Offer is current only as of its date.

DISCLAIMER IN RESPECT OF JURISDICTION

This Draft Letter of Offer has been prepared under the provisions of Indian law and the applicable rules and regulations there under. This issue is being made in India to existing shareholders of company as on record date and persons resident in India.

This Draft Letter of Offer does not, however, constitute an invitation to subscribe to Right Equity Shares offered hereby in any other jurisdiction to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession the Draft Letter of Offer comes is required to inform him or herself about and to observe, any such restrictions. Any dispute arising out of this Issue will be subject to the jurisdiction of appropriate court(s) in Ahmedabad only and Draft Letter of Offer may not be distributed, in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction.

DISCLAIMER CLAUSE OF THE BSE LIMITED

As required, a copy of this Draft Letter of Offer has been submitted to BSE Limited. The Disclaimer Clause as intimated by the BSE Limited to us, post scrutiny of this Draft Letter of Offer will be produced by our Company in the Letter of Offer.

DISCLAIMER CLAUSE UNDER RULE 144A OF THE U.S. SECURITIES ACT, 1993

The Rights entitlements and Equity Shares have not been and will not be registered under the U.S. Securities Act 1933, as amended (the "Securities Act") or any state securities laws in the United States and may not be offered or sold within the United States or to, or for the account or benefit of, "U.S. persons" (as defined in Regulations of the Securities Act), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Accordingly, the Equity Shares will be offered and sold (i) in the United States only to "qualified institutional buyers", as defined in Rule 144A of the Securities Act, and (ii) outside the United States in offshore transactions in reliance on Regulation S under the Securities Act and in compliance with the applicable laws of the jurisdiction where those offers and sales occur.

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 DRAFT LETTER OF OFFER ARE BEING OFFERED IN INDIA, BUT NOT IN THE UNITED STATES. THE OFFERING TO WHICH THE DRAFT 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, THE DRAFT 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 and Rights Entitlement Letter should not be postmarked in the United States or otherwise dispatched from the United States or any other jurisdiction where it would be illegal to make an offer under the Letter of Offer. Our Company is making this Issue on a rights basis to the Eligible Equity Shareholders and the Letter of Offer/ Abridged Letter of Offer and Application Form and 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 the 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 authorized 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.

Designated Stock Exchange

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

LISTING

The Right Equity Shares of our Company are proposed to be listed on Platform of BSE. Our Company has obtained in-principle approval from BSE by way of its letter dated [•] for listing of Right equity shares on Platform of BSE Limited.

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.

If the permission to deal in and for an official quotation of the Right Equity Shares on the Platform of BSE is not granted by BSE, our Company shall forthwith repay, without interest, all moneys received from the applicants in pursuance of the Letter of Offer. If such money is not repaid within the prescribed time then our Company becomes liable to repay it, then our Company, and every officer in default shall, shall be liable to repay such application money, with interest, as prescribed under the applicable law.

IMPERSONATION

Attention of the Applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:

- "Any person who -
- (a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities, or
- (b) 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
- (c) 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 of Companies Act, 2013"

The liability prescribed under Section 447 of the Companies Act, 2013 - any person who is found to be guilty of fraud involving an amount of at least ten lakh rupees or one per cent. of the turnover of the company, whichever is lower shall be punishable with imprisonment for a term which shall not be less than six months but which may extend to ten years (provided that where the fraud involves public interest, such term shall not be less than three

years) and shall also be liable to fine which shall not be less than the amount involved in the fraud, but which may extend to three times the amount involved in the fraud.

Provided further that where the fraud involves an amount less than ten lakh rupees or one per cent. of the turnover of the company, whichever is lower, and does not involve public interest, any person guilty of such fraud shall be punishable with imprisonment for a term which may extend to five years or with fine which may extend to fifty lakh rupees or with both.

SELLING RESTRICTIONS

This Draft Letter of Offer is solely for the use of the person who has received it from our Company or from the Registrar. This Draft Letter of Offer is not to be reproduced or distributed to any other person.

The distribution of this Draft Letter of Offer, Letter of Offer, Abridged Letter of Offer, Common Application Form and the Rights Entitlement Letter ("Issue Materials") 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 the Issue Materials 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 Issue Materials only to Eligible Equity Shareholders who have provided an Indian address to our Company/ Registrar.

No action has been or will be taken to permit the Issue in any jurisdiction, or the possession, circulation, or distribution of the Issue Material 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 Draft Letter of Offer has been filed with the Stock Exchanges.

Accordingly, the Rights Entitlement or Equity Shares may not be offered or sold, directly or indirectly, and this Draft 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 the Letter of Offer will not constitute an offer in those jurisdictions in which it would be illegal to make such an offer.

This Draft 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 the 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 the 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 the 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.

CONSENTS

The written consents of Directors, Company Secretary and Compliance Officer, Chief Financial Officer, Statutory Auditor and Peer Review Auditor, Bankers' to the Company, Bankers' to the Issue, Registrar to the Issue, and Banker's to Issue and Sponsor Bank to act in their respective capacities have been obtained.

Above consents will be filed along with a copy of the Draft Letter of Offer with the ROC, as required under Sections 26 and 32 of the Companies Act, 2013 and such consents have not been withdrawn up to the time of filing of the Draft Letter of Offer for registration with the ROC.

In accordance with the Companies Act and the SEBI (ICDR) Regulations, M/s. R B Gohil & Co., Chartered Accountants., Peer Review Auditors, of the Company have agreed to provide their written consent to the inclusion of their report on Audited Financial Statements dated April 05, 2025 and the Statement of Tax Benefits dated

March 25, 2025, which may be available to the Company and its shareholders, included in this Draft Letter of Offer in the form and context in which they appear therein and such consent and reports have not been withdrawn up to the time of delivery of the Draft Letter of Offer with ROC.

Our Company has received written consent dated March 22, 2025 from our Statutory Auditor, to include their name in this Draft 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 March 25, 2025 in the form and context in which it appears in this Draft Letter of Offer.

Further, such consents and reports have not been withdrawn up to the time of filing of this Draft Letter of Offer.

EXPERT OPINION

Except for Peer Review Auditors' reports on the financial statements issued by M/s. R B Gohil & Co., Chartered Accountants and Statement of Tax Benefits issued by M/s. B.T. Vora & Co., Chartered Accountants; we have not obtained any other expert opinions.

PERFORMANCE VIS-À-VIS objects;

Our Company have not made any previous rights and / or public issues during the last 5 years immediately preceding the date of this Draft Letter of Offer. There have been no instances in the past, wherein our Company has failed to achieve the objects in its previous issues.

FILING

This Draft Letter of Offer is being filed with the Stock Exchange i.e., BSE Limited as per the provisions of the SEBI ICDR Regulations. Further, in terms of SEBI ICDR Regulations, our Company will simultaneously do an online filing with SEBI through the SEBI intermediary portal at https://siportal.sebi.gov.in in terms of the circular (No. SEBI/HO/CFD/DIL1/CIR/P/2018/011) dated January 19, 2018 issued by the SEBI for record purposes only.

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 by 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.

All grievances relating to the Offer may be addressed to the Registrar to the Issue, giving full details such as name, address of the applicant, application number, number of Equity Shares applied for, amount paid on application and the bank branch or collection centre where the application was submitted.

All grievances relating to the ASBA process and UPI may be addressed to the Registrar to the Issue with a copy to the relevant SCSB or the member of the Syndicate (in Specified Cities), as the case may be, where the Application Form was submitted by the ASBA Applicants, giving full details such as name, address of the applicant, application number, number of Equity Shares applied for, amount blocked on application and designated branch or the collection centre of the SCSBs or the member of the Syndicate (in Specified Cities) or Sponsor Bank, as the case may be, where the Application Form was submitted by the ASBA Applicants.

DISPOSAL OF INVESTOR GRIEVANCES BY OUR COMPANY

The Company has appointed Registrar to the Issue, to handle the investor grievances in co-ordination with our Company. All grievances relating to the present Issue may be addressed to the Registrar with a copy to the Compliance Officer, giving full details such as name, address of the Applicant, number of Equity Shares applied for, amount paid on application and name of bank and branch. The Company would monitor the work of the Registrar to the Issue to ensure that the investor grievances are settled expeditiously and satisfactorily. The Registrar to the Issue will handle investor's grievances pertaining to the Issue. A fortnightly status report of the complaints received and redressed by them would be forwarded to the Company. The Company would also be coordinating with the Registrar to the Issue in attending to the grievances to the investor.

All grievances relating to the ASBA process and UPI may be addressed to the SCSBs, giving full details such as name, address of the Applicant, number of Equity Shares applied for, amount paid on application and the Designated Branch of the SCSB where the Application Form was submitted by the ASBA Applicant. We estimate that the average time required by us or the Registrar to the Issue or the SCSBs for the redressal of routine investor grievances will be seven (7) business days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, we will seek to redress these complaints as expeditiously as possible.

The Registrar to the Issue shall obtain the required information from the SCSBs for addressing any clarifications or grievances of ASBA applicants or UPI Payment Mechanism Applicants. Our Company, and the Registrar to the Issue accept no responsibility for errors, omissions, commission or any acts of SCSBs / Sponsor Bank including any defaults in complying with its obligations under applicable SEBI ICDR Regulations.

Pursuant to the press release no. PR. No. 85/2011 dated June 8, 2011, SEBI has launched a centralized web-based complaints redress system "SCORES 2.0". This would enable investors to lodge and follow up their complaints and track the status of redressal of such complaints from anywhere. For more details, investors are requested to visit the website www.scores.gov.in.

Our Company has also appointed Vandana Arun Baldi as the Company Secretary and Compliance Officer of our company, for this Issue he may be contacted in case of any pre-issue or post-issue related problems at the following address:

Company Secretary and Compliance Officer:

Vandana Arun Baldi

B-1, Laxmi Com. Co.Op. Estate, B/h Old Navneet Press, Sukhramnagar, Ahmedabad, Gujarat, India, 380021.

Telephone: +91 7575006464 **E-mail:** inf.galaglobal@gmail.com **Website:** www.galaglobalhub.com;

Registrar to the Issue:

Kfin Technologies Limited

Address: Selenium Tower B, Plot 31-32, Financial District, Nanakramguda, Serilingampally Mandal, Hydrabad

- 500 032, Telangana,

Tel No: + 91-40-67162222/18003094001

Fax No: + 91-40-6716 1563 Website: www.kfintech.com E-Mail: gala.rights@kfintech.com

Investor Grievance Email: einward.ris@kfintech.com

Contact Person: Mr. M.Murali Krishna **SEBI Registration No.:** INR000000221

CIN: L72400TG2017PLC117649

SECTION VIII - 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 Draft Letter of Offer, the letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter and the Application Form, before submitting the Application Form. Our Company is not liable for any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of this Draft Letter of Offer. Investors are advised to make their independent investigation and ensure that the Application Form is correctly filled up in accordance with the instructions provided therein and in the Draft Letter of Offer. Unless otherwise permitted under the SEBI ICDR Regulations read with SEBI Rights Issue Circulars, Investors (including renouncees) proposing to apply in this Issue can apply only through ASBA facility as disclosed in this Draft Letter of Offer.

Further, SEBI has pursuant to the SEBI Rights Issue Circular stated that in the event there are physical shareholders who have not been able to open a demat account pursuant to the SEBI circular bearing reference number SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020 or are unable to communicate their demat account details to our Company or the Registrar for credit of Rights Entitlements, such physical shareholders may be allowed to submit their application. For more details, please see 'Making of Application by Eligible Equity Shareholders holding Equity Shares in physical form' beginning on page no. 99 of this Draft Letter of Offer. Investors are requested to note that application in this issue can only be made through ASBA.

The Rights Entitlement on the Securities, the ownership of which is currently under dispute and including any court proceedings or are currently under transmission or are held in a demat suspense account and for which our Company has withheld the dividend, shall be held in abeyance and the Application Form along with the Rights Entitlement Letter in relation to these Rights Entitlements shall not be dispatched pending resolution of the dispute or court proceedings or completion of the transmission or pending their release from the demat suspense account. On submission of such documents /records confirming the legal and beneficial ownership of the Securities with regard to these cases on or prior to the Issue Closing Date, to the satisfaction of our Company, our Company shall make available the Rights Entitlement on such Securities to the identified Eligible Equity Shareholder. The identified Eligible Equity Shareholder shall be entitled to subscribe to Securities pursuant to the Issue during the Issue Period with respect to these Rights Entitlement and subject to the same terms and conditions as the Eligible Equity Shareholder.

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 or any other mode which may be notified by SEBI.

OVERVIEW

This Issue and the Rights Equity Shares proposed to be issued on a rights basis, are subject to the terms and conditions contained in this Draft Letter of Offer, the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter, the Application Form, and the Memorandum of Association and the Articles of Association of our Company, the provisions of the Companies Act, 2013, FEMA, FEMA Rules, the SEBI ICDR Regulations, the SEBI 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, approvals, if any, from the RBI or other regulatory authorities, the terms of the Listing Agreements entered into by our Company with the Stock Exchange and the terms and conditions as stipulated in the Allotment advice.

Important:

I. Dispatch and availability of Issue materials:

In accordance with the SEBI ICDR Regulations, the ASBA Circular and SEBI Rights Issue Circulars, our Company will send/ dispatch through email or registered post or speed post at least three days before the Issue Opening Date, the Abridged Letter of Offer, the Rights Entitlement Letter, Application Form and other issue material ("Issue Materials") only to the Eligible Equity Shareholders who have provided an Indian address to our Company and who are located in jurisdictions where the offer and sale of the Rights Entitlement or Rights Equity Shares is permitted under laws of such 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, this Draft Letter of Offer will be provided by the Registrar on behalf of our Company to the Eligible Equity Shareholders who have provided their Indian addresses to our Company and who make a request in this regard. In case the 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 the Eligible Equity Shareholders have not provided their e-mail address, then the Letter of Offer will be dispatched, on a reasonable effort basis, to the Indian addresses provided by them or who are located in jurisdictions where the offer and sale of the Right Shares is permitted under laws of such jurisdictions and in each case who make a request in this regard.

Investors can access this Draft Letter of Offer, the Abridged Letter of Offer and the Application Form (provided that the Eligible Equity Shareholder is eligible to subscribe for the Rights Equity Shares under applicable securities laws) on the websites of:

- (i) Our Company at www.galaglobalhub.com;
- (ii) The Registrar to Issue at www.kfintech.com;
- (iii)The Stock Exchange at www.bseindia.com;

Eligible Equity Shareholders who have not received the CAF may apply, along with the requisite application money, by using the CAF available on the websites above, or on plain paper, with the same details as per the CAF available online.

Eligible Equity Shareholders can obtain the details of their respective Rights Entitlements from the website of the Registrar (i.e., www.kfintech.com) by entering their DP ID and Client ID or Folio Number (in case of Eligible Equity Shareholders holding Equity Shares in physical form) and PAN. The link for the same shall also be available on the website of our Company (i.e., www.galaglobalhub.com).

Further, our Company will undertake all adequate steps to reach out the Eligible Equity Shareholders who have provided their Indian address through other means, as may be feasible.

Please note that neither our Company nor the Registrar shall be responsible for non-dispatch of physical copies of Issue materials, including the Draft Letter of Offer, 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.

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 is being 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 and as permitted under the legal requirements applicable in such jurisdiction. Receipt of the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form (including by way of electronic means) will not constitute an offer, invitation to or solicitation by anyone in any jurisdiction or in any circumstances in which such an offer, invitation or solicitation. 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 Draft Letter of Offer, 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 or would subject our Company or its affiliates or their respective affiliates to

any filing or registration requirement (other than in India). If the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the 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 makes an application to acquire Rights Entitlements and the Equity Shares offered in the Issue will be deemed to have declared, represented and warranted that such person is authorized to acquire the Rights Entitlements and the Equity Shares in compliance with all applicable laws and regulations prevailing in such person's jurisdiction and India, without requirement for our Company or our affiliates or their respective affiliates to make any filing or registration (other than in India).

Our Company is undertaking this Issue on a rights basis to the Eligible Equity Shareholders and will send the Abridged Letter of Offer, the Application Form and other applicable Issue materials primarily to email addresses of Eligible Equity Shareholders who have provided a valid email address and an Indian address to our Company.

The Letter of Offer will be provided, primarily through e-mail, by the Registrar on behalf of our Company to the Eligible Equity Shareholders who have provided their Indian addresses to our Company and who make a request in this regard.

II. Process of making an Application in this Issue:

In accordance with Regulation 76 of the SEBI ICDR Regulations, SEBI Rights Issue Circulars and ASBA Circulars, all Investors desiring to make an Application in this Issue are mandatorily required to use the ASBA process. Investors should carefully read the provisions applicable to such Applications before making their Application through ASBA. For details, see "Making of an Application Through the ASBA Process" on page no. 96 of this Draft Letter of Offer.

The Application Form can be used by the Eligible Equity Shareholders as well as the Renouncees, 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 "Terms of the Issue - Credit of Rights Entitlements in demat accounts of Eligible Equity Shareholders" on page 106.

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.
- (ii) the requisite internet banking.

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 "Terms of the Issue - Grounds for Technical Rejection" on page 102. Our Company, the Registrar and the SCSBs shall not be liable for any incomplete or incorrect demat details provided by the Applicants.

Additionally, in terms of Regulation 78 of the SEBI ICDR Regulations, Investors may choose to accept the offer to participate in this Issue by making plain paper Applications. Please note that 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 "Terms of the Issue - Making of an Application by Eligible Equity Shareholders on Plain Paper under ASBA process" beginning on page 97.

Options available to the Eligible Equity Shareholders

The Rights Entitlement Letter will clearly indicate the number of Rights Equity Shares that the Eligible Equity Shareholder is entitled to.

If the Eligible Equity Shareholder applies in this Issue, then such Eligible Equity Shareholder can:

- i. apply for its Rights Equity Shares to the full extent of its Rights Entitlements; or
- ii. apply for its Rights Equity Shares to the extent of part of its Rights Entitlements (without renouncing the other part); or
- iii. apply for Rights 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 Rights Equity Shares to the full extent of its Rights Entitlements and apply for additional Rights Equity Shares; or
- v. renounce its Rights Entitlements in full.

Making of an Application Through the ASBA Process

An investor, wishing to participate in this Issue through the ASBA facility, is required to have an ASBA enabled bank account with an SCSB, prior to making the Application. Investors desiring to make an Application in this Issue through ASBA process, may submit the Application Form to the Designated Branch of the SCSB or online/electronic Application through the website of the SCSBs (if made available by such SCSB) for 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 promoters, its directors, its employees, affiliates, associates and their respective directors and officers and the Registrar shall not take any responsibility for acts, mistakes, errors, omissions and commissions etc., in relation to Applications accepted by SCSBs, Applications uploaded by SCSBs, Applications accepted but not uploaded by SCSBs or Applications accepted and uploaded without blocking funds in the ASBA Accounts.

Do's for Investors applying through ASBA:

- a) 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.
- b) 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.
- c) Ensure that there are sufficient funds (equal to $\{\text{number of Rights Equity Shares (including additional Rights Equity Shares)}\)$ applied for $\{\text{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.
- d) 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.
- e) 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.
- f) 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.
- g) 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.
- h) Ensure that your PAN is linked with Aadhaar and you are in compliance with CBDT notification dated February 13, 2020 read with press release dated June 25, 2021 and September 17, 2021.

Don'ts for Investors applying through ASBA:

- a. Do not submit the Application Form after you have submitted a plain paper Application to a Designated Branch of the SCSB or vice versa.
- b. Do not send your physical Application to the Registrar, the Escrow Collection Bank (assuming that such Escrow Collection Bank is not an SCSB), and 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.
- c. Do not instruct the SCSBs to unblock the funds blocked under the ASBA process.
- d. Do not submit Application Form using third party ASBA account.
- e. Do not apply if you are not eligible to participate in the Issue under the securities laws applicable to your jurisdiction.

Making an Application 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. An Eligible Equity Shareholder shall submit the plain paper Application to the Designated Branch of the SCSB for authorizing such SCSB to block Application Money in the said bank account maintained with the same SCSB. Applications on plain paper will not be accepted from any 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 bank, must reach the office of the Designated Branch of SCSB before the Issue Closing Date and should contain the following particulars:

- 1. Name of our Company, being Gala Global Products imited;
- 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. Registered Folio Number/DP and Client ID No.;
- 4. Number of Equity Shares held as on Record Date;
- 5. Allotment option only dematerialised form;
- 6. Number of Rights Equity Shares entitled to;
- 7. Number of Rights Equity Shares applied for within the Rights Entitlements;
- 8. Number of additional Rights Equity Shares applied for, if any;
- 9. Total number of Rights Equity Shares applied for;
- 10. Total Application Money paid at the rate of [●] per Rights Equity Share;
- 11. Details of the ASBA Account such as the account number, name, address and branch of the relevant SCSB;
- 12. 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;
- 13. Except for Applications on behalf of the Central or State Government, the residents of Sikkim and the officials appointed by the courts, PAN of the Eligible Equity Shareholder and for each Eligible Equity Shareholder in case of joint names, irrespective of the total value of the Rights Equity Shares applied for pursuant to this Issue;
- 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 Rights Equity Shares have been, or will be, registered under the US Securities Act of 1933, as amended (the "US Securities Act"), or any United States state securities laws, and may not be offered, sold, resold or otherwise transferred within the United States or to the territories or possessions thereof (the "United States"), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act. I/ we understand the Rights Equity Shares referred to in this application are being offered and sold in offshore transactions outside the United States in compliance with Regulation S under the US Securities Act ("Regulation S") to existing shareholders located in jurisdictions where such offer and sale of the Rights 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 Rights 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 Rights Equity Shares or Rights Entitlements in the United States. I/we confirm that I am/we are (a) not in the United States and eligible to subscribe for the Rights 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, 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 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 United States 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 Rights 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 Rights Equity Shares and Rights Entitlements in compliance with applicable securities and other laws of our jurisdiction of residence.

I/we hereby make the representations, warranties, acknowledgments and agreements set forth in the section of the Letter of Offer.

I/ We understand and agree that the Rights Entitlements 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 from, or in a transaction not subject to, the registration requirements of the US Securities Act.

I/ We acknowledge that we, our affiliates and others will rely upon the truth and accuracy of the foregoing representations and agreements."

In cases where multiple Application Forms are submitted for Applications pertaining to Rights Entitlements credited to the same demat account or in demat suspense escrow account, including cases where *an* Investor submits Application Forms along with a plain paper Application, such Applications shall be liable to be rejected.

Investors are requested to strictly adhere to these instructions. Failure to do so could result in an application being rejected, with our Company and the Registrar not having any liability to the Investor. The plain paper Application format will be available on the website of the Registrar at www.kfintech.com.

Our Company and the Registrar shall not be responsible if the Applications are not uploaded SCSB or funds are not blocked in the Investors' ASBA Accounts on or before the Issue Closing Date.

Making of 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 Rights 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 Rights 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.

Prior to the Issue Opening Date, the Rights Entitlements of those resident Eligible Equity Shareholders, among others, who hold Equity Shares in physical form, and whose demat account details are not available with our Company or the Registrar, shall be credited in a demat suspense escrow account opened by our Company.

To update respective email addresses/ mobile numbers in the records maintained by the Registrar or us Company, Eligible Equity Shareholders should visit www.galaglobalhub.com.

Eligible Equity Shareholders, who hold Equity Shares in physical form as on Record Date and who have opened their demat accounts after the Record Date, shall adhere to following procedure for participating in this Issue:

- a) The Eligible Equity Shareholders shall send a letter to the Registrar containing the name(s), address, email address, contact details and the details of their demat account along with copy of self-attested PAN and self-attested client master sheet of their demat account either by email, post, speed post, courier, or hand delivery so as to reach to the Registrar no later than two Working Days prior to the Issue Closing Date;
- b) The Registrar shall, after verifying the details of such demat account, transfer the Rights Entitlements of such Eligible Equity Shareholders to their demat accounts at least one day before the Issue Closing Date;
- c) The remaining procedure for Application shall be same as set out in "Terms of the Issue Making of an Application by Eligible Equity Shareholders on Plain Paper under ASBA process" beginning on page 97.

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.

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 finalized in consultation with the Designated Stock Exchange. Applications for additional Equity Shares shall be considered and Allotment shall be made in accordance with the SEBI ICDR Regulations and in the manner as set out in "Terms of the Issue - Basis of Allotment" beginning on page 115.

Eligible Equity Shareholders who renounce their Rights Entitlements cannot apply for additional Equity Shares. Non-resident Renouncees who are not Eligible Equity Shareholders cannot apply for additional Equity Shares.

Investors to kindly note that after purchasing the Rights Entitlements through On Market Renunciation/ Off Market Renunciation, an Application has to be made for subscribing to the Rights Equity Shares. If no such Application is made by the renouncee on or before Issue Closing Date, then such Rights Entitlements will get lapsed and shall be extinguished after the Issue Closing Date and no Rights Equity Shares for such lapsed Rights Entitlements will be credited. For procedure of Application by shareholders who have purchased the Right Entitlement through On Market Renunciation/ Off Market Renunciation, please refer to the heading titled "Procedure for Application through the ASBA process" on page 96 of this Draft Letter of Offer

Additional General instructions for Investors

- a) Please read this Draft Letter of Offer carefully to understand the Application process and applicable settlement process.
- b) 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 this Draft Letter of Offer, 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.
- c) In case of non-receipt of Application Form, Application can be made on plain paper mentioning all necessary details as mentioned under the section "Terms of the Issue Making of an Application by Eligible Equity Shareholders on Plain Paper under ASBA process" on page 97.
- d) 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.
- e) 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.
- f) All Applicants, and in the case of Application in joint names, each of the joint Applicants, should mention their PAN allotted under the Income-tax Act, irrespective of the amount of the Application. Except for Applications on behalf of the Central or the State Government, the residents of Sikkim and the officials appointed by the courts, Applications without PAN will be considered incomplete and are liable to be rejected. With effect from August 16, 2010, the demat accounts for Investors for which PAN details have not been verified shall be "suspended for credit" and no Allotment and credit of Rights Equity Shares pursuant to this Issue shall be made into the accounts of such Investors. Further, in case of Application in joint names, each of the joint Applicants should sign the Application Form.
- g) 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 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.

- h) 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.
- i) 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.
- j) Investors should provide correct DP ID and Client ID/ Folio number (for Eligible Equity Shareholders who hold Equity Shares in physical form as on Record Date) while submitting the Application. Such DP ID and Client ID/ Folio number should match the demat account details in the records available with Company and/or Registrar, failing which such Application is liable to be rejected. Investor will be solely responsible for any error or inaccurate detail provided in the Application. Our Company, SCSBs or the Registrar will not be liable for any such rejections.
- k) In case of joint holders and physical Applications through ASBA process, all joint holders must sign the relevant part of the Application Form in the same order and as per the specimen signature(s) recorded with the SCSB. In case of joint Applicants, reference, if any, will be made in the first Applicant's name and all communication will be addressed to the first Applicant.
- 1) All communication in connection with Application for the Equity Shares, including any change in contact details 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, Folio number (for Eligible Equity Shareholders who hold Equity Shares in physical form as on Record Date)/DP ID and Client ID and Application Form number, as applicable. In case of any change in contact details of the Eligible Equity Shareholders, the Eligible Equity Shareholders should also send the intimation for such change to the respective depository participant, or to our Company or the Registrar in case of Eligible Equity Shareholders holding Equity Shares in physical form.
- m) 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.
- n) Do not apply if you are ineligible to participate in this Issue under the securities laws applicable to your jurisdiction.
- o) Do not submit the GIR number instead of the PAN as the application is liable to be rejected on this ground.
- p) Avoid applying on the Issue Closing Date due to risk of delay/restrictions in making any physical application
- q) Do not pay the Application Money in cash, by money order, pay order or postal order.
- r) Do not submit multiple Applications.
- s) 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. Our Company will not be responsible for any allotments made by relying on such approvals.

t) 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.

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 Company, 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.
- 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.
- 1. Application Forms which are not submitted by the Investors within the time periods prescribed in the application Form and this Draft 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, and 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: (i) appears to our Company or its agents to have been executed in, electronically transmitted from or dispatched from the United States (other than from persons in the United States who are U.S. QIBs and QPs) 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; and our Company shall not be bound to issue or allot any Equity Shares in respect of any such Application Form.

- q. Applications which have evidence of being executed or made in contravention of applicable securities laws.
- r. Application from Investors that are residing in U.S. address as per the depository records (other than from persons in the United States who are U.S. QIBs and QPs).
- s. Payment from third party bank accounts.

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. [•], see Section Terms of the Issue-"Procedure for Application by Eligible Equity Shareholders holding Equity Shares in physical form" on page 99.

Our Company, its directors, its employees, affiliates, associates and their respective directors and officers, and the Registrar shall not take any responsibility for acts, mistakes, errors, omissions and commissions etc. in relation to Applications accepted by SCSBs, Applications uploaded by SCSBs, Applications accepted but not uploaded by SCSBs or Applications accepted and uploaded without blocking funds in the ASBA Accounts.

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 i.e. [●]. 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 jurisdictions.

Further, our Company 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 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.

Please note that neither our Company nor the Registrar shall be responsible for delay in the receipt of the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form attributable to non-availability of the 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.

Investors can access the Draft Letter of Offer, Letter of Offer, the Abridged Letter of Offer and the Application Form (provided that the Eligible Equity Shareholder is eligible to subscribe for the Rights Equity Shares under applicable securities laws) on the websites of:

- a. Our Company at www.galaglobalhub.com
- b. the Registrar to the Issue at www.kfintech.com
- c. the Stock Exchanges at www.bseindia.com; and

The Eligible Equity Shareholders can obtain the details of their respective Rights Entitlements from the website of the Registrar (i.e., www.kfintech.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). The link for the same shall also be available on the website of our Company (i.e., www.galaglobalhub.com). The Application Form can be used by the Investors, Eligible Equity Shareholders as well as the Renouncees, 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. [•] 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 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 which an amount equivalent to the amount payable on Application as stated in the Application Form will be blocked by the SCSB.

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. Incorrect depository account details or PAN number could lead to rejection of the Application. For details see "Grounds for Technical Rejection" on page 102. Our Company, the Registrar and the SCSB shall not be liable for any incorrect demat details provided by the Applicants.

Additionally, in terms of Regulation 78 of the SEBI ICDR Regulations, Investors may choose to accept the offer to participate in this Issue by making 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 97.

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. 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.

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 on ASBA, such Applications shall be treated as multiple applications and are liable to be rejected.

Last date for Application

The last date for submission of the duly filled in the Application Form or a plain paper Application is [●], i.e., Issue Closing Date. 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 Issue Period not exceeding 30 days from the Issue Opening Date (inclusive of the Issue Opening Date).

If the Application Form is not submitted with an SCSB, uploaded with the Stock 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 this Draft 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 Rights Equity Shares hereby offered, as provided under the heading "Terms of the Issue-Basis of Allotment" on page 115.

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.

Please ensure that the Application Form and necessary details are filled in. In place of Application number, Investors can mention the reference number of the e-mail received from Registrar informing about their Rights Entitlement or last eight digits of the demat account. Alternatively, SCSBs may mention their internal reference number in place of application number.

Procedure for Applications by NRIs

Investments by NRIs are governed by the FEMA Rules. Applications will not be accepted from NRIs that are ineligible to participate in this Issue under applicable securities laws.

As per the FEMA Rules, an NRI or Overseas Citizen of India ("OCI") may purchase or sell capital instruments of a listed Indian company on repatriation basis, on a 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 incorporated 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.

Procedure for Applications by Mutual Funds

A separate application can be made in respect of each scheme of an Indian mutual fund registered with SEBI and such applications shall not be treated as multiple applications. The applications made by asset management companies or custodians of a mutual fund should clearly indicate the name of the concerned scheme for which the application is being made.

Procedure for Applications by Systemically Important Non-Banking Financial Companies ("NBFC-SI")

In case of an application made by NBFC-SI registered with the RBI, (a) the certificate of registration issued by the RBI under Section 45IA of the RBI Act, 1934 and (b) net worth certificate from its statutory auditors or any independent chartered accountant based on the last audited financial statements is required to be attached to the application.

Minimum subscription

In accordance with Regulation 86 of SEBI (ICDR) Regulations, if our Company does not receive the minimum subscription of at least 90.00% of the Issue our Company shall refund the entire subscription amount received within 4 (Four) days from the Issue Closing Date. If there is delay in making refunds beyond such period as prescribed by applicable laws, our Company will pay interest for the delayed period at rates prescribed under applicable laws.

Withdrawal of Application

An Investor who has applied in this Issue may withdraw their application at any time during Issue Period by approaching the SCSB where application is submitted. However, no Investor, whether applying through ASBA facility, may withdraw their application post the Issue Closing Date.

Disposal of Application and Application Money

No acknowledgment will be issued for the Application Money received by our Company. However, the Designated Branch of the SCSBs receiving the Application Form will acknowledge its receipt by stamping and returning the acknowledgment slip at the bottom of each Application Form.

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, in case of Applications through ASB. Wherever an application is rejected in part, the balance of Application Money, if any, after adjusting any money due on Rights Equity Shares Allotted, will be refunded / unblocked in the respective bank accounts from which Application Money was received / ASBA Accounts of the Investor within a period of 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.

Withdrawal of the Issue

Subject to provisions of the SEBI ICDR Regulations, the Companies Act and other applicable laws, Our Company 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 any time after the Issue Opening Date, a public notice within two (2) Working Days of the Issue Closing Date i.e. [\bullet] 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 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 exchanges where the Equity Shares may be proposed to be listed.

For further instructions, please read the Application Form carefully.

III. Credit of Rights Entitlements in dematerialized account

Rights Entitlements

As your name appears as a beneficial owner in respect of the issued and paid-up Equity Shares held in dematerialized 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.kfintech.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.galaglobalhub.com).

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 [●]. The said ISIN all 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.

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.kfintech.com). Such Eligible Equity Shareholders can make an application only after the Rights Entitlements is credited to their respective demat accounts.

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 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 (namely, "[•] Demat 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.

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 [•] 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.

Authority for the Issue

The Issue has been authorized by a resolution of Board of Directors of our Company passed at their meeting held on *dated Monday, October 21, 2024 under section 62(1)(a) of the Companies Act, 2013.*

The Board in their meeting held on [●] have determined the Issue Price at [●] per Equity Share and the Rights Entitlement as [●]. Rights Equity Share for every [●].) fully paid-up Equity Shares held on the Record Date i.e. [●].

Our Company has received in-principle approvals from BSE 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 letter dated [•].

Basis for the 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 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. [●], decided in consultation with the Designated Stock Exchange, but excludes persons not eligible under the applicable laws, rules, regulations and guidelines.

IV. Renunciation And Trading of Rights Entitlement

Renouncees

All rights and obligations of the Eligible Equity Shareholders in relation to Applications and refunds pertaining to this Issue shall apply to the Renounce (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 Exchanges or through an off-market transfer.

In accordance with SEBI Rights Issue Circulars, the 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 Issue Closing Date, will not be able to renounce their Right Entitlements.

Procedure for Renunciation of Rights Entitlements

The Investors 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; or (b) through an off -market transfer, 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. Our Company accept no responsibility to bear or pay any cost, applicable taxes, charges and expenses (including brokerage), and such costs will be incurred solely by the Investors.

Please note that the Rights Entitlements which are neither renounced nor subscribed by the Investors on or before the Issue Closing Date shall lapse and shall be extinguished after the Issue Closing Date.

1. On Market Renunciation

The Investors 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 Exchanges under ISIN [•] subject to requisite approvals. Prior to the Issue Opening Date, our Company will obtain the approval from the Stock Exchanges for trading of Rights 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 [●] Rights Entitlement. The On Market Renunciation shall take place only during the Renunciation Period for On Market Renunciation, i.e., from [●] to [●] (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 [●] and indicating the details of the Rights Entitlements they intend to sell. The Investors can place order for sale of Rights Entitlements only to the extent of Rights Entitlements available in their demat account.

The On Market Renunciation shall take place electronically on secondary market platform of BSE under automatic order matching mechanism and on 'T+1 rolling settlement bases, where 'T' refers to the date of trading. The transactions will be settled on trade-for-trade basis. Upon execution of the order, the stockbroker will issue a contract note in accordance with the requirements of the Stock Exchanges and the SEBI.

2. Off Market Renunciation

The Investors may renounce the Rights Entitlements, credited to their respective demat accounts by way of an off-market transfer through a depository participant. The Rights Entitlements can be transferred in 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 Renouncees on or prior to the Issue Closing Date.

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 [●], 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.

V. Mode of payment

All payments against the Application Forms shall be made only through ASBA facility. The Registrar will not accept any payments against the Application Forms, if such payments are not made through ASBA.

Terms of Payment

 $[\bullet]$ (Rupees $[\bullet]$) per Rights Equity Share issued in $[\bullet]$ Rights Entitlement, (i.e., $[\bullet]$ -) per Rights Equity Share, including a premium of $[\bullet]$ per Rights Share).

In case of Application through ASBA facility, the Investor agrees to block the Application Money with the submission of the Application Form, by authorizing the SCSB to block an amount, equivalent to the Application Money, 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, upon receipt of intimation from the Registrar 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 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.

The Investors would be required to give instructions to the respective SCSBs to block the entire amount payable on their application at the time of the submission of the Application Form.

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.

Mode of payment for Resident Investors

All payments on the Application Forms shall be made only through ASBA facility. Applicants are requested to strictly adhere to these instructions.

Mode of payment for Non-Resident Investors

As regards the Application by non-resident Investors, payment must be made only through ASBA facility and using permissible accounts in accordance with FEMA, FEMA Rules and requirements prescribed by RBI and subject to the following:

- 1. In case where repatriation benefit is available, interest, dividend, sales proceeds derived from the investment in Rights Equity Shares can be remitted outside India, subject to tax, as applicable according to the Income-tax Act. However, please note that conditions applicable at the time of original investment in our Company by the Eligible Equity Shareholder including repatriation shall not change and remain the same for subscription in the Issue or subscription pursuant to renunciation in the Issue.
- 2. In case Rights Equity Shares are allotted on a non-repatriation basis, the dividend and sale proceeds of the Rights Equity Shares cannot be remitted outside India.
- 3. In case of an Application Form received from non-residents, Allotment, refunds and other distribution, if any, will be made in accordance with the guidelines and rules prescribed by the RBI as applicable at the time of making such Allotment, remittance and subject to necessary approvals.
- 4. Application Forms received from non-residents/ NRIs, or persons of Indian origin residing abroad for Allotment of Rights Equity Shares shall, amongst other things, be subject to conditions, as may be imposed from time to time by RBI under FEMA, in respect of matters including Refund of Application Money and Allotment.
- 5. In the case of NRIs who remit their Application Money from funds held in FCNR/NRE Accounts, refunds and other disbursements, if any shall be credited to such account.
- 6. Non-resident Renouncees who are not Eligible Equity Shareholders must submit regulatory approval for applying for additional Rights Equity Shares.

VI. Basis for this Issue and Terms of Issue

The Rights Equity Shares are being offered for subscription for cash to the Eligible Equity Shareholders whose names appear as beneficial owners as per the list to be furnished by the Depositories in respect of our Equity Shares held in dematerialised form and on the register of members of our Company in respect of our Equity Shares held in physical form at the close of business hours on the Record Date.

For principal terms of Issue such as face value, Issue Price, Rights Entitlement ratio, see "The Issue" beginning on page 27.

Face Value

Each Rights Equity Share will have the face value of Rs 5.00/- per share.

Issue Price

The Rights Equity Share is being offered at a price of [●] per Rights Equity Share (including a premium of Rs. [●] per Rights Equity Share) in this Issue. On Application, Investors will have to pay [●] per Rights Equity Share.

The Issue Price for Rights Equity Shares has been arrived at by our Company at its board meeting held on [●] and has been decided prior to the determination of the Record Date.

Rights Entitlements Ratio

The Rights Equity Shares are being offered on a rights basis to the Eligible Equity Shareholders in the ratio of [●] rights Equity Shares for every [●] Equity Shares held by the Eligible Equity Shareholders as on the Record Date.

Fractional Entitlements

The Right Equity Shares are being offered on a rights basis to existing Eligible Equity Shareholders in the ratio of [•] Right Equity Shares for every [•] Equity Shares held as on the Record Date. As per SEBI Rights Issue Circulars, the fractional entitlements are to be ignored. Accordingly, if the shareholding of any of the Eligible Equity Shareholders is less than [•] Equity Shares or is not in the multiple of [•] 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, if any, subject to availability of Rights Equity Shares in this Issue post allocation towards Rights Entitlements applied for.

For example, if an Eligible Equity Shareholder holds [•] Equity Shares, such Equity Shareholder will be entitled to [•] Right Equity Shares and will also be given a preferential consideration for the Allotment of [•] additional Rights Equity Share if such Eligible Equity Shareholder has applied for additional Rights Equity Shares, over and above his/her Rights Entitlements, subject to availability of Rights Equity Shares in this Issue post allocation towards Rights Entitlements applied for.

Further, the Eligible Equity Shareholders holding less than [•] 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.

Ranking

The Rights Equity Shares to be issued and Allotted pursuant to this Issue shall be subject to the provisions of this Draft Letter of Offer, 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 issue 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 Rights Equity Shares to be issued and Allotted under this Issue shall rank pari passu with the existing Equity Shares, in all respects including dividends.

Listing and trading of the Rights Equity Shares to be issued pursuant to this Issue

Subject to receipt of the listing and trading approvals, the Rights Equity Shares proposed to be issued on a rights basis shall be listed and admitted for trading on the Stock Exchanges. Unless otherwise permitted by the SEBI ICDR Regulations, the Rights Equity Shares Allotted pursuant to this Issue will be listed as soon as practicable and all steps for completion of necessary 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-principal approval from the BSE through letter bearing reference number [•] dated [•]. Our Company will apply to the Stock Exchange 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.

For an applicable period, the trading of the Rights Equity Shares would be suspended under the applicable law. The process of corporate action for crediting the fully paid -up Rights Equity Shares to the Investors' demat accounts, may take such time as is customary or as prescribed under applicable law.

The existing Equity Shares are listed and traded on BSE (Scrip Code: 539228) under the ISIN: INE480S01026. 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 Rights Equity Shares shall be debited from such temporary ISIN and credited to the new ISIN for the Rights 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 Rights Equity Shares issued pursuant to this Issue shall be based on the current regulatory framework then applicable. Accordingly, any change in the regulatory regime would affect the listing and trading schedule.

In case our Company fails to obtain listing or trading permission from the Stock Exchanges, we 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 Rights 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.

Subscription to this Issue by our Promoters and our Promoter Group

For details of the intent and extent of subscription by our Promoter and members of the Promoter Group, see "Capital Structure - Intention and extent of participation by our Promoter" mentioned above.

Rights of Holders of Rights Equity Shares of our Company

Subject to applicable laws, Rights Equity Shareholders shall have the following rights in proportion to amount paid-up on the Rights Equity Shares:

- a) The right to receive dividend, if declared;
- b) The right to vote in person, or by proxy, except in case of Rights Equity Shares credited to the demat suspense account for resident Eligible Equity Shareholders holding Equity Shares in physical form;
- c) The right to receive surplus on liquidation;
- d) The right to free transferability of Rights Equity Shares;
- e) The right to attend general meetings of our Company and exercise voting powers in accordance with law, unless prohibited / restricted by law; and
- f) Such other rights as may be available to a shareholder of a listed public company under the Companies Act, 2013, the Memorandum of Association and the Articles of Association.

Subject to applicable law and Articles of Association, holders of Rights Equity Shares shall be entitled to the above rights in proportion to amount paid-up on such Rights Equity Shares in this Issue.

VII. 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 [●] Equity Shares.

Joint Holders

Where two or more persons are registered as the holders of any Equity Shares, they shall be deemed to hold the same as the joint holders with the benefit of survivorship subject to the provisions contained in our Articles of Association. In case of Equity Shares held by joint holders, the Application submitted in physical mode to the Designated Branch of the SCSBs would be required to be signed by all the joint holders (in the same order as appearing in the records of the Depository) to be considered as valid for allotment of Rights Equity Shares offered in this Issue.

Nomination

Nomination facility is available in respect of the Rights Equity Shares in accordance with the provisions of the Section 72 of the Companies Act, 2013 read with Rule 19 of the Companies (Share Capital and Debenture) Rules, 2014.

Since the Allotment is in 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 DPs of the Investors would prevail. Any Investor holding Equity Shares in dematerialised form and desirous of changing the existing nomination is requested to inform its Depository Participant.

Arrangements for Disposal of Odd Lots

The Rights Equity Shares shall be traded in dematerialised form only and, therefore, the marketable lot shall be [•] Rights Equity Share and hence, no arrangements for disposal of odd lots are required.

Notices

In accordance with the SEBI ICDR Regulations and SEBI Rights Issue Circulars, our Company will send / dispatch the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter, Application Form and other issue materials ("Issue Materials") only to the Eligible Equity Shareholders who have provided an Indian address to our Company and who are located in jurisdictions where the offer and sale of the Rights Entitlement or Rights Equity Shares is permitted under laws of such 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 provided by the Registrar on behalf of our Company to the Eligible Equity Shareholders who have provided their Indian addresses to our Company and who make a request in this regard. In case the 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 the 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 (i) one English national daily newspaper; (ii) one Hindi language national daily newspaper; and (iii) one Gujarati language daily newspaper (Gujarati being the regional language of Ahmedabad, where our Registered Office is situated) and/or, will be sent by post or electronic transmission or other permissible mode to the addresses of the Eligible Equity Shareholders provided to our Company. This Draft 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, the RBI has given general permission to Indian companies to issue rights equity shares to non-resident shareholders including additional rights equity shares. Further, as per the Master Direction on Foreign Investment in India dated January 4, 2018 issued by the RBI, non-residents may, amongst other things, (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 the 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, 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 gala.rights@kfintech.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 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 addresses and Indian addresses of non-resident Eligible Equity Shareholders, on a reasonable effort basis, who have provided an Indian address to our Company or 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. Investors can access this Draft 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 and the Stock Exchanges. Our Board may at its absolute discretion, agree to such terms and conditions as may be stipulated by the 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 Rights 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.

Please also note that pursuant to 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 Overseas Corporate Bodies (OCBs)) Regulations, 2003. Any Investor being an OCB is required not to be under the adverse notice of the 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.

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 gala.rights@kfintech.com.

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 OR THE ISSUE CLOSING DATE, AS THE CASE MAY BE. FOR DETAILS, SEE "ALLOTMENT ADVICE OR REFUND/ UNBLOCKING OF ASBA ACCOUNTS" ON PAGE 116.

Payment Schedule of Rights Equity Shares

The Issue Price of [●] per Rights Equity Share (including premium of [●] per Rights Equity Share) shall be payable on application.

VIII. Issue Schedule

LAST DATE FOR CREDIT OF RIGHTS ENTITLEMENTS	[•]

ISSUE OPENING DATE	[•]
LAST DATE FOR ON MARKET RENUNCIATION*	[•]
ISSUE CLOSING DATE#	[•]
FINALISATION OF BASIS OF ALLOTMENT (ON OR ABOUT)	[•]
DATE OF ALLOTMENT (ON OR ABOUT)	[•]
DATE OF CREDIT (ON OR ABOUT)	[•]
DATE OF LISTING (ON OR ABOUT)	[•]

^{*} 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 (thirty) days from the Issue Opening Date (inclusive of the Issue Opening Date). Further, no withdrawal of Application shall be permitted by any Applicant after the Issue Closing Date.

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., [•] 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. [•].

For details, see "General Information - Issue Schedule" on page 35.

IX. Basis of Allotment

Subject to the provisions contained in this Draft Letter of Offer, the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter, the Application Form, the Articles of Association 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. Eligible Equity Shareholders whose fractional entitlements are being ignored and Eligible Equity Shareholders with zero entitlement, would be given preference in allotment of one additional Rights Equity Share each if they apply for additional Rights Equity Shares. Allotment under this head shall be considered if there are any unsubscribed Rights Equity Shares after allotment under (a) above. If number of Rights Equity Shares required for Allotment under this head are more than the number of Rights Equity Shares available after Allotment under (b) above, the Allotment would be made on a fair and equitable basis in consultation with the Designated Stock Exchange and will not be a preferential allotment
- c. Allotment to the Eligible Equity Shareholders who having applied for all the Rights Equity Shares offered to them as part of this Issue, have also applied for additional Rights Equity Shares. The Allotment of such additional Rights Equity Shares will be made as far as possible on an equitable basis having due regard to the number of Equity Shares held by them on the Record Date, provided there are any unsubscribed Rights Equity Shares after making full Allotment in (a) and (b) above. The Allotment of such Rights Equity Shares will be at the sole discretion of our Board in consultation with the Designated Stock Exchange, as a part of this Issue and will not be a preferential allotment.
- d. Allotment to Renouncees who having applied for all the Rights Equity Shares renounced in their favour, have applied for additional Rights Equity Shares provided there is surplus available after making full Allotment under (a), (b) and (c) above. The Allotment of such Rights Equity Shares will be made on a proportionate basis in consultation with the Designated Stock Exchange, as a part of this Issue and will not be a preferential allotment.
- e. Allotment to any other person, that our Board may deem fit, provided there is surplus available after making Allotment under (a), (b), (c) and (d) above, and the decision of our Board in this regard shall be final and binding.

After taking into account Allotment to be made under (a) to (d) above, if there is any unsubscribed portion, the same shall be deemed to be 'unsubscribed'. Upon approval of the Basis of Allotment by the Designated

Stock Exchange, the Registrar shall send to the Controlling Branches, a list of the Investors who have been allocated Rights Equity Shares in this Issue, along with:

- 1. The amount to be transferred from the ASBA Account to the separate bank account opened by us Company for this Issue, for each successful Application;
- 2. The date by which the funds referred to above, shall be transferred to the aforesaid bank account; and
- The details of rejected ASBA applications, if any, to enable the SCSBs to unblock the respective ASBA Accounts.

X. Allotment Advice or Refund/ Unblocking of ASBA Accounts

Our Company will send/ dispatch Allotment advice, refund intimations or demat credit of securities and/or letters of regret, only to the Eligible Equity Shareholders who have provided Indian address. In case such Eligible Equity Shareholders have provided their valid e-mail address, Allotment advice, refund intimations or demat credit of securities and/or letters of regret 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 Allotment advice, refund intimations or demat credit of securities and/or letters of regret will be dispatched, on a reasonable effort basis, to the Indian addresses provided by them; along with crediting the Allotted Equity Shares to the respective beneficiary accounts (only in dematerialised mode) or in a demat suspense account (in respect of Eligible Equity Shareholders holding Equity Shares in physical form on the Allotment Date) or issue instructions for unblocking the funds in the respective ASBA Accounts, if any, within a period of 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 email, to the email 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, refunds 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.

XI. Payment of Refund

Mode of making refunds

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:

- a. Unblocking amounts blocked using ASBA facility.
- b. NACH National Automated Clearing House is a consolidated system of electronic clearing service. Payment of refund would be done through NACH for Applicants having an account at one of the centres specified by the RBI, where such facility has been made available. This would be subject to availability of complete bank account details including MICR code wherever applicable from the depository. The payment of refund through NACH is mandatory for Applicants having a bank account at any of the centres where NACH facility has been made available by the RBI (subject to availability of all information for crediting the refund through NACH including the MICR code as appearing on a cheque leaf, from the depositories), except where Applicant is otherwise disclosed as eligible to get refunds through NEFT or Direct Credit or RTGS.
- c. 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, the same will be duly mapped with the IFSC Code of that particular bank branch and the payment of refund will be made to the Investors through this method.

- d. Direct Credit Investors having bank accounts with the Bankers to the Issue shall be eligible to receive refunds through direct credit. Charges, if any, levied by the relevant bank(s) for the same would be borne by our Company.
- e. RTGS If the refund amount exceeds ₹ 2,00,000, the Investors have the option to receive refund through RTGS. Such eligible Investors who indicate their preference to receive refund through RTGS are required to provide the IFSC Code in the Application Form. In the event the same is not provided, refund shall be made through NACH or any other eligible mode. Charges, if any, levied by the refund bank(s) for the same would be borne by our Company. Charges, if any, levied by the Investor's bank receiving the credit would be borne by the Investor.
- f. For all other Investors, the refund orders will be dispatched through speed post or registered post subject to applicable laws. Such refunds will be made by cheques, pay orders or demand drafts drawn in favor of the sole/first Investor and payable at par.
- g. Credit of refunds to Investors in any other electronic manner, permissible by SEBI from time to time.

Refund payment to non-residents

The Application Money will be unblocked in the ASBA Account of the non-resident Applicants, details of which were provided in the Application Form.

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.

XII. Allotment Advice or Demat Credit of Securities

The demat credit of securities to the respective beneficiary accounts or the demat suspense account (pending receipt of demat account details for Eligible Equity Shareholders holding Equity Shares in physical form/ with IEPF authority/ in suspense, etc.) will be credited within 15 days from the Issue Closing Date or such other timeline in accordance with applicable laws.

Receipt of the Rights Equity Shares in Dematerialized Form

PLEASE NOTE THAT THE RIGHTS EQUITY SHARES APPLIED FOR UNDER THIS ISSUE CAN BE ALLOTTED ONLY IN DEMATERIALIZED FORM AND TO (A) THE SAME DEPOSITORY ACCOUNT/ CORRESPONDING PAN IN WHICH THE EQUITY SHARES ARE HELD BY SUCH INVESTOR ON THE RECORD DATE OR THE ISSUE CLOSING DATE, AS THE CASE MAY BE, 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 PENDING RECEIPT OF DEMAT ACCOUNT DETAILS FOR RESIDENT ELIGIBLE EQUITY SHAREHOLDERS HOLDING EQUITY SHARES FORM/ WHERE THE CREDIT OF THE RIGHTS ENTITLEMENTS RETURNED/REVERSED/FAILED.

Investors shall be Allotted the Rights Equity Shares in dematerialized (electronic) form. Our Company has signed an agreement dated March 24, 2015 with NSDL and an agreement dated March 24, 2015 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 CAN BE TRADED ON THE STOCK EXCHANGES ONLY IN DEMATERIALIZED FORM.

The procedure for availing the facility for Allotment of Rights Equity Shares in this Issue in the dematerialized form is as under:

- 1. Open a beneficiary account with any depository participant (care should be taken that the beneficiary account should carry the name of the holder in the same manner as is registered in the records of our Company. In the case of joint holding, the beneficiary account should be opened carrying the names of the holders in the same order as registered in the records of our Company). In case of Investors having various folios in our Company with different joint holders, the Investors will have to open separate accounts for such holdings. Those Investors who have already opened such beneficiary account(s) need not adhere to this step.
- 2. It should be ensured that the depository account is in the name(s) of the Investors and the names are in the same order as in the records of our Company or the Depositories.
- 3. The responsibility for correctness of information filled in the Application Form vis-a-vis such information with the Investor's depository participant, would rest with the Investor. Investors should ensure that the names of the Investors and the order in which they appear in Application Form should be the same as registered with the Investor's depository participant.
- 4. If incomplete or incorrect beneficiary account details are given in the Application Form, the Investor will not get any Rights Equity Shares and the Application Form will be rejected.
- 5. The Rights Equity Shares will be allotted to Applicants only in dematerialized form and would be directly credited to the beneficiary account as given in the Application Form after verification or demat suspense account (pending receipt of demat account details for resident Eligible 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.
- 6. Non-transferable Allotment advice/ refund intimation will be directly sent to the Investors by the Registrar, by email and, if the printing is feasible, through physical dispatch.
- 7. Renouncees will also have to provide the necessary details about their beneficiary account for Allotment of Rights Equity Shares in this Issue. In case these details are incomplete or incorrect, the Application is liable to be rejected.

XIII. 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 for fraud involving an amount of at least ₹1 million or 1% of the turnover of the company, whichever is lower, includes imprisonment for a term of not less than six months extending up to 10 years (provided that where the fraud involves public interest, such term shall not be less than three years) and fine of an amount not less than the amount involved in the fraud extending up to three times of such amount. In case the fraud involves (i) an amount which is less than ₹ 1 million or 1% of the turnover of the company, whichever is lower; and (ii) does not involve public interest, then such fraud is

punishable with an imprisonment for a term extending up to five years or a fine of an amount extending up to ₹50 lakhs or with both.

XIV. Utilization of Issue Proceeds

Our Board declares that:

- a. All monies received out of this Issue shall be transferred to a separate bank account;
- b. Details of all monies utilized out of this Issue referred to under (A) shall be disclosed under an appropriate separate head in the balance of our Company indicating the purpose for which such monies had been utilized; and
- c. Details of all unutilized monies out of this Issue referred to under (A) above, if any, shall be disclosed under an appropriate separate head in the balance sheet of our Company indicating the form in which such unutilized monies have been invested.

XV. Undertakings by our Company

Our Company undertakes the following:

- 1) The complaints received in respect of this Issue shall be attended to by our Company expeditiously and satisfactorily.
- 2) All steps for completion of the necessary formalities for listing and commencement of trading at all Stock Exchanges where the Equity Shares are to be listed will be taken within the time limit specified by SEBI.
- 3) The funds required for making refunds to unsuccessful Applicants as per the mode(s) disclosed shall be made available to the Registrar by our Company.
- 4) 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.
- 5) In case of refund / unblocking of the Application Money for unsuccessful Applicants or part of the Application Money in case of proportionate Allotment, a suitable communication shall be sent to the Applicants.
- 6) Adequate arrangements shall be made to collect all ASBA Applications.
- 7) Our Company shall comply with such disclosure and accounting norms specified by SEBI from time to time.

XVI. Investor Grievances, Communication and Important Links

- Please read this Draft 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 Draft Letter of Offer and must be carefully followed; otherwise, the Application is liable to be rejected.
- 2. All enquiries in connection with this Draft Letter of Offer, the 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 "[●]− Rights Issue" on the envelope and postmarked in India or in the email) to the Registrar at the following address:

Name	Kfin Technologies Limited		
Address	Selenium Tower B, Plot 31-32, Financial District, Nanakramguda,		
	Serilingampally Mandal, Hydrabad - 500 032, Telangana,		
Tel No.	+ 91-40-67162222/18003094001		
Email Id	gala.rights@kfintech.com		
Investor Grievance Email	einward.ris@kfintech.com		
Contact Person	Mr. M. Murali Krishna		
Website	www.kfintech.com		
SEBI Registration No.	INR000000221		
CIN	L72400TG2017PLC117649		

3. In accordance with SEBI Rights Issue Circulars, frequently asked questions and online/ electronic dedicated investor helpdesk for guidance on the Application process and resolution of difficulties faced by the Investors will

be available on the website of the Registrar (www.kfintech.com). Further, helpline number provided by the Registrar for guidance on the Application process and resolution of difficulties is +91-40-67162222/18003094001

This Issue will remain open for a minimum 7 days. However, our Board or 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). This Issue will remain open for a minimum 7 days. However, our Board or 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).

RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

There are two routes through which foreign investors may invest in India. One is the 'automatic route', where no government approval is required under Indian foreign exchange laws to make an investment as long as it is within prescribed thresholds for the relevant sector. The other route is the "government route", where an approval is required under foreign exchange laws from the relevant industry regulator, prior to the investment.

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government of India and Foreign Exchange Management Act, 1999 ("FEMA"). While the Industrial Policy, 1991 prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. Under the Industrial Policy, 1991, unless specifically restricted, foreign investment is freely permitted in all sectors of Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. Accordingly, the process for foreign direct investment ("FDI") and approval from the Government of India will now be handled by the concerned ministries or departments, in consultation with the Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India (formerly known as the Department of Industrial Policy and Promotion) ("DPIIT"), Ministry of Finance, Department of Economic Affairs through the FDI Policy (defined below).

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 consolidated FDI Policy Circular of 2020 ("FDI Policy 2020"), effective from October 15, 2020, which consolidates and supersedes all previous press notes, press releases and clarifications on FDI Policy issued by the DIPP that were in force. The Government proposes to update the consolidated circular on FDI policy once every year and therefore, FDI Policy 2020 will be valid until the DIPP issues an updated circular.

The Government has from time to time made policy pronouncements on FDI through press notes and press releases which are notified by RBI as amendments to FEMA. In case of any conflict, the relevant notification under Foreign Exchange Management (Non-Debt Instruments) Rules, 2019 will prevail. The payment of inward remittance and reporting requirements are stipulated under the Foreign Exchange Management (Mode of Payment and Reporting of Non-Debt Instruments) Regulations, 2019 issued by RBI The FDI Policy, issued by the DPIIT, consolidates the policy framework in place as on October 15, 2020, and supersedes all previous press notes, press releases and clarifications on FDI issued by the DPIIT that were in force and effect as on October 15, 2020.

The transfer of shares between an Indian resident and a non-resident does not require the prior approval of the RBI, provided that:

- (i) the activities of the investee company fall under the automatic route as provided in the FDI Policy and FEMA and 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.

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 our 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. Our Company will not be responsible for any allotments made by relying on such approvals.

Please also note that pursuant to Circular no. 14 dated September 16, 2003 issued by RBI, Overseas Corporate Bodies (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. Further, while investing in the Issue, the Investors are deemed to have obtained the necessary approvals, as required, under applicable laws and the obligation to obtain such approvals shall be upon the Investors. Our Company shall not be under an obligation to obtain any approval under any of the applicable laws on behalf of the Investors and shall not be liable in case of failure on part of the Investors to obtain such approvals.

The above information is given for the benefit of the Applicants / Investors. Our Company not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft 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.

RESTRICTIONS ON PURCHASES AND RESALES

General Eligibility and Restrictions

No action has been taken or will be taken to permit a public offering of the Rights Entitlements or the Issue Shares to occur in any jurisdiction, or the possession, circulation, or distribution of this Draft Letter of Offer, its accompanying documents or any other material relating to our Company, the Rights Entitlements or the Equity Shares in any jurisdiction where action for such purpose is required, except that this Draft Letter of Offer will be filed with SEBI (for Information and dissemination purpose) and the Stock Exchange (i.e. BSE Limited).

The Rights Entitlements and Issue Shares have not been and will not be registered under the U.S. Securities Act and may not be offered or sold within the United States (other than to persons in the United States who are U.S. QIBs and QPs).

The Rights Entitlements or the Equity Shares may not be offered or sold, directly or indirectly, and none of this Draft Letter of Offer, its accompanying documents or any offering materials or advertisements in connection with the Rights Entitlements or the Equity Shares may be distributed or published in or from any country or jurisdiction except in accordance with the legal requirements applicable in such jurisdiction.

Investors are advised to consult their legal counsel prior to accepting any provisional allotment of Equity Shares, applying for excess Equity Shares or making any offer, sale, resale, pledge or other transfer of the Rights Entitlements or the Equity Shares.

This Draft Letter of Offer and its accompanying documents will be 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.

Each person who exercises the Rights Entitlements and subscribes for the Equity Shares, or who purchases the Rights Entitlements, or the Equity Shares shall do so in accordance with the restrictions in their respective jurisdictions.

UNITED STATES

The Rights Entitlements and the Rights Equity Shares have not been, and will not be, registered under the US Securities Act or under any securities laws of any state or other jurisdiction of the United States and may not be offered, sold, resold, allotted, taken up, exercised, renounced, pledged, transferred or delivered, directly or indirectly within the United States except pursuant to an applicable exemption from, or a transaction not subject to, the registration requirements of the US Securities Act and in compliance with any applicable securities laws of any state or other jurisdiction of the United States. The Rights Entitlements and Rights Equity Shares referred to in this Draft Letter of Offer are being offered in offshore transactions outside the United States in compliance with Regulations under the US Securities Act and the applicable laws of the jurisdiction where those offers and sales are made. Neither receipt of this Draft Letter of Offer, nor any of its accompanying documents constitutes an offer of the Rights Entitlements or the Rights Equity Shares to any Eligible Equity Shareholder other than the Eligible Equity Shareholder who has received this Draft Letter of Offer and its accompanying documents directly from our Company or the Registrar.

Representations, Warranties and Agreements by Purchasers

Each person outside of the United States by accepting the delivery of this Draft Letter of Offer and its accompanying documents, submitting an Application Form for the exercise of any Rights Entitlements and subscription for any Rights Equity Shares and accepting delivery of any Rights Entitlements or any Rights Equity Shares, will be deemed to have represented, warranted and agreed as follows on behalf of itself and, if it is acquiring the Rights Entitlements or the Rights Equity Shares as a fiduciary or agent for one or more investor accounts, on behalf of each owner of such account (such person being the "purchaser", which term shall include the owners of the investor accounts on whose behalf the person acts as fiduciary or agent):

- 1) The purchaser (i) is aware that the Rights Entitlements and the Rights Equity Shares have not been and will not be registered under the US Securities Act and are being distributed and offered outside the United States in reliance on Regulation S, (ii) is, and the persons, if any, for whose account it is acquiring such Rights Entitlements and/ or the Rights Equity Shares are, outside the United States and eligible to subscribe for Rights Entitlements and Rights Equity Shares in compliance with applicable securities laws, and (iii) is acquiring the Rights Entitlements and/or the Rights Equity Shares in an offshore transaction meeting the requirements of Regulations.
- 2) No offer or sale of the Rights Entitlements or the Rights Equity Shares to the purchaser is the result of any "directed selling efforts" in the United States (as such term is defined in Regulations).
- 3) The purchaser is, and the persons, if any, for whose account it is acquiring the Rights Entitlements and the Rights Equity Shares are, entitled to subscribe for the Rights Equity Shares, and the sale of the Rights Equity Shares to it will not require any filing or registration by, or qualification of, our Company with any court or administrative, governmental or regulatory agency or body, under the laws of any jurisdiction which apply to the purchaser or such persons.
- 4) The purchaser, and each account for which it is acting, satisfies (i) all suitability standards for investors in investments in the Rights Entitlements and the Rights Equity Shares imposed by the jurisdiction of its residence, and (ii) is eligible to subscribe and is subscribing for the Rights Equity Shares and Rights Entitlements incompliance with applicable securities and other laws of its jurisdiction of residence.
- 5) The purchaser has the full power and authority to make the acknowledgements, representations, warranties and agreements contained herein and to exercise the Rights Entitlements and subscribe for the Rights Equity Shares, and, if the purchaser is exercising the Rights Entitlements and acquiring the Rights Equity Shares as a fiduciary or agent for one or more investor accounts, the purchaser has the full power and authority to make the acknowledgements, representations, warranties and agreements contained herein and to exercise the Rights Entitlements and subscribe for the Rights Equity Shares on behalf of each owner of such account.
- 6) The purchaser is aware and understands (and each account for which it is acting has been advised and understands) that an investment in the Rights Entitlements and the Rights Equity Shares involves a considerable degree of risk and that the Rights Entitlements and the Rights Equity Shares are a speculative investment, and further, that no U.S. federal or state or other agency has made any finding or determination as to the fairness of any such investment or any recommendation or endorsement of any such investment.
- 7) The purchaser understands (and each account for which it is acting has been advised and understands) that no action has been or will be taken to permit an offering of the Rights Entitlements or the Rights Equity Shares in any jurisdiction (other than the filing of the Letter of Offer with SEBI (for information and dissemination purpose) and the Stock Exchange); and it will not offer, resell, pledge or otherwise transfer any of the Rights Entitlements or the Rights Equity Shares which it may acquire, or any beneficial interests there in, in any jurisdiction or in any circumstances in which such offer or sale is not authorised or to any person to whom it is unlawful to make such offer, sale, solicitation or invitation except under circumstances that will result in compliance with any applicable laws and/or regulations. The purchaser agrees to notify any transferee to whom it subsequently reoffers, resells, pledges or otherwise transfers the Rights Entitlements and the Rights Equity Shares of the restrictions set forth in the Draft Letter of Offer under the heading "Restrictions on Purchases and Resales".
- 8) The purchaser (or any account for which it is acting) is an Eligible Equity Shareholder and has received an invitation from our Company, addressed to it and inviting it to participate in this Issue.
- 9) Neither the purchaser nor any of its affiliates or any person acting on its or their behalf has taken or will take, directly or indirectly, any action designed to, or which might be expected to, cause or result in the stabilization or manipulation of the price of any security of the Company to facilitate the sale or resale of the Rights Entitlements or the Rights Equity Shares pursuant to the Issue.

Prior to making any investment decision to exercise the Rights Entitlements and subscribe for the Rights Equity Shares, the purchaser (i) will have consulted with its own legal, regulatory, tax, business, investment, financial and accounting advisers in each jurisdiction in connection herewith to the extent it has deemed necessary; (ii) will have carefully read and reviewed a copy of this Draft Letter of Offer and its accompanying documents; (iii) will have possessed and carefully read and reviewed all information relating to our Company

and our group and the Rights Entitlements and the Rights Equity Shares which it believes is necessary or appropriate for the purpose of making its investment decision, including, without limitation, the Exchange Information (as defined below), and will have had a reasonable opportunity to ask questions of and receive answers from officers and representatives of our Company concerning the financial condition and results of operations of our Company and the purchase of the Rights Entitlements or the Rights Equity Shares, and any such questions have been answered to its satisfaction; (iv) will have possessed and reviewed all information that it believes is necessary or appropriate in connection with an investment in the Rights Entitlements and the Rights Equity Shares; (v) will have conducted its own due diligence on our Company and this Issue, and will have made its own investment decisions based upon its own judgment, due diligence and advice from such advisers as it has deemed necessary and will not have relied upon any recommendation, promise, representation or warranty of or view expressed by or on behalf of our Company or its affiliates (including any research reports) (other than, with respect to our Company and any information contained in this Draft Letter of Offer); and (vi) will have made its own determination that any investment decision to exercise the Rights Entitlements and subscribe for the Rights Equity Shares is suitable and appropriate, both in the nature and number of Rights Equity Shares being subscribed.

- 10) Without limiting the generality of the foregoing, the purchaser acknowledges that (i) the Rights Equity Shares are listed on BSE Limited and our Company is therefore required to publish certain business, financial and other information in accordance with the rules and practices of BSE Limited (which includes, but is not limited to, a description of the nature of our Company's business and our Company's most recent balance sheet and profit and loss account, and similar statements for preceding years together with the information on its website and its press releases, announcements, investor education presentations, annual reports, collectively constitutes "Exchange Information"), and that it has had access to such information without undue difficulty and has reviewed such Exchange Information as it has deemed necessary; (ii) our Company does not expect or intend to become subject to the periodic reporting and other information requirements of the Securities and Exchange Commission; and (iii) neither our Company nor any of its affiliates, has made any representations or recommendations to it, express or implied, with respect to our Company, the Rights Entitlements or the Rights Equity Shares or the accuracy, completeness or adequacy of the Exchange Information.
- 11) The purchaser understands that the Exchange Information and this Draft Letter of Offer have been prepared in accordance with content, format and style which is either prescribed by SEBI, the Stock Exchange or under Indian laws, which differs from the content, format and style customary for similar offerings in the United States. In particular, the purchaser understands that (i) our Company's financial information contained in the Exchange Information and this Draft Letter of Offer have been prepared in accordance with Ind AS, Companies Act, and other applicable statutory and/or regulatory requirements and not in a manner suitable for an offering registered with the U.S. SEC, and (ii) this Draft Letter of Offer does not include all of the information that would be required if our Company were registering the Issue of the Rights Entitlements and the Rights Equity Shares with the U.S.SEC, such as a description of our business and industry, detailed operational data, our management's discussion and analysis of our financial condition and results of operations and audited financial statements for prior years.
- 12) The purchaser acknowledges that (i) any information that it has received or will receive relating to or in connection with this Issue, and the Rights Entitlements or the Rights Equity Shares, including this Draft Letter of Offer and the Exchange Information (collectively, the "Information"), has been prepared solely by our Company;
- 13) The purchaser will not hold our Company or their affiliates responsible for any misstatements in or omissions to the Information or in any other written or oral information.

SECTION IX - STATUTORY & OTHER INFORMATION

Please note that the Rights 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.

SECTION X - OTHER INFORMATION

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The copies of the following material documents and contracts (not being contracts entered into in the ordinary course of business carried on by our Company or entered into more than two years prior to the date of this Draft 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 and Corporate Office between 10 a.m. and 5 p.m. on all working days and on the website of company https://www.galaglobalhub.com/index.html from the date of the Draft Letter of Offer until the Issue Closing Date.

A. Material Contracts for the Issue

- 1. Registrar Agreement dated April 03, 2025 entered into between our Company and the Registrar to the Issue.
- 2. Escrow Agreement dated [●] amongst our Company, the Registrar to the Issue and the Bankers to the Issue/Refund Bank.

B. Material Documents

- 1. Certified copies of the updated Memorandum of Association and Articles of Association of our Company as amended from time to time.
- 2. Certificate of incorporation dated December 14, 2010.
- 3. Resolution of the Board of Directors dated October 21, 2024, in relation to the Issue.
- 4. Resolution of the Board of the Directors dated April 05, 2025, approving and adopting this Draft Letter of Offer.
- 5. Resolution of the Board of the Directors dated [●] approving and adopting the Letter of Offer.
- 6. Consent of our Directors, Company Secretary and Compliance Officer, Statutory Auditor, the Registrar to the Issue, Banker to the Company, Banker to the Issue/ Refund Bank for inclusion of their names in the Draft Letter of Offer in their respective capacities.
- 7. Copies of Annual Reports of our Company for the Financial Year ended on March 31, 2024, 2023, 2022, 2021 and 2020 and Unaudited financials of the Company for Quarter ended on December 31, 2024.
- 8. Statement of Tax Benefits dated March 25, 2025 from the Statutory Auditor included in this Draft Letter of Offer.
- 9. Tripartite Agreement dated March 24, 2015 between our Company, CDSL and the Registrar to the Issue.
- 10. Tripartite Agreement dated March 24, 2015 between our Company, NSDL and the Registrar to the Issue.
- 11. Amalgamation Order for Gala Print City Limited and Gala Products Limited.
- 12. In-principle approvals dated [●] issued by BSE, respectively.

Any of the contracts or documents mentioned in this Draft 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 shareholders subject to compliance of the provisions contained in the Companies Act and other relevant statutes.

SECTION XI

DECLARATION

We hereby declare that all relevant provisions of the Companies Act 2013 and the rules, regulations and guidelines issued by the Government of India, or the rules, regulations or guidelines issued by the SEBI, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Draft Letter of Offer is contrary to the provisions of the Companies Act 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contract (Regulation) Rules, 1957 and the Securities and Exchange Board of India Act, 1992, each as amended, or the rules, regulations or guidelines issued thereunder, as the case may be. We further certify that all the statements and disclosures made in this Draft Letter of Offer are true and correct.

Signed by the Directors of the Company:

Name	Designation	Signature
Prahlad Kumar Agarwal	Managing Director and Chief Financial Officer	Sd/-
Vishal Mulchandbhai Gala	Director	Sd/-
Alpa Pandya	Director	Sd/-
Umang Sanjaybhai Selani	Independent Director	Sd/-
Vipul Laxmichand Maru	Independent Director	Sd/-
Dhruv Modi	Independent Director	Sd/-

Signed by:

Name	Designation	Signature
Vandana Arun Baldi	Company Secretary and Compliance Officer	Sd/-

Place: Ahmedabad Date: April 05, 2025