

**FORM NO PAS-4**  
**PRIVATE PLACEMENT OFFER LETTER**

*[Pursuant to section 42 and rule 14(1) of Companies (Prospectus and Allotment of Securities) Rules, 2014]*

The Private Placement Offer Letter shall contain the following:

a. M/S **TEMBO GLOBAL INDUSTRIES LIMITED**, Corporate Identification Number is (CIN) L24100MH2010PLC204331 and its registration number is 204331. Its Email address is [md@tembo.in](mailto:md@tembo.in) and its registered address is D-146/147, MIDC TTC INDL, ESTATE OPP BALMER LAWRIE, and VANLEER TURBHE NAVI MUMBAI Thane MH 400703 and contact details:-022-27620641/0642/0643

b. Date of incorporation of the company: - 16<sup>th</sup> June, 2010

c. Business carried on by the company and its subsidiaries with the details of branches or units, if any:-

- ACTIVITY: 1.** Manufacture of fabricated metal products except machinery and equipment.  
**2.** Trading in Fabricated metal products except machinery and equipment.

**OBJECTIVE:** Company engaged in varied product portfolio and a wide scope including jobbing, machining, manufacturing and fabrication of various engineering goods, steel products, nuts, bolts, various types of clamps, saddle hose clamps, various types of hangers, various types of Bolts etc. Further our product portfolio includes all types of bathroom pipes, fittings, bathroom accessories and sanitary wares and would be channeled for our business and future expansion, if any. We have dedicated divisions for marketing different types of products and for different geographical locations. The sales division and export division are responsible for marketing of our products. All the divisions have well trained and adequate teams to handle daily activities and are supervised regularly.

The company is engaged in business of Export, Import, Distribution, Traders, Manufacture, Valuer, Patentee of Hardwares, Machineries and other related engineering products and to act as contractor, sub-contractor in the field of civil, mechanical and electrical engineering and to erect, construct, alter, repair, demolish and restore works of all description like wharves, docks, piers, railways, waterways, roads, bridges, warehouses, factories, mills, engines, machinery, boilers, railways locomotives, carriages and wagon, ship and vessels of every description, gas works, power station, water works, drainage and sewage work, and buildings and installation of every descriptions.

We also carry on the business as weavers or otherwise manufacturers, buyers, sellers, importers, exporters and dealers of silk, art silk, synthetic, woolen and cotton fabrics and other fibrous products including dressing and furnishing materials, uniform, readymade garments, carpets and carpet backing, blankets padding knitted goods, woven bags, hosiery gloves, yarn and sewing thread and to carry on the business of packing, grading, crimping, twisting, texturing, bleaching dyeing, printing, mercerizing or otherwise processing yarn, cloth, carpets, blankets and other textile goods, whether made from cotton, jute, wool, silk, art silk, synthetic, and other fibers or blends thereof and also to carry on the business of manufacturing, buying, selling, importing, exporting, and dealing in textiles, cotton, silk, art silk, rayon, nylon, synthetic fibers, staple fibers, polyester, worsted, wool, hemp and other fiber materials, yarn, cloth, linen, rayon and other goods or merchandise whether textile felted, netted or looped.

d. Brief particulars of the management of the company;

DIN	NAME	Designation	Appointment Date
<u>00348305</u>	SMITA PATEL	Non- Executive Director	30/01/2023
<u>01004618</u>	SHABBIR HUSENI MERCHANT	Chief Financial Officer	20/12/2017
<u>01958033</u>	SANJAY JASHBHAI PATEL	Managing Director	21/01/2011
<u>06982324</u>	FATEMA SHABBIR KACHWALA	Whole Time Director	23/02/2021
<u>07052896</u>	RAMAN TALWAR	Non- Executive Director	13/03/2023
<u>07825744</u>	JEHAN DARAYUS VARIAVA	Independent Director	26/12/2017
<u>08017248</u>	JASBIR SINGH JASWANT SINGH ANAND	Independent Director	26/12/2017
<u>08242466</u>	KAUSHIK WAGHELA	Executive Director	13/03/2023
<u>08579598</u>	SHALIN SANJAY PATEL	Executive Director	31/07/2020
<u>10065699</u>	KARAN SHINDE	Independent Director	13/03/2023
BWRPM3646Q	Tasneem Husain Marfatia	Company Secretary	30/09/2019

e. Names, addresses, DIN and occupations of the directors;

DIN	NAME	ADDRESS	OCCUPATION
01958033	SANJAY JASHBHAI PATEL	143/4, Bhuva Cottege Indulal Bhuva Marg, SIWS College, Wadal, Mumbai-400031	Business
06982324	FATEMA SHABBIR KACHWALA	405, Raj Mandir, off Yari road, Versova Andheri west- 400061	Business
00348305	SMITA SANJAY PATEL	143/4, Bhuva Cottege Indulal Bhuva Marg, SIWS College, Wadal, Mumbai-400031	Business
07825744	JEHAN DARAYUS VARIAVA	1/ 1902, Flat No. 504, Patel Chmabers, Chowki Street, Police Chowki, Manpura, Surat- 395001	Business
08017248	JASBIR SINGH JASWANT SINGH ANAND	Building No B-10, Flat No. 202, Avantika CHS, Kalpak, Estate , Antop Hill, Mumbai- 400037	Retired Banker
08579598	SHALIN SANJAY PATEL	143/4, Bhuva Cottege Indulal Bhuva Marg, SIWS College, Wadal, Mumbai-400031	Business
08242466	KAUSHIK MAHESH WAGHELA	702/K-Wing Rashmi Residency, NLR Next to Saraswat Bank , Achole-i, Nallasopra East Vasai Nallasopra East Palghar Maharashtra – 401209	Business
07052896	RAMAN TALWAR	F-23/1,Lane F-23, Block -F, Krishna Nagar, Gandhi Nagar, East Delhi-110051	Business
10065699	KARAN ISHWAR SHINDE	Room No. 5, Tulja Bhavani Chawl No. 8,Dawadi Road, Q Behind RT P School, Dombivali, Manpada, Kalyan, Thane-421201, Maharashtra, India	Business

f. Management's perception of risk factors:-

As the business market of the company is favorable and exploring the Management's perception of risk is- Nil

g. Details of default, if any, including therein the amount involved, duration of default and present status, in repayment of –

i) Statutory dues: - N.A

ii) Debentures and interest thereon: - N.A

iii) Deposits and interest thereon: - N.A

iv) Loan from any bank or financial institution and interest thereon: - N.A

h. Compliance officer of the company, if any, for the private placement offer process:-

<b>SANJAY</b>	Executive	143/4, Bhuva Cottege	Email	address:-	contact	details:-
<b>JASHBHAI</b>	Director	Indulal Bhuva Marg,	<a href="mailto:md@tembo.in">md@tembo.in</a>		022-	
<b>PATEL</b>		SIWS College, Wadala			27620641/0642/06	
		west , Mumbai 400031			43	

## 2. PARTICULARS OF THE OFFER

- a. Date of passing of board resolution: - 27<sup>th</sup> May, 2023
- b. Date of passing of resolution in the general meeting, authorizing the offer of securities:- 23<sup>rd</sup> June, 2023.
- c. Kinds of securities offered (i.e. whether share or debenture) and class of security: Equity Share Warrant (One Warrant convertible to one ordinary Equity shares which stands Pari- passu with existing shares on exercise of the warrants after the receipt of whole amount due per warrant i.e. Rs 230/- per warrant)
- d. price at which the security is being offered including the premium, if any, along with justification of the price:- Nominal/ Face value Price Rs. 10/- and Securities Premium Rs. 190/- base on Share Valuation report dated, 22<sup>nd</sup> May, 2023.
- e. name and address of the valuer who performed valuation of the security offered: Ms. Sayali Deshkar (Chartered Accountant) Membership Number 132663, Registered Valuer - (Securities or Financial Assets) (Reg. No. IBBI/RV/07/2019/12246)  
Address:-  
Gandharva, 6, Heramb Residency,  
Anandvalli, Beside Nakshatra Lawns,  
Pipeline Road, Nashik – 422013  
Contact: +91 8459048909;  
Mail: [sayali@casd.co.in](mailto:sayali@casd.co.in)
- f. Amount which the company intends to raise by way of securities: Rs. 414,000,000/- only)
- g. Terms of raising of securities: Duration, if applicable, Rate of dividend or rate of interest, mode of payment and repayment: - 12 months
- h. Proposed time schedule for which the offer letter is valid: - 70 days
- i. Purposes and objects of the offer: - For Fresh issue
- j. contribution being made by the promoters or directors either as part of the offer or separately in furtherance of such objects:- No
- k. Principle terms of assets charged as security, if applicable: - N.A
- l. Securities are subject to lock-in period:- Yes for 18 months and 6(Six) months after conversion of warrants into Equity shares as per SEBI LODR regulation.

## 3. DISCLOSURES WITH REGARD TO INTEREST OF DIRECTORS, LITIGATION ETC.

- i. Any financial or other material interest of the directors, promoters or key managerial personnel in the offer and the effect of such interest in so far as it is different from the interests of other persons:- N.A
- ii. Details of any litigation or legal action pending or taken by any Ministry or Department of the Government or a statutory authority against any promoter of the offeree company during the last three years immediately preceding the year of the circulation of the offer letter and any direction issued by such Ministry or Department or statutory authority upon conclusion of such litigation or legal action shall be disclosed:- N.A
- iii. Remuneration of directors (during the current year and last three financial years):

Name	Per Month	Per year
Mr. Sanjay Jashbhai Patel	350000	4200000
Mr. Shalin Sanjay Patel	250000	3000000
Ms. Fatema Shabbir Kachwala	300000	3600000
Total	1100000	13200000

Remuneration given to any director except sitting fees within the limits specified in provisions of Companies Act, 2013.

iv Related party transactions entered during the last three financial years immediately preceding the year of circulation of offer letter including with regard to loans made or, guarantees given or securities provided:-  
Yes

Corporate guarantee to Financial Institute/ Banks for Loan facility to associate company of Rs. 22,017,735 /- (Rupees Two Crore Twenty Lakhs Seventeen Thousand Seven Hundred Thirty Five only)

v. Summary of reservations or qualifications or adverse remarks of auditors in the last five financial years immediately preceding the year of circulation of offer letter and of their impact on the financial statements and financial position of the company and the corrective steps taken and proposed to be taken by the company for each of the said reservations or qualifications or adverse remark: - No Adverse or modified opinion of the Statutory Auditor Mr. R. A. Maru & Associates given in the Audit report for the Financial Year ended 31<sup>st</sup> March, 2022.

vi. Details of any inquiry, inspections or investigations initiated or conducted under the Companies Act or any previous company law in the last three years immediately preceding the year of circulation of offer letter in the case of company and all of its subsidiaries. Also if there were any prosecutions filed (whether pending or not) fines imposed, compounding of offences in the last three years immediately preceding the year of the offer letter and if so, section-wise details thereof for the company and all of its subsidiaries:-  
N.A

vii. Details of acts of material frauds committed against the company in the last three years, if any, and if so, the action taken by the company:- N.A

#### 4. FINANCIAL POSITION OF THE COMPANY

(a) the capital structure of the company in the following manner in a tabula form-

Particulars	Authorized capital of the company	Issued capital of the company	Subscribed capital	Paid up capital
Number of equity shares	22000000	11103746	11103746	11103746
Nominal amount per equity share	10	10	10	10
Total amount of equity shares	220000000	111037460	111037460	111037460

(b) Size of the present offer:- 1800000 Equity Shares warrant

(c) paid up capital:-

(A) After the offer: - Rs. 111,037,460/-

(B) After conversion of convertible instruments (if applicable):- Rs. 129,037,460/-

(d) Share premium account: - Before –17,928,000/- and after the offer- Rs. 17,928,000/-

(ii) the details of the existing share capital of the issuer company in a tabular form, indicating therein with regard to each allotment, the date of allotment, the number of shares allotted, the face value of the shares allotted, the price and the form of consideration Provided that the issuer company shall also disclose the number and price at which each of the allotments were made in the last one year preceding the date of the offer letter separately indicating the allotments made for considerations other than cash and the details of the consideration in each case:-

Particulars	Date of Allotment	Type of Allotment	No. of Shares allotted	Nominal Amount of Shares	Total Amount of shares
Equity	16/06/2010	Fresh Issue (initial Capital)	10000	10	Rs. 100000/-
Equity	25/08/2011	Fresh Issue	490000	10	Rs. 4900000/-
Equity	27/05/2015	Right	1500000	10	Rs. 15000000/-
Equity	07/11/2017	Right	600000	10	Rs. 6000000/-
Equity	20/03/2018	Bonus Issue	1300000	10	Rs. 13000000/-
Equity	03/08/2018	Fresh Issue	1123000	10	Rs. 1500000/-
Equity	20/02/2020	Bonus Issue	5023000	10	Rs. 2500000/-
Equity	28/09/2022	Right Issue	1057746	10	Rs. 1057746/-

(b) Profits of the company, before and after making provision for tax, for the three financial years immediately preceding the date of circulation of offer letter:-

	2019-20	2020-21	2021-22
Profit Before Tax	259.11	409.16	458.68
Provision for Tax	1.92	116.17	114.16
Profit After Tax	457.19	292.99	344.52

(c) Dividends declared by the company in respect of the said three financial years; interest coverage ratio for last three years (Cash profit after tax plus interest paid/interest paid):- 12.33% AVERAGE DIVIDEND PAID IN LASTTHREE YEARS; INTEREST COVERAGE RATIO- 0.43

(d) A summary of the financial position of the company as in the three audited balance sheets immediately preceding the date of circulation of offer letter: - financial year ended 31<sup>st</sup> March, 2020, 31<sup>st</sup> March, 2021 and financial year ended 31<sup>st</sup> March, 2022.

### BALANCE SHEET AS AT MARCH 31, 2022

(Rs. in lakhs)

	Note	As at March 31, 2022	As at March 31, 2021	As at April 01, 2020
<b>ASSETS</b>				
<b>Non-current assets</b>				
Property, plant and equipment	3	1,942.13	1,646.53	666.92
Capital work-in-progress		27.96	5.41	29.89
Right of use asset	3A	6.53	26.72	70.80
Intangible assets	4	70.35	54.11	6.46

Financial assets				
i. Loans	5	43.49	39.75	5.22
ii. Other financial assets	6	300.76	261.61	225.41
iii. Investments	7	107.63	107.63	30.00
Deferred tax assets (net)	8	22.44	27.49	7.41
Income tax assets	9	49.46	26.73	61.12
Other non-current assets	10	56.39	70.32	62.04
<b>Total Non-Current Assets</b>		<b>2,627.13</b>	<b>2,266.30</b>	<b>1,165.27</b>
<b>Current assets</b>				
Inventories	11	2,652.29	1,899.34	1,301.88
Financial assets				
i. Trade receivables	12	2,702.61	3,048.17	2,018.85
ii. Cash and cash equivalents	13	10.83	2.51	2.19
iii. Loans	14	45.57	20.71	15.58
Other current assets	16	1,010.73	712.95	642.96
<b>Total Current Assets</b>		<b>6,422.03</b>	<b>5,683.69</b>	<b>3,981.45</b>
<b>Total Assets</b>		<b>9,049.17</b>	<b>7,949.99</b>	<b>5,146.72</b>
<b>EQUITY AND LIABILITIES</b>				
<b>Equity</b>				
Equity share capital	17	1,004.60	1,004.60	502.30
Other equity	18	1,545.49	1,328.69	1,599.93
<b>Total Equity</b>		<b>2,550.09</b>	<b>2,333.29</b>	<b>2,102.23</b>
<b>Liabilities</b>				
<b>Non-current liabilities</b>				
Financial liabilities				
i. Borrowings	19	2,329.12	1,561.79	527.83
ii. Lease Liabilities	25	0.82	7.27	7.27
Income Tax Liabilities	20	120.00	124.00	88.50
Employee benefit obligations	21	3.70	-	-
<b>Total Non-Current Liabilities</b>		<b>2,453.64</b>	<b>1,693.07</b>	<b>623.60</b>
<b>Current liabilities</b>				
Financial liabilities				
i. Borrowings	22	1,715.45	1,961.78	1,098.64

ii. Trade payables	23	1,616.23	1,638.03	1,107.48
iii. Other financial liabilities	24	170.27	202.37	81.50
iv. Lease Liabilities	25	6.99	-	63.53
Employee benefit obligations	26	1.44	-	-
Other current liabilities	27	535.05	121.45	69.74
<b>Total Current Liabilities</b>		<b>4,045.44</b>	<b>3,923.63</b>	<b>2,420.90</b>
<b>Total Equity &amp; Liabilities</b>		<b>9,049.17</b>	<b>7,949.99</b>	<b>5,146.72</b>
<b>The notes are an integral part of these financial statements</b>				

**STATEMENT OF PROFIT AND LOSS FOR THE YEAR  
ENDED MARCH 31, 2022**

		(Rs. in lakhs)	
	Note	Year ended March 31,2022	Year ended March 31,2021
Revenue from operations	28	17,325.99	10,381.43
Other income	29	218.81	18.00
<b>Total Income</b>		<b>17,544.80</b>	<b>10,399.43</b>
<b>Expenses</b>			
Cost of materials consumed	30	5,460.57	3,489.41
Changes in inventories of finished goods and work-in-progress	31	(615.81)	(186.00)
Cost of Traded Goods	32	8,676.62	4,054.90
Employees benefit expenses	34	483.71	269.30
Finance costs	35	353.00	232.77
Depreciation and amortisation expenses	36	223.78	169.00
Other expenses	37	2,504.24	1,960.88
<b>Total Expenses</b>		<b>17,086.12</b>	<b>9,990.27</b>
<b>Profit before tax</b>		<b>458.68</b>	<b>409.16</b>
Income tax expense			
Current tax	33	(120.00)	(124.00)
Earlier Year Tax	33	-	1.28
Deferred tax	33	5.84	6.55
<b>Total tax expenses</b>		<b>(114.16)</b>	<b>(116.17)</b>

<b>Profit for the year</b>		<b>344.52</b>	<b>292.99</b>
<b>Other comprehensive income</b>			
<b>Items that will not be reclassified to profit or loss</b>			
Remeasurements of post employment benefit obligations	33D	0.65	-
Income tax relating to above		<b>(0.16)</b>	-
<b>Other comprehensive income for the year, net of tax</b>		<b>0.49</b>	-
<b>Total comprehensive income for the year</b>		<b>345.01</b>	<b>292.99</b>
Earnings per equity share (in Rs.) (Nominal value per share Rs.10)	43		
Basic earning per share (In Rs.)	43	3.43	2.92
Diluted earning per share (In Rs.)	43	3.43	2.92
<b>The notes are an integral part of these financial statements</b>			

In terms of our report of even date

(e) Audited Cash Flow Statement for the three years immediately preceding the date of circulation of offer letter:- financial year ended 31<sup>st</sup> March, 2020 and financial year ended 31<sup>st</sup> March, 2021 and financial year ended 31<sup>st</sup> March, 2022.

### **CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2022**

(Rs. in lakhs)

	Year ended March 31,2022	Year ended March 31,2021
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit before tax	458.68	409.16
<b>Adjustments for:</b>		
Depreciation and amortisation	223.78	169.00
Interest income	(9.72)	(13.92)
Unwinding of discount on security deposit	(0.79)	(1.81)
Unrealized foreign exchange (gain) / loss on operating activities	(151.05)	(2.27)
Interest and finance charges	353.00	232.77
<b>Operating profit before working capital changes</b>	<b>873.90</b>	<b>792.93</b>
<b>Adjustments for:</b>		



	Increase / (Decrease) in trade payables	(21.80)	530.55	
	Increase / (Decrease) in other financial liabilities	(32.09)	120.87	
	Increase / (Decrease) in current provision	-	-	
	Increase / (Decrease) in employee benefit obligation	5.14	-	
	Increase / (Decrease) in other current liabilities	413.60	51.71	
	(Increase) / Decrease in trade receivables	345.56	(1,029.32)	
	(Increase) / Decrease in inventories	(752.95)	(597.47)	
	(Increase) / Decrease in loans	(28.59)	(39.67)	
	(Increase) / Decrease in other current assets	(297.78)	(69.99)	
	(Increase) / Decrease in other non-current financial assets	13.93	(8.28)	
	<b>Cash generated from operations</b>	<b>518.91</b>	<b>(248.67)</b>	
	Taxes paid (net of refunds)	(152.64)	(52.69)	
	<b>Net cash generated from operating activities</b>	<b>366.27</b>	<b>(301.36)</b>	
<b>B.</b>	<b>CASH FLOW FROM INVESTING ACTIVITIES</b>			
	Purchase of tangible/intangible assets	(548.35)	(1,127.71)	
	Investment In Subsidiaries	-	(77.63)	
	<b>Net cash (used in) investing activities</b>	<b>(548.35)</b>	<b>(1,205.33)</b>	
<b>C.</b>	<b>CASH FLOW FROM FINANCING ACTIVITIES</b>			
	Proceeds (Repayments) from Long Term Borrowings	767.33	1,033.97	
	Proceeds (Repayments) from Short Term Borrowings	(246.33)		863.14
	Dividend Paid	(100.55)	(75.45)	
	Lease Liabilities	0.54		-63.53
	Interest Received	161.57	18.00	
	Finance Cost	(353.00)	(232.77)	
	<b>Net cash (used in) financing activities</b>	<b>229.54</b>	<b>1,543.36</b>	
	<b>Net increase in cash and cash equivalents (A+B+C)</b>	<b>47.46</b>	<b>36.67</b>	
	Cash and cash equivalents at the beginning of the year	264.12		227.45

<b>Cash and cash equivalents at the end of the year</b>	<b>311.59</b>	<b>264.12</b>
<b>Cash and cash equivalents comprise:</b>		
Cash on hand	10.46	2.20
Balances with banks	0.37	0.31
Demand deposits (less than 3 months maturity)	300.76	261.61
<b>Total</b>	<b>311.59</b>	<b>264.12</b>

**Note:** The above cash flow statement has been prepared under "Indirect Method" specified in Ind AS 7 on "Cash Flow Statements".

(f) Any change in accounting policies during the last three years and their effect on the profits and the reserves of the company: - migration from Accounting Standard to INDIAN Accounting Standard

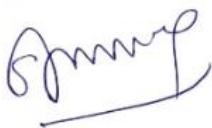
### 5. A DECLARATION BY THE DIRECTORS THAT

- the company has complied with the provisions of the Act and the rules made there under;
- the compliance with the Act and the rules does not imply that payment of dividend or interest or repayment of debentures, if applicable, is guaranteed by the Central Government;
- the monies received under the offer shall be used only for the purposes and objects indicated in the Offer letter;

I Mr. Sanjay Jashbhai Patel Director of the company is hereby authorized by the Board of Directors of the Company vide resolution number 1(One) dated 20<sup>th</sup> May, 2023 to sign this form and declare that all the requirements of Companies Act, 2013 and the rules made there under in respect of the subject matter of this form and matters incidental thereto have been complied with. Whatever is stated in this form and in the attachments thereto is true, correct and complete and no information material to the subject matter of this form has been suppressed or concealed and is as per the original records maintained by the promoters subscribing to the Memorandum of Association and Articles of Association

It is further declared and verified that all the required attachments have been completely, correctly and legibly attached to this form.

**For M/S Tembo Global Industries Limited**




Mr Sanjay Jashbhai Patel

Managing Director

DIN: - 01958033

Date: 27<sup>th</sup> May, 2023

Place: Navi Mumbai

Attachments:-

Copy of board resolution

Copy of shareholders resolution

Copy of PAS-5

Optional attachments, if any