

Maroti & Associates

(Chartered Accountants)

Head office: - Diamond Heritage, 5th Floor, Office-503, 16, Strand Road, Fairley Place
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Ph.: +91 33 4089 1304

Branch Office: - 1209, Ansal Tower Nehru Place
New Delhi-110019,

Ph.: +91 11 4358 0996

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CERTIFICATE ON STATEMENT OF NET WORTH OF THE COMPANY

To,
The Board of Directors,
Gallantt Ispat Limited,
"GALLANTT HOUSE",
I-7, Jangpura Extension,
New Delhi - 110014.

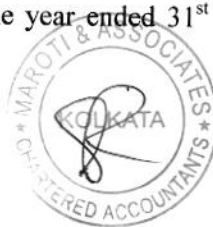
Independent Auditors' Certificate on Pre-Scheme net worth of Gallantt Ispat Limited ("the Company")

1. This certificate is issued in accordance with the request letter dated January 18, 2020 of Gallantt Ispat Limited, having its registered office at "GALLANTT HOUSE", I-7, Jangpura Extension, New Delhi - 110014 and for the purposes of Scheme of Amalgamation and Slump Sale of Gallantt Ispat Limited ("GIL" or "Transferor Companies No. 1"), AAR Commercial Company Limited ("AAR" or "Transferor Companies No. 2"), Hipoline Commerce Private Limited ("HIPOLINE" or "Transferor Companies No. 3"), Lexi Exports Private Limited ("LEXI" or "Transferor Companies No. 4") and Richie Credit and Finance Private Limited ("RICHIE" or "Transferor Companies No. 5") with Gallantt Metal Limited ("GML" or "Transferee Company") AND their respective Shareholders and Creditors (hereinafter referred to as "the Scheme").
2. A statement containing details of net worth as mentioned below, duly signed by the authorized signatory of the Company ("the Statement") is annexed, which we have initialed for identification purposes only:
 - The Pre-scheme net worth of the Company as at 31st March, 2019;
 - The post-scheme net worth is not applicable to the Company since the Company is proposed to be amalgamated with GML.

Management's Responsibility

3. The preparation of the Statement is responsibility of the Management of the Company including the preparation and maintenance of all accounting and other relevant supporting records and documents. This responsibility includes the designing, implementing and maintaining internal control relevant to the preparation and presentation of the Statement, and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances.
4. The Company's Management is also responsible for ensuring that the Company complies with the requirements of the Stock Exchanges and provide them with all relevant information and ensuring adherence that the details in the Statement are correct.
5. The pre-scheme net worth of the Company has been traced from and calculated based on the Audited Financial Statements of the Company for the year ended 31st March, 2019. The Computation of Pre-Scheme Net-worth is arithmetically correct.

Auditor's Responsibility



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6. It is our responsibility to provide reasonable assurance that the pre-scheme net worth of the Company as referred to in the Statement have been correctly extracted from the Audited Financial Statements for the year ended 31st March, 2019 prepared in accordance with Indian Accounting Standards notified under Section 133 of the Companies Act, 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Ind AS).
7. We conducted our examination of the Statement in accordance with the Guidance Note on Reports or Certificates for Special Purposes issued by the Institute of Chartered Accountants of India. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.
8. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.
9. The audited financial statements referred above, have been audited by M/s Anoop Agarwal & Co., Chartered Accountants (Firm Regn. 001739C), on which they have issued an unmodified audit opinion vide their audit report dated 29th April, 2019 respectively. The audits of these financial statements were required to be conducted in accordance with the Standards on Auditing and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards require that they should plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

Opinion

10. Based on the information and explanations given to us and our examinations and we are of the opinion that the amounts in the Statement in respect of pre-scheme net worth of the Company has been correctly extracted from the Audited Financial Statements for the year ended 31st March, 2019 prepared in accordance with Ind AS.

Restriction on Use

11. This Certificate is provided at the specific request of the Company in connection with the above Scheme and for the purpose of onward submission to the Stock Exchanges and/or other regulatory authorities including Securities and Exchange Board of India. Our certificate should not to be used for any other purpose or by any person other than the addressees of this report. Accordingly, we do not accept or assume any liability or duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

For Maroti & Associates

Chartered Accountants

Firm Registration No. 322770E



Radhika Patodia

CA Radhika Patodia

Partner

Membership No. 309219

UDIN: 20309219AAAAA11655

Place : Kolkata

Date : 8th February, 2020



Corporate Office :
1, Crooked Lane,
Room Nos. 222 & 223,
Second Floor,
Kolkata-700069 (W.B.)
Tel. : 033-46004831

A Statement of Net Worth of **GALLANTT ISPAT LIMITED** ("the Company")

1. Net Worth: - The computation of pre-scheme net-worth of the Company has been reproduced below:

(Rs. In Lakh)

Particulars	Pre-Scheme Net Worth as on 31 st March, 2019
Equity Share Capital	2,823.61
Other Equity	73,577.37
Total	76,400.98
Less: Amalgamation Reserve	364.69
Less: Statutory Reserve	0.46
Less: Securities Premium	36,898.77
Less: Capital Reserve	-
Less: Other Comprehensive Income	49.94
NET WORTH	39,087.12

Notes:

The figures have been arrived on the basis of figures extracted from audited financial statements for the year ended 31st March, 2019 prepared in accordance with Indian Accounting Standards notified under Section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Ind AS).

For the purpose of above calculation, following definition of "net worth" as defined in check list of National Stock Exchange in respect of list of documents to be submitted for obtaining approval under Regulation 37 of the SEBI (Listing Obligation and Disclosure Regulation) 2015, as amended, has been considered:

"Net worth" = Equity Share Capital + **Free Reserve** (as defined in the section 2(43) of the Companies Act, 2013) - Miscellaneous Expenditure written of;

Post-scheme Net worth of the Company is not applicable because the Company is proposed to be merged with Gallantt Metal Limited.

For **GALLANTT ISPAT LIMITED**
GALLANTT ISPAT LIMITED

Company Secretary

Nitesh Kumar

CS & Compliance Officer



Place: Kolkata

Date: 08.02.2020

GALLANTT ISPAT LIMITED

Registered Office : "GALLANTT HOUSE", I-7, Jangpura Extension, New Delhi -110 014

Telefax : 011-41645392, E-mail : gil@gallantt.com, Website : www.gallantt.com

Factory : AL-5, Sector-23, Sahjanwa, District - Gorakhpur, Uttar Pradesh

Corporate Identification No. : L27109DL2005PLC350523