

GALLANTT

GALLANTT ISPAT LIMITED

Annual Report
2020-21

Focused on basics.
Committed to **grow**.





Chairman's Message

My Dear Shareowners,

We are pleased to present to you our 17th Annual Report for the Financial Year (FY) 2020-21.

The year began with outbreak of the Covid-19 pandemic, an unparalleled calamity in the recent history of mankind. The world as we know was thrown into turmoil, and all that was taken for granted was threatened impacting lives and livelihood. A number of global economies went into a state of enforced and extended lockdowns to contain its spread. The pandemic during 2020-21 brought in challenges which came unexpectedly in the form of waves impacting our supply chain, commodity prices and other economic factors. We are prepared to face these uncertainties in partnership with our stakeholders; we collectively emerged stronger over the past year.

The paramount focus of your Company was on employee safety, health, morale and security of all operational assets. The Company maintained high levels of communication within the organization at all levels and with all stakeholders including vendors, suppliers, customers and end users. Major functions were conducted in virtual mode and adoption of digital practices were encouraged.

Despite a tough market environment impacted by repeated lockdowns and a drop in steel demand, your Company was able to maintain performance both in terms of turnover and profitability. We are happy to share that during FY 2020-21, we were able to record robust revenue growth. Improved operational efficiencies and strict cost control led to increasing operational profitability.

Your Company achieved atop-line growth of 7.55% (Y-O-Y) driven by better realisation and improved market conditions, especially in H2FY 2020-21. Strong operational turn around translated into robust bottom-line performance as well. Your Company's EBITDA touched ₹ 17,015.60 Lakhs and a net profit of ₹ 10,366.30 Lakhs against ₹ 5,812.42 Lakhs in the previous year 2019-20. Standalone Earnings per Share (EPS) stood at ₹ 3.67 (face value of ₹ 1/- each) and Consolidated Earnings per Share (EPS) stood at ₹ 4.37 (face value of ₹ 1/- each) for the Financial Year ended March 31, 2021. Your Company focussed aggressively on cashflow management, while pursuing deleveraging. I feel privileged to report that your Company has cleared in advance the long-term loan of ₹ 3,000.00 Lakhs instalments falling due until FY 2022-23 and deleveraged the Company significantly in FY 2020-21. This has helped enhance investor confidence as reflected in the Company's market capitalisation. We embarked on the journey of transformation and closed the year with a strong performance, leading us to a sense of optimism and confidence that we will attain greater heights in the year ahead.

Gallantt Ispat is a trusted name in the Steel industry and it has done so by having the right combination of dedicated employees, effective manufacturing processes and a sustained effort of building long term relationships with external stakeholders. We are making continuous investments in our productive assets, and our growth plans are also being formulated, bearing in mind our focus on efficient allocation of capital. The decisions taken to expand our facilities are deeply thought out and followed by meticulous research and planning. Integration is a key pillar of our growth strategy as it enables us to strengthen and reinforce our competitive position.

Our people are vital to our success and we continue to focus on building their capabilities and driving a high-performance culture. During the year, numerous training programmes were rolled out for upskilling and professional growth. We also provided multiple learning and development opportunities to develop future leaders and keep the talent pipeline flowing. The health and safety of its workforce has always been paramount to Gallantt Ispat. The Company has placed utmost priority on the health and safety of the employees – from testing to contact tracing, monitoring social distancing norms, hygiene at workplace, classifying employee risk levels and providing appropriate healthcare responses, apart from sharing regular travel advisories.

As I sign off, I would like to thank all our employees, customers, partners, suppliers, shareholders and all other stakeholders for their continued support. Gallantt Ispat also acknowledges the support extended by various government agencies.

Thanks,

C. P. AGRAWAL



GALLANTT ISPAT LIMITED

Corporate Identity Number (CIN): L27109DL2005PLC350523

Corporate Information

BOARD OF DIRECTORS

Mr. Chandra Prakash Agrawal
Chairman & Managing Director

Mr. Santosh Kumar Agrawal
Director-Sales & Marketing

Mr. Prem Prakash Agrawal
Whole Time Director

Mr. Nitin Mahavir Prasad Kandoi
Director-Plant Operation

Mr. Dindyal Jalan
Non-Executive Independent Director
Resigned w.e.f. April 12, 2021

Mr. Ashtbhuja Prasad Srivastava
Non-Executive Independent Director

Mrs. Smita Modi
Non-Executive Independent Director

Mrs. Sangeeta Upadhyay
Non-Executive Independent Director

Mr. Udit Agarwal
Non-Executive Independent Director
Appointed w.e.f. June 29, 2021

AUDITORS

Maroti & Associates,
Chartered Accountants

COST AUDITORS

U. Tiwari & Associates
Cost Accountants

CHIEF EXECUTIVE OFFICER

Mr. Mayank Agrawal

CHIEF FINANCIAL OFFICER

Mr. Amit Jalan

COMPANY SECRETARY

Mr. Nitesh Kumar

REGISTERED OFFICE

"GALLANTT HOUSE", I-7, Jangpura
Extension, New Delhi – 110014.
Telefax: 011-41645392
Website: www.gallantt.com

BANKERS

HDFC Bank

EQUITY SHARES LISTED ON

Bombay Stock Exchange Limited
National Stock Exchange of India
Limited

REGISTRARS & SHARE TRANSFER AGENTS

Niche Technologies Pvt. Ltd. 7th Floor,
Room, No. 7A & 7B, 3A, Auckland Rd,
Elgin, Kolkata, West Bengal – 700017.
Tel.: (033) 2280 6616 / 17 / 18
Email id: nichetechpl@nichetechpl.com
Website: www.nichetechpl.com

WORKS OFFICE

Plot No. AL-5, Sector – 23,
Gorakhpur Industrial Development
Authority (GIDA), Sahjanwa,
Gorakhpur, Uttar Pradesh

AUDIT COMMITTEE

Mrs. Smita Modi - Chairperson
Mr. Prem Prakash Agrawal
Mrs. Sangeeta Upadhyay

STAKEHOLDERS RELATIONSHIP COMMITTEE

Mrs. Sangeeta Upadhyay -
Chairperson
Mrs. Smita Modi
Mr. Prem Prakash Agrawal

NOMINATION AND REMUNERATION COMMITTEE

Mrs. Sangeeta Upadhyay -
Chairperson
Mrs. Smita Modi
Mr. Ashtbhuja Prasad Srivastava

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Mr. Prem Prakash Agrawal -
Chairperson
Mr. Chandra Prakash Agrawal
Mrs. Smita Modi

RISK MANAGEMENT COMMITTEE

Mr. Udit Agarwal – Chairperson
Mr. Ashtbhuja Prasad Srivastava
Mr. Nitin Mahavir Prasad Kandoi

COMMITTEE OF DIRECTORS

Mr. Chandra Prakash Agrawal -
Chairperson
Mr. Prem Prakash Agrawal
Mr. Nitin Mahavir Prasad Kandoi

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17th ANNUAL GENERAL MEETING	
Date	31.08.2021
Day	Tuesday
Time	11:30 A.M.
Place	Through Video Conferencing (VC) / Other Audio Visual Means (OAVM)
Book Closure Date for AGM	Wednesday, August 25, 2021 to Tuesday, August 31, 2021 (both days inclusive)
MEMBERS ARE REQUESTED TO REGISTER THEIR EMAIL ADDRESS WITH THE DEPOSITORY PARTICIPANTS/REGISTRAR & SHARE TRANSFER AGENT	

**GALLANTT ISPAT LIMITED****CIN: L27109DL2005PLC350523**

Registered Office: "Gallantt House", I-7, Jangpura Extension, New Delhi-110014

Phone No. : 011-41645392, Fax No. : 011-41645392, E-mail : nitesh@gallantt.com

(Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies

(Management and Administration) Rules, 2014)

Notice

Notice is hereby given that the Seventeenth Annual General Meeting of GALLANTT ISPAT LIMITED (CIN: L27109DL2005PLC350523) will be held on Tuesday, 31st August, 2021 at 11.30 A.M. through Video Conferencing (VC) / Other Audio-Visual Means (OAVM), to transact the following business:

ORDINARY BUSINESS:

1. To consider and adopt the Audited Standalone Financial Statements of the Company for the financial year ended March 31, 2021, the Audited Consolidated Financial Statements of the Company for the said financial year and the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Prem Prakash Agrawal (DIN: 01397585), who retires by rotation at this Annual General Meeting in terms of section 152(6) of the Companies Act, 2013 and being eligible, offers himself for re-appointment.

SPECIAL BUSINESSES

3. **Appointment of Mr. Udit Agarwal (DIN: 07036864) as an Independent Director and in this regard, to consider and if thought fit, to pass, the following resolution as an Ordinary Resolution:**

"RESOLVED THAT pursuant to the provisions of Section 149, 152, read with Schedule IV of the Companies Act, 2013 and the allied rules made thereunder and Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable provisions, if any, (including any statutory modification or re-enactment thereof), and applicable clauses of the Articles of Association of the Company, subject to such other approvals as may be required, the approval of Members of the Company be and is hereby accorded for the appointment of Mr. Udit Agarwal (DIN: 07036864) as an Independent Director of the Company, not liable to retire by rotation, who is eligible for appointment, for a term of 5 (five) years with effect from June 29, 2021 up to June 28, 2026 based on the recommendation of

Nomination and Remuneration Committee and in line with the approval of the Board of Directors."

"RESOLVED FURTHER THAT Mr. Chandra Prakash Agrawal, Managing Director, Mr. Nitin Mahavir Prasad Kandoi, Director and Mr. Nitesh Kumar, Company Secretary be and are hereby severally authorised to take such steps and to do all such acts, deeds, matters and things as may be required to give effect to the foregoing resolution."

4. **To approve the remuneration of the Cost Auditors for the financial year ending March 31, 2022 and, in this regard, to consider and if thought fit, to pass the following resolution as an Ordinary Resolution:**

"RESOLVED THAT pursuant to Section 148 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), M/s. U. Tiwari & Associates, Cost Accountants (Firm Registration Number 23872) appointed as the Cost Auditors of the Company for audit of the cost accounting records of the Company for the financial year ending 31st March, 2022, be paid remuneration amounting to ₹ 55,000/- (Rupees Fifty-Five Thousand only) excluding out of pocket expenses, if any."

"RESOLVED FURTHER THAT the Board of Directors and/or the Company Secretary, be and are hereby authorised to settle any question, difficulty or doubt, that may arise in giving effect to this resolution and to do all such acts, deeds and things as may be necessary, expedient and desirable for the purpose of giving effect to this resolution."

For Gallantt Ispat Limited**Nitesh Kumar***(Company Secretary)*

M.N. F7496

Date: June 29, 2021

Place: Kolkata

Notice (Contd.)

Notes:

1. In view of the massive outbreak of the COVID-19 pandemic, social distancing is a norm to be followed and pursuant to the Circular No. 14/2020 dated April 08, 2020, Circular No.17/2020 dated April 13, 2020 issued by the Ministry of Corporate Affairs followed by Circular No. 20/2020 dated May 05, 2020 and Circular No. 02/2021 dated January 13, 2021 and all other relevant circulars issued from time to time, physical attendance of the Members at the 17th Annual General Meeting (AGM) of Gallantt Ispat Limited (the "Company") is not required and AGM be held through video conferencing ("VC") or other audio visual means ("OAVM"). Hence, Members can attend and participate in the ensuing AGM through VC/OAVM. Members attending the AGM through VC or OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
2. Pursuant to the Circular No. 14/2020 dated April 08, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, the Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and participate there at and cast their votes through e-voting.
3. Keeping the convenience of the Members positioned in different time zones, the Meeting has been scheduled at 11:30 A.M. IST.
4. **IN TERMS OF THE MCA CIRCULARS AND SEBI CIRCULAR NO. SEBI/HO/CFD/CMD1/CIR/P/2020/79 DATED MAY 12, 2020, THE REQUIREMENT OF SENDING PROXY FORMS TO HOLDERS OF SECURITIES AS PER PROVISIONS OF SECTION 105 OF THE ACT READ WITH REGULATION 44(4) OF THE LISTING REGULATIONS, HAS BEEN DISPENSED WITH. THEREFORE, THE FACILITY TO APPOINT PROXY BY THE MEMBERS WILL NOT BE AVAILABLE AND CONSEQUENTLY, THE PROXY FORM AND ATTENDANCE SLIP ARE NOT ANNEXED TO THIS NOTICE CONVENING THE 17TH AGM OF THE COMPANY (THE "NOTICE").**

However, in pursuance of Section 113 of the Act and Rules framed thereunder, the corporate members are entitled to appoint authorized representatives for the purpose of voting through remote e-Voting for the participation and e-Voting during the AGM, through VC or OAVM. Institutional Shareholders (i.e., other than individuals, HUF, NRI, etc.) are required to send scanned copy (PDF / JPG Format) of the relevant Board Resolution / Power of Attorney / appropriate

Authorization Letter together with attested specimen signature(s) of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail at tanmayks@gmail.com with a copy marked to evoting@nsdl.co.in

5. Since the AGM will be held through VC or OAVM, no Route Map is being provided with the Notice.
6. In case of Joint-holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote during the AGM.
7. Explanatory Statement pursuant to Section 102 of the Act and Rules framed thereunder, in respect of the Special Businesses under Item No. 3 and 4 is annexed hereto. The recommendation of the Board of Directors of the Company (the "Board") in terms of Regulation 17(11) of the Listing Regulations is also provided in the said Statement. Necessary information of the Directors seeking re-appointment at the AGM as required under Regulation 36(3) of the Listing Regulations and the Revised Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India (ICSI) is also appended to the Notice.
8. **Dispatch of Annual Report through E-mail**
In accordance with the MCA Circulars and the said SEBI Circular dated May 12, 2020, the Notice along with the Annual Report of the Company for the financial year ended March 31, 2021, will be sent only through e-mail, to those Members whose e-mail addresses are registered with the Company or the Registrar and Share Transfer Agent (the "RTA"), i.e., M/s. Niche Technologies Private Limited or the Depository Participant(s). The Notice and the Annual Report for the financial year ended March 31, 2021 shall be available on the websites of the Company viz., www.gallantt.com and of the Stock Exchanges where Equity Shares of the Company are listed. The Notice shall also be available on the e-Voting website of the agency engaged for providing e-Voting facility, i.e., National Securities Depository Limited (NSDL), viz., www.evoting.nsdl.com
9. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding),

Notice (Contd.)

Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.

10. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
11. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs dated April 08, 2020, April 13, 2020, May 05, 2020 and January 13, 2021 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-voting system as well as venue voting on the date of the AGM will be provided by NSDL.
12. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at www.gallantt.com. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively and the AGM Notice are also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. www.evoting.nsdl.com.
13. AGM has been convened through VC/OAVM in compliance with applicable provisions of the

Companies Act, 2013 read with MCA Circular No.14/2020 dated April 08, 2020 and MCA Circular No. 17/2020 dated April 13, 2020 and MCA Circular No. 20/2020 dated May 05, 2020.

14. INSTRUCTION FOR MEMBERS FOR REMOTE E-VOTING AND JOINING THE AGM THROUGH VC OR OAVM ARE AS UNDER: -

The remote e-voting period begins on Saturday 28th August, 2021 at 9:00 A.M. and ends on Monday, 30th August, 2021 at 5:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. 24th August, 2021, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being 24th August, 2021.

How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

Step 1: Access to NSDL e-Voting system

A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	1. If you are already registered for NSDL IDeAS facility , please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under "IDeAS" section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on options available against company name or e-Voting service provider - NSDL and you

Notice (Contd.)

	<p>will be re-directed to NSDL e-Voting website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p> <ol style="list-style-type: none"> If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS" Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on options available against company name or e-Voting service provider - NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi. After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL. Click on NSDL to cast your vote. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. NSDL where the e-Voting is in progress.
Individual Shareholders (holding securities in demat mode) login through their depository participants	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Once login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on options available against company name or e-Voting service provider-NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p>

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022-23058738 or 022-23058542-43

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B) Login Method for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.
Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.
4. Your User ID details are given below :

Manner of holding shares i.e.Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:
 - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
 - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
 - c) How to retrieve your 'initial password'?
 - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - (ii) If your email ID is not registered, please follow steps mentioned below in process for those shareholders whose email ids are not registered
6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
 - a) Click on "Forgot User Details/Password?" (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - b) Physical User Reset Password?" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
 - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

Notice (Contd.)

7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.

How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join General Meeting".
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to tanmayks@gmail.com with a copy marked to evoting@nsdl.co.in.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to Mr. Vikram Jha at evoting@nsdl.co.in

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to www.gallantt.com
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to www.gallantt.com. If you are an Individual Shareholders holding securities in demat mode, you are requested to refer to the login method explained at step 1 (A) i.e. Login method for e-Voting

and joining virtual meeting for Individual shareholders holding securities in demat mode.

3. Alternatively, shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE AGM ARE AS UNDER:-

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.

Notice (Contd.)

2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE EGM/AGM THROUGH VC/OAVM ARE AS UNDER:

1. Member will be provided with a facility to attend the EGM/AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for Access to NSDL e-Voting system. After successful login, you can see link of "VC/OAVM link" placed under "Join General meeting" menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/ have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at nitesh@gallantt.com. The same will be replied by the company suitably.

15. PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL

IDS ARE NOT REGISTERED WITH THE DEPOSITORIES FOR PROCURING USER ID AND PASSWORD AND REGISTRATION OF E MAIL IDS FOR E-VOTING FOR THE RESOLUTIONS SET OUT IN THIS NOTICE:

- In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to nitesh@gallantt.com.
- In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to nitesh@gallantt.com.
- Alternatively member may send an e-mail request to evoting@nsdl.co.in for obtaining User ID and Password by proving the details mentioned in Point (1) or (2) as the case may be.

16. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, with respect to the Special Businesses as set out in Item Nos. 3 and 4 are annexed hereto. Additional Information, pursuant to Para 1.2.5 of SS-2 ("Secretarial Standard on General Meetings") and Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in respect of appointment/reappointment of Mr. Udit Agarwal and Mr. Prem Prakash Agrawal at the 17th Annual General Meeting is also annexed hereto.
17. The Register of Members and Share Transfer Books of the Company will remain closed from Wednesday, August 25, 2021 to Tuesday, August 31, 2021 (both days inclusive) for the purposes of the Annual General Meeting. Board of Directors has not recommended Dividend for the Financial Year 2020-21.
18. The Securities and Exchange Board of India (SEBI) vide its Circular No. CIR/MRD/DP/10/2013 dated March 21, 2013 has mandated all Companies to use approved electronic mode of payment for making cash payments such as dividend to the Members (where core banking details are available) or to print the bank account details of the Members (as per the Company's records) on the physical payment instruments (in case where the core banking details are not available or electronic payment instructions have failed or rejected by the Bank). Hence, the Members are requested to furnish/update their bank account name & branch, bank account number and

Notice (Contd.)

account type along with other core banking details such as MICR (Magnetic Ink Character Recognition), IFSC (Indian Financial System Code) etc. at the earliest with:

- i. The respective Depository Participants (DP) (in case of the shares held in Electronic Mode) or;
 - ii. The Registrar & Share Transfer Agent of the Company (R&T Agent) (in case of the shares held in Physical form).
19. Members holding shares in demat mode may kindly note that any request for change of address or change of E-mail ID or change in bank particulars/mandates or registration of nomination are to be instructed to their Depository Participant only, as the Company or its Registrar & Share Transfer Agent cannot act on any such request received directly from the Members holding shares in demat mode. However, Members holding shares in physical mode are requested to notify the Registrar & Share Transfer Agent of the Company of any change in their address and e-mail id as soon as possible.
 20. Members are requested to contact the Company's Registrar & Share Transfer Agent Niche Technologies Pvt. Ltd. 7th Floor, Room, No. 7A & 7B, 3A, Auckland Rd, Elgin, Kolkata, West Bengal - 700017. Tel.: (033) 2280 6616 / 17 / 18 Email id: nichetechpl@nichetechpl.com; Website: www.nichetechpl.com for reply to their queries/redressal of complaints, if any, or contact Mr. Nitesh Kumar, Company Secretary at the Registered Office of the Company (Phone No.: +91-11-41645393; Email: nitesh@gallantt.com).
 21. Members, who have not yet encashed their dividend warrants for the financial year ended March 31, 2014, 2015, 2016, 2017, 2018 and 2019 are requested to make their claim to the Company's Registrar & Share Transfer Agent immediately.
 22. Members may avail the facility of nomination by nominating a person to whom their shares in the Company shall vest in the event of their death. The prescribed form can be obtained from the Company's Registrar & Share Transfer Agent.
 23. Members who hold shares in physical form in multiple folios in identical names or joint names in the same order of names are requested to send the share certificates to the Company's Registrar & Share Transfer Agent for consolidation into single folio.
 24. Since, the securities of the Company are traded compulsorily in dematerialized form as per SEBI

mandate, Members holding shares in physical form are requested to get their shares dematerialized at the earliest.

25. In keeping with the Ministry of Corporate Affairs' Green Initiative measures, the Company hereby requests the Members who have not registered their email addresses so far, to register their email addresses for receiving all communication including annual report, notices, circulars etc. from the Company electronically.
26. All documents referred to in the Notice and the Explanatory Statement shall be made available for inspection by the Members of the Company, without payment of fees upto and including the date of AGM. Members desirous of inspecting the same may send their requests at nitesh@gallantt.com from their registered e-mail addresses mentioning their names and folio numbers / demat account numbers. During the AGM, the Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act and the Register of Contracts or arrangements in which Directors are interested maintained under Section 189 of the Act shall be made available for inspection upon login at NSDL e-Voting system at <https://www.evoting.nsdl.com>
27. In accordance with the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has engaged the services of National Securities Depository Limited (NSDL) to provide the facility of voting by electronic voting system to all the Members to enable them to cast their votes electronically in respect of all the businesses to be transacted at the aforesaid Meeting. The facility of casting the votes by the Members using such electronic voting system from a place other than venue of the AGM ("remote e-voting") is being provided by NSDL.
28. The voting rights of Members shall be in proportion to their shares of the total paid up equity share capital of the Company as on the cut-off date. The remote e-Voting period will commence on Saturday, August 28, 2021 (9:00 A.M. IST) and will end on Monday, August 30, 2021 (5:00 P.M. IST). During this period, the Members of the Company, holding shares either in physical or dematerialized mode, as on the cut-off date, i.e., Tuesday, August 24, 2021, may cast their vote by remote e-Voting. The remote e-Voting module shall be disabled by NSDL for voting thereafter.

Notice (Contd.)

29. Any person, who acquires shares of the Company and becomes Member of the Company after dispatch of the Notice of the Meeting and holding shares as of the cut-off date i.e. August 24, 2021, needs to refer the instruction above regarding login ID and password and may contact the Company or R&T Agent for any query or assistance in this regard. Any person who is not a Member as on the cut-off date should treat this Notice for information purposes only.
30. Only those Members who are present in the Meeting through VC or OAVM facility and have not cast their votes on resolutions through remote e-Voting and are otherwise not barred from doing so, shall be allowed to vote through e-Voting system during the AGM. However, Members who would have cast their votes by remote e-Voting may attend the Meeting, but shall neither be allowed to change it subsequently nor cast votes again during the Meeting and accordingly, their presence shall also be counted for the purpose of quorum under Section 103 of the Act. The Members, whose names appear in the Register of Members / list of Beneficial Owners as on Tuesday, August 24, 2021 being the cut-off date, are entitled to vote on the Resolutions set forth in the Notice. The voting rights of the Members shall be in proportion to their share(s) of the paid-up equity share capital of the Company as on the cut-off date. A person who is not a member as on the cut-off date, i.e., Tuesday, August 24, 2021 should treat this Notice for information purpose only.
31. The Board of Directors has appointed CS Tanmay Kumar Saha, (FCS: 8847/C.P. No.: 11918), or failing whom, such other practicing company secretary as the Board of Directors of the Company may appoint, as the Scrutinizer for scrutinizing the process of remote e-Voting and also e-Voting during the Meeting in a fair and transparent manner. The Scrutinizer shall, immediately after the conclusion of the Meeting, count the votes cast at the Meeting and thereafter, unblock the votes cast through remote e-Voting in presence of at least two witnesses not in employment of the Company and submit a Consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, not later than 2 working days after the conclusion of the Meeting. Thereafter, the Results of e-Voting shall be declared forthwith by the Chairman or by any other director/person duly authorised in this regard.

The Results declared along with the Report of the Scrutinizer shall be placed on the Company's website (www.gallantt.com) and on the e-Voting website of NSDL (www.evoting.nsdl.com) immediately after the results are declared and shall simultaneously be communicated to the Stock Exchanges where the equity shares of the Company are listed. The results declared along with the said Reports shall also be made available for at least 3 days on the Notice Boards of the Company at its Registered Office in New Delhi and at the Corporate Office in Kolkata.

32. Subject to the receipt of requisite number of votes, the businesses mentioned in the Notice / the resolution(s) forming part of the Notice shall be deemed to be passed on the date of the AGM, i.e., Tuesday, August 31, 2021.
33. Members holding shares in physical mode or whose e-mail addresses are not registered, may cast their votes through e-Voting system, after registering their e-mail addresses by sending the following documents to the Company at nitesh@gallantt.com or to the RTA at nichetechpl@nichetechpl.com:
- (i) Scanned copy of a signed request letter, mentioning the name, folio number / demat account details & number of shares held and complete postal address;
 - (ii) Self-attested scanned copy of PAN Card; and
 - (iii) Self-attested scanned copy of any document (such as AADHAAR card / latest Electricity Bill / latest Telephone Bill / Driving License / Passport / Voter ID Card / Bank Passbook particulars) in support of the postal address of the Member as registered against their shareholding.

Members, who hold shares in physical mode and already having valid e-mail addresses registered with the Company / the RTA, need not take any further action in this regard.

For Gallantt Ispat Limited

Nitesh Kumar

(Company Secretary)

M.N. F7496

Date: June 29, 2021

Place: Kolkata

Notice (Contd.)

Explanatory statement pursuant to the provisions of Section 102 of the Companies Act, 2013

The following Statement sets out all material facts relating to the Special Business mentioned in the accompanying Notice:

ITEM NO. 3

Appointment of Mr. Udit Agarwal (DIN: 07036864) as an Independent Director

Based on the recommendation of Nomination and Remuneration Committee, the Board of Directors of the Company in their meeting held on June 29, 2021 approved the appointment of Mr. Udit Agarwal (DIN: 07036864) as an Additional Director in the category of Independent Director, not liable to retire by rotation, for a term of five years with effect from June 29, 2021 valid till June 28, 2026. Pursuant to the provisions of Section 161(1) of the Companies Act, 2013 and applicable clause of Articles of Association of the Company, Mr. Udit Agarwal shall hold office up to the date of this Annual General Meeting ("AGM") as he is appointed by the Board as Additional Director and is eligible to be appointed as Director of the Company. The Company has, in terms of Section 160(1) of the Companies Act, 2013 received in writing a notice from Mr. Udit Agarwal, signifying his candidature as a Director and also received a declaration to the effect that he meets the criteria of independence as provided in Section 149(6) of the Companies Act, 2013 read with Rules framed thereunder and Regulation 16(1)(b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. In terms of Regulation 25(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, he has confirmed that he is not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact his ability to discharge his duties. In the opinion of the Board, he fulfils the condition specified in the Companies Act, 2013, Rules framed thereunder and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for appointment as Independent Director and he is independent of the management of the Company. Terms and conditions of his appointment as mentioned in the letter for appointment of Mr. Udit Agarwal as Independent Director would be available

for inspection without any fee by the Members at the Registered Office of the Company on all working days, except Saturday, between 11:00 a.m. and 1:00 p.m. up to the date of the ensuing Annual General Meeting. Mr. Udit Agarwal is deemed to be interested in the proposed resolution mentioned at Item No. 3 of the Notice. None of the Directors or Key Managerial Personnel of the Company, and/ or their relatives other than Mr. Udit Agarwal are, in any way, concerned or interested, financially or otherwise, in the proposed resolution mentioned at Item No. 3 of the Notice. The Board recommends the resolutions set forth in Item No. 3 for the approval of Members by way of an Ordinary Resolution.

ITEM NO. 4

To approve the remuneration of the Cost Auditors for the financial year ending March 31, 2022

The Board of Directors at its meeting held on June 29, 2021 appointed M/s. U. Tiwari & Associates, Cost Accountants (Firm Registration No. 23872), as the Cost Auditor for audit of the cost accounting records of the Company for the financial year ending 31st March, 2022, at a remuneration amounting to ₹ 55,000 (Rupees Fifty-Five Thousand only) excluding out of pocket expenses, if any. In terms of the provisions of Section 148(3) of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to Cost Auditor shall be ratified by the shareholders of the Company. Accordingly, consent of the members is sought for approving the Ordinary Resolution as set out in Item No. 4 for ratification by the shareholders at the ensuing Annual General Meeting of the Company. None of the Directors, Key Managerial Personnel or their relatives are concerned or interested in the proposed Ordinary Resolution as set out at Item No. 4 of this Notice. The Board recommends the resolutions set forth in Item No. 4 for the approval of Members by way of Ordinary Resolution.

For Gallantt Ispat Limited

Nitesh Kumar

(Company Secretary)

M.N. F7496

Date: June 29, 2021

Place: Kolkata

Notice (Contd.)

- (I) Brief Profile of Mr. Udit Agarwal, Independent Director pursuant to para 1.2.5 of SS-2 ("Secretarial Standard on General Meetings"), Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable provisions, is provided in the table below:

Name of the Director	Mr. Udit Agarwal
Director Identification No.	07036864
Father's Name	Shri Naveen Agarwal
Terms and Conditions of Appointment	As per the appointment letter dated 29.06.2021.
Remuneration drawn in financial year 2020 -21 (including sitting fees, if any)	N.A.
Remuneration proposed to be paid	Sitting Fees
Date of Birth	15.11.1987
Age	33 Years
Date of first Appointment	29.06.2021
Brief Resume and expertise in specific functional areas	Mr. Udit Agarwal, aged about 34 years has more than 5 years of rich and varied expertise in finance, accounts and law. He possesses vast experience in the field of finance, accounts and corporate law matters. His continuing guidance will be very valuable to the company and will undoubtedly prove to be an advantage to our organization.
Qualification	Company Secretary, LLB
Directorship held in other Companies	1. AAR Commercial Company Limited 2. Sidhant Credit Capital Ltd
Chairman/member of the committee of the Board of Directors of the Company	Member of Risk Management Committee
Chairman/member of the committee of the Board of Directors of other companies in which he/ she is a director	Chairman of Stakeholders Relationship Committee and Nomination and Remuneration Committee of AAR Commercial Company Limited Member of Audit Committee of AAR Commercial Company Limited
Number of shares held in the Company	NIL
No. of Board meetings attended during the financial year 2020-21	NIL
Relationship with other Directors, Manager and KMPs of the Company	No relation

- (I) Brief Profile of Mr. Udit Agarwal, Independent Director pursuant to para 1.2.5 of SS-2 ("Secretarial Standard on General Meetings"), Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable provisions, is provided in the table below:

Name of the Director	Mr. Prem Prakash Agrawal
Director Identification No.	01397585
Father's Name	Late Govind Prasad Agrawal
Terms and Conditions of Appointment	As per the Employment Agreement dated March 30, 2019
Remuneration drawn in financial year 2020 -21 (including sitting fees, if any)	Rs. 36,00,000
Remuneration proposed to be paid	As per the Agreement
Date of Birth	17.04.1966
Age	(55 Years approximately)
Date of first Appointment	11.02.2005

Notice (Contd.)

Brief Resume and expertise in specific functional areas	He is Promoter of the Company has an overall experience of 27 years. He was closely associated with Govind Mills Limited and Gallantt Udyog Limited. Over the period he has understood and gained expertise in the area of business techniques, Production, Marketing, Accounts, Finance etc.
Qualification	B.Com (H) from Gorakhpur University
Directorship held in other Companies	Gallantt Industry Private Limited
Chairman/member of the committee of the Board of Directors of the Company	Chairman: Corporate Social Responsibility Committee Member: Audit Committee Stakeholders Relationship Committee Committee of Director
Chairman/member of the committee of the Board of Directors of other companies in which he/ she is a director	No
Number of shares held in the Company	2712960
No. of Board meetings attended during the financial year 2020-21	7 (Seven)
Relationship with other Directors, Manager and KMPs of the Company	Mr. Prem Prakash Agrawal is brother of Mr. Chandra Prakash Agrawal (Chairman and Managing Director) and Mr. Santosh Kumar Agrawal, (Director, Sales and Marketing). Further, Mr. Prem Prakash Agrawal is uncle of Mr. Mayank Agrawal (Chief Executive Officer).

Directors' Report

TO THE MEMBERS

Your Directors have the pleasure in presenting the 17th Annual Report on the business and operations of the Company along with the Audited Financial Statements of the Company for the financial year ended March 31, 2021.

CORPORATE OVERVIEW

Gallantt Ispat Limited ("Your Company" or "The Company") is a leading Iron and Steel manufacturing Company in Eastern Uttar Pradesh. The Company has its Registered Office at New Delhi and Factory at Gorakhpur, Uttar Pradesh.

WORKING RESULTS

(₹ In Lacs)

	Standalone		Consolidated	
	2021	2020	2021	2020
Financial Results				
Income from operation	1,09,714.34	1,02,010.15	1,09,714.34	1,02,010.15
Other Operating Income	1,262.31	3,609.14	305.26	3,609.14
Finance Cost	1,190.49	1,166.17	1,195.62	1,166.17
Depreciation (including amortization)	2,255.98	2,395.23	2,255.99	2,395.23
Profit Before Tax	13,569.13	6,488.19	12,590.85	6,488.19
Tax Expenses (including Deferred Tax)	3,202.83	675.78	3,005.14	675.78
Profit After Tax	10,366.30	5,812.42	9,585.71	5,812.42
Share of Profit from Associate	-	-	2,755.63	244.15
Profit for the Period	10,366.30	5,812.42	12,341.34	6,056.57

FINANCIAL ACCOUNTING AND ADOPTION OF IND-AS

The Financial Statements for the FY 2020-21 are prepared under Ind-AS. Pursuant to Section 129(3) of the Companies Act, 2013, the Consolidated Financial Statements of the Company prepared in accordance with the Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 and Indian Accounting Standard 110 on Consolidated Financial Statements is provided in the Annual Report.

BUSINESS OPERATION AND PERFORMANCE REVIEW

During the year Revenue from Operations stood at ₹ 1,09,714.34 Lakhs as against ₹ 1,02,010.15 Lakhs during the last FY 2019-20. The Profit before Interest,

Production at a glance:

Product	2020-21		2019-20		% of Change	
	Production	Sales*	Production	Sales*	Production	Sales*
Sponge Iron (M.T.)	2,32,001	2,27,746	2,69,635	2,70,181	-13.96%	-15.71%
M.S. Billets (M.T.)	2,61,135	2,61,150	2,79,076	2,78,945	-6.43%	-6.38%
M.S. Round Bar & Miss Rolled Bar (M.T.)	2,57,527	2,63,513	2,74,392	2,70,720	-6.15%	-2.66%
Wheat Products (M.T.)	51,731	50,461	44,745	44,362	15.61%	13.73%
Power Generation (KWH)	23,55,22,319	23,55,22,319	25,83,30,603	25,83,30,603	-8.83%	-8.83%

*Sales include captive consumption also.

Depreciation and Taxation stood at ₹ 1,70,15.60 Lakhs as against ₹ 1,00,09.59 Lakhs in the previous year registering a growth of 69.99%. The Net Profit after Tax for the year stood at ₹ 10,366.30 Lakhs against ₹ 5,812.42 Lakhs in the previous year. Standalone Earnings per Share (EPS) stood at ₹ 3.67 (face value of Rs. 1/- each) and Consolidated Earnings per Share (EPS) stood at ₹ 4.37 (face value of ₹ 1/- each) for the Financial Year ended March 31, 2021.

Despite several macroeconomic headwinds, volatile market environment and operational challenges, the Company delivered a robust performance both in terms of profitability and turnover driven by a strong focus on operational excellence and market diversification.

Directors' Report (Contd.)

The Company has considered internal and external sources of information up to date of approval of these financial statements in evaluating possible effects that may result from the pandemic relating to Covid-19 on the carrying amounts of trade and unbilled receivables, investments, goodwill and intangible assets. The Company is confident about the recoverability of these assets.

There is no change in the nature of the business of the Company. Disclosure of financial statement of Associate Company M/s. Gallantt Metal Limited has been provided in the prescribed format as a part of this Report. There were no significant and material orders passed by regulators or courts or tribunals impacting the going concern status and Company's operations in future. Factory had been working efficiently during the year. Safety measures and processes have been installed and improved upon at the plants and work sites. There are no material changes or commitments affecting the financial position of the Company which have occurred between the end of the financial year and the date of this Report.

Due to nationwide lockdown declared by the Government of India, manufacturing and sales operations were shut down in late March, 2020 and partially resumed in the month of April and became fully operational from start of June, 2020 which has impacted Company's operations during the months of March, April and May, 2020. The Company's Agro Businesses, being in the 'essential' category, remained operational. The overall demands of the steel products have been impacted but due to easing out of restriction in lockdown demand for the products are improving.

COVID 19 STEPS TAKEN BY THE COMPANY

In view of the lockdown across the country due to the COVID-19 pandemic, manufacturing operations of the Company across all its locations were suspended temporarily during March and April-2020, in compliance with the directives/orders issued by the relevant authorities. The consolidated financial results for the year ended March 31, 2021 were impacted by disruptions owing to COVID 19. The Company has made an assessment of the recoverability and carrying values of its assets comprising property, plant and equipment, inventories, receivables and other current / non-current assets as of 31 March 2021 and on the basis of evaluation, has concluded that no material adjustments are required in the financial results. The Company is taking all the necessary steps and precautionary measures to ensure smooth functioning of its operations and to ensure the safety and well-being of all its employees. Given the criticalities associated with nature, condition and duration of COVID-19, the impact

assessment on the Company's financial statements will be continuously made and provided for as required.

Your company stands by the society and community in times of despair. Apart from the above, the company has distributed wheat and other food items at the Gorakhpur (Head Office) and adjacent and nearby areas especially at villages nearby its plant. The company has also supplied face masks and sanitizers to these villages.

The company strictly follows all precautions and guidelines prescribed by the Government particularly towards adhering to safety measures in respect of its employees.

DIVIDEND

In view of conserving resources of the Company for future plan and to strengthen its fund and liquid position, Directors are unable to recommend any dividend.

Securities and Exchange Board of India ('SEBI'), vide its notification dated 8 July, 2016, has amended the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), introducing new Regulation 43A mandating the top 500 listed entities, based on market Capitalization calculated as on 31st March of every Financial Year, to formulate a Dividend Distribution Policy and disclose the same in their Annual Reports and on their websites (www.gallantt.com).

Accordingly, the Board of the Company has adopted a Dividend Distribution Policy, which is available on the website of the Company i.e. www.gallantt.com under "Investors Corner" and the same is annexed as **ANNEXURE-I**.

DISCLOSURE ON COMPLIANCE WITH SECRETARIAL STANDARDS

Your Directors confirm that the Secretarial Standards issued by the Institute of Company Secretaries of India, have been complied with.

SHARE CAPITAL

As on 31st March 2021, the authorized capital of the Company was ₹ 49,88,50,000/- (Rupees Forty-Nine Crores Eighty-Eight Lakhs Fifty Thousand only) and the paid-up capital stands at ₹ 28,23,60,720/- (Rupees Twenty-Eight Crores Twenty-Three Lakhs Sixty Thousand Seven Hundred and Twenty only) consisting of 28,23,60,720 equity shares of ₹ 1/- (Rupee One) each. There was no change in share capital of the Company during the financial year under review.

During the year under review, the company has not issued shares with differential voting rights nor has granted any stock options or sweat equity. As on March 31, 2021, none of the Directors of the company hold instruments

Directors' Report (Contd.)

convertible into equity shares of the Company. The Company has paid Listing Fees for the financial year 2021-22 to each of the Stock Exchanges, where its equity shares are listed.

BUSINESS GROWTH AND OUTLOOK

Your Company has a dedicated team of Management and Operating Personnel who have been instrumental in the growth of the business over the years. Your Directors believe that the Company has the potential to further scale up its business volumes and profitability and are in the process of identifying new avenues of growth and effective utilization of its existing resources. The infrastructure creation continues to be one of the major priorities of the State Governments as well as Government of India and thereby the infrastructure space is likely to see significant activity which augurs well for steel demand.

DIRECTORS' RESPONSIBILITY STATEMENT

Based on the framework of Internal Financial Controls and compliance systems established and maintained by the Company, the work performed by the Internal, Statutory, Cost and Secretarial Auditors including Audit of Internal Financial Controls over financial reporting by the Statutory Auditors and the reviews performed by Management and the relevant Board Committees, including the Audit Committee, the Board is of the opinion that the Company's Internal Financial Controls were adequate and effective during the financial year 2020-21.

Accordingly, pursuant to Section 134(3)(c) and 134(5) of the Act, the Board of Directors, to the best of their knowledge and ability, confirm that:

- i. In the preparation of annual accounts, the applicable accounting standards have been followed and there has been no material departure.
- ii. The selected accounting policies were applied consistently and the Directors made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2021 and of the profit of the Company for the financial year ended 31st March, 2021.
- iii. Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- iv. The annual accounts have been prepared on a going concern basis.
- v. Sufficient internal financial controls have been

laid down and such internal financial controls are adequate and were operating effectively, and

- vi. Proper systems to ensure compliance with the provisions of all applicable laws have been devised and such systems were adequate and operating effectively.

FINANCE AND ACCOUNTS

As mandated by the Ministry of Corporate Affairs, IND AS is applicable to the Company from the Financial Year commencing from April 01, 2017. The estimates and judgments relating to the Financial Statements are made on a prudent basis, so as to reflect in a true and fair manner, the form and substance of transactions and reasonably present the Company's state of affairs, profits and cash flows for the year ended March 31, 2021. Financial Statement has been prepared as per applicable Ind-AS.

CHANGE IN THE NATURE OF BUSINESS, IF ANY

There is no change in the nature of the business of the Company.

LISTING INFORMATION

The Equity Shares in the Company are in dematerialized form and is listed with Bombay Stock Exchange Limited and National Stock Exchange of India Limited. The Listing Fee has been paid to the Stock Exchanges for the year 2021-22. The ISIN No. of the Company is INE528K01029.

CREDIT RATING

During the year under report, vide its rating letter dated September 04, 2020, the Rating agency M/s. Brickwork Ratings India Private Limited has upgraded and assigned BWR A- rating for the Company's Fund Based Long Term facilities (long term) and BWR A2+ for Non-Fund based Short Term facilities. Rating is assigned under watch with developing implications.

PUBLIC DEPOSITS

The Company has not accepted or renewed any public deposits during the period under review. It has not accepted any deposits from the public within the meaning of the provisions of Section 73 of the Companies Act, 2013 and Rules made there under. Therefore, it is not required to furnish information in respect of outstanding deposits under non-banking, non-financial Companies (Reserve Bank) Directions, 1966 and Companies (Accounts) Rules, 2014.

DEBENTURES

During the financial year under review, the Company has not issued or allowed any Debentures and does not have any outstanding Debentures.

Directors' Report (Contd.)

AUDITORS & AUDITORS' REPORT

The Board of Directors, based on the recommendation of the Audit Committee, has appointed of M/s. Maroti & Associates, Chartered Accountants (Firm Registration Number 322770E), 1209, Ansal Tower Nehru Place, New Delhi-110019 as the Statutory Auditors of the Company to hold office from the conclusion of the 15th AGM till the conclusion of the 20th AGM. The said appointment was approved at the last 15th AGM. M/s. Maroti & Associates, Chartered Accountants have consented to act as Auditors if appointed and have also confirmed that their appointment will be in accordance with Section 139 read with Section 141 of the Act. The notes on accounts referred to the Auditors' Report are self-explanatory and therefore, do not call for any further explanation.

Necessary certificate has been obtained from the Auditors as per Section 139(1) of the Companies Act, 2013. The notes on accounts referred to the Auditors' Report are self-explanatory and therefore, do not call for any further explanation.

The Auditors' Report is annexed hereto and forms part of the Annual Report. The Auditors' report does not contain any qualifications, reservations or adverse remarks.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

The information required under section 134(3) (m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014, is annexed as **ANNEXURE-II** to this Directors' report.

DISCLOSURE REGARDING ISSUE OF SWEAT EQUITY SHARES AND EQUITY SHARES WITH DIFFERENTIAL RIGHTS

The Company has not issued any Sweat Equity Shares or Equity Shares with Differential Rights during the financial year.

DISCLOSURE IN RESPECT OF VOTING RIGHTS NOT EXERCISED

No disclosure is required under Section 67 of the Companies Act, 2013 read with Rule 16(4) of the Companies (Share Capital and Debentures) Rules, 2014, in respect of voting rights not exercised directly by the employees of the Company as the provisions of the said Section are not applicable.

COST AUDIT

The Company has submitted the Cost Audit Report and Cost Compliance Report for the year 2019-20 duly certified by a Cost Accountant to the Central Government within the due

date. M/s. U. Tiwari & Associates, Cost Accountants were appointed with the approval of the Central Government to carry out the cost audit in respect of the Company for the financial year 2020-21.

In terms of the provisions of Section 148 of the Act read with the Companies (Cost Records and Audit) Rules, 2014, as amended from time to time, the Board of Directors, based on the recommendation of the Audit Committee, has appointed M/s. U. Tiwari & Associates, Cost Accountants, as Cost Auditor of the Company for conducting the Cost Audit for the financial year 2021-22 on a remuneration of ₹ 55,000/- plus out of pocket expenses.

A Certificate from M/s. U. Tiwari & Associates, Cost Accountants, has been received to the effect that their appointment as Cost Auditor of the Company, if made, would be in accordance with the limits specified under Section 141 of the Act and Rules framed thereunder.

The remuneration is subject to the ratification of the Members in terms of Section 148 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014.

The Company has received consent from M/s. U. Tiwari & Associates, Cost Accountants, to act as the Cost Auditor for conducting audit of the cost records for the financial year 2021-22 along with a certificate confirming their independence and arm's length relationship. Company has made and maintained the cost records pursuant to the Companies (Cost Records and Audit) Rules, 2014, as prescribed by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013.

INSURANCE

All the insurable interests of your Company including inventories, buildings, plant and machinery and liabilities under legislative enactments are adequately insured.

INTERNAL COMPLAINT REGARDING SEXUAL HARASSMENT

There were no cases of sexual harassment of woman at work place. Also, there are no instances of child labour/ forced labour/ involuntary labour and discriminatory employment during the year.

BOARD COMMITTEES

Details of Audit Committee, Nomination & Remuneration Committee, Stakeholders' Relationship Committee, Corporate Social Responsibility Committee, Risk Management Committee and Committee of Directors have been disclosed under Corporate Governance Report. Board of Directors has reconstituted all the above Committees and the same has been disclosed under Corporate Governance Report.

Directors' Report (Contd.)

DETAILS OF RECOMMENDATIONS OF AUDIT COMMITTEE WHICH WERE NOT ACCEPTED BY THE BOARD ALONG WITH REASONS

The same is not applicable as the Audit Committee's recommendations were accepted and implemented by the Board.

PARTICULARS OF EMPLOYEES

Disclosures pertaining to remuneration and other details as required under section 197(12) read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed herewith as **ANNEXURE-III** to this report.

A statement comprising the names of top 10 employees in terms of remuneration drawn is given in this report as **ANNEXURE-III**.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186

The particulars of loans, guarantees and investments u/s 186 of the Companies Act, 2013 is annexed herewith as **ANNEXURE-IV**.

CORPORATE GOVERNANCE AND MANAGEMENT DISCUSSION & ANALYSIS REPORT

As per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a Management Discussion and Analysis report is part of the Annual Report and is annexed herewith as **ANNEXURE-V**.

A report on Corporate Governance together with the Auditors' Certificate regarding the compliance of conditions of Corporate Governance is part of the Annual Report.

MARKET AND FUTURE PROSPECTS

Please refer to Management Discussion & Analysis Report which forms part of the Annual Report.

DETAILS OF POLICIES

(i) Nomination and Remuneration Policy

The Board has, on the recommendation of the Nomination & Remuneration Committee framed a policy for selection and appointment of Directors, Senior Management and their remuneration. The summary of Remuneration Policy of the Company prepared in accordance with the provisions of Section 178 of the Companies Act, 2013 read with Part D of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are provided in the Corporate Governance Report. The Remuneration Policy is uploaded on the website of the Company. The web link to the Remuneration Policy is as under: <https://www.gallantt.com/InvestorsCorner/>

Gallantt Ispat Limited/Nomination and Remuneration Policy/Remuneration Criteria Non-Executive Director w.e.f. 01.04.2019.

(ii) Corporate Social Responsibility Policy (CSR)

The Board has, on the recommendation of the CSR Committee, approved the CSR Policy. The Company's CSR Policy is available on the Company's website www.gallantt.com and the same is also attached herewith as **ANNEXURE - VI**.

As a part of its initiative under the "Corporate Social Responsibility" (CSR) drive, the Company has undertaken projects in the area of Health, Education and rural development, eradicating hunger, promoting health care and education. These projects are in accordance with Schedule VII of the Companies Act, 2013 and the Company's CSR policy. Annual Report on CSR as required under Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 is also attached herewith as **ANNEXURE-VII**.

(iii) Risk Management Policy

Business Risk Evaluation and Management is an ongoing process within the Organization. Pursuant to Section 134(3)(n) of the Companies Act, 2013, the Board has framed a Risk Management Policy for the Company. The Company has in place a mechanism to identify, assess, monitor and mitigate various risks to key business objectives. Major risks identified by the business and functions are systematically addressed through mitigating actions on a continuing basis. At present the company has not identified any element of risk which may threaten the business (or) existence of the company.

Company has formulated a policy on Risk Management. The Policy is formulated in compliance with Regulation 17(9)(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations") and provisions of the Companies Act, 2013 ("the Act"), which requires the Company to lay down procedures about risk assessment and risk minimization.

The web link to the Risk Management Policy is as under: <https://www.gallantt.com/InvestorsCorner/GallanttIspatLimited/RiskManagementPolicyw.e.f.01.04.2019>.

(iv) Whistle Blower Policy – Vigil Mechanism

Your Company has formulated a Vigil Mechanism Policy with a view to provide a mechanism for employees and directors of the Company to approach

Directors' Report *(Contd.)*

the Chairman of the Audit Committee to ensure adequate safeguards against victimisation.

This policy would help to create an environment where individuals feel free and secure to raise an alarm, whenever any fraudulent activity takes place or is likely to take place. It will also ensure that complainant(s) are protected from retribution, whether within or outside the organization. The Board has elected Mr. Nitesh Kumar, Company Secretary as the Whistle Officer under the Vigil Mechanism Policy.

The details of establishment of the Vigil Mechanism Policy are displayed on the website of the Company www.gallantt.com under the link: [https://www.gallantt.com/Investors Corner/ Gallantt Ispat Limited/ Whistle Blower Policy](https://www.gallantt.com/Investors%20Corner/Gallantt%20Ispat%20Limited/Whistle%20Blower%20Policy) w.e.f. 01.04.2019.

SECRETARIAL AUDITORS

Mr. Anurag Fatehpuria, Practising Company Secretary, having office address at 23/1, Sita Nath Bose Lane, Salkia Howrah, Pin-711101 has been appointed as Secretarial Auditors of the Company for the FY ended 31st March, 2021. The Secretarial Audit Report received from the Secretarial Auditors is annexed to this report marked as **ANNEXURE-VIII** and forms part of this report.

ANNUAL EVALUATION OF BOARD, COMMITTEES AND INDIVIDUAL DIRECTORS

During the financial year, formal annual evaluation of the Board, its committees and individual Directors was carried out pursuant to the Board Performance Evaluation Policy of the Company.

The performance of the Board and committees was evaluated after seeking inputs from all the Directors on the basis of the criteria such as Board/ committee constitutions, frequency of meetings, effectiveness of processes etc. The performance of individual Directors (including Independent Directors) was evaluated by the Board and Nomination & Remuneration Committee (excluding the Director being evaluated) after seeking inputs from all Directors on the basis of the criteria such as thought contribution, business insights and applied knowledge.

The criteria for the performance evaluation of the Board of Directors includes aspects such as its composition and structure, and the effectiveness of its processes, information flow and functioning. The criteria for the performance evaluation of individual Directors includes aspects, such as the Director's contribution to the Board of Directors and Committee meetings, including preparation on the issues to be discussed as well as meaningful and constructive contribution and inputs during meetings. In

addition, the Chairperson is evaluated on the key aspects of his role.

The performance of the committees was evaluated by the board after seeking inputs from the committee members on the basis of criteria such as the composition of committees, effectiveness of committee meetings etc. The Board and the Nomination and Remuneration Committee reviewed the performance of individual directors on the basis of criteria such as the contribution of the individual director to the board and committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings etc.

A separate meeting of Independent Directors was also held to review the performance of Managing Director, performance of the Board as a whole and performance of the Chairperson of the Company, taking into account the views of Executive Directors and Non-Executive Directors.

FAMILIARISATION PROGRAMME

Your Company follows a structured orientation and familiarization programme through various reports/ codes/internal policies for all the Directors with a view to update them on the Company's policies and procedures on a regular basis.

Periodic presentations are made at the Board Meetings on business and performance, long term strategy, initiatives and risks involved.

All the Board members of the Company are afforded every opportunity to familiarize themselves with the Company, its management, its operations and industry perspective on a regular basis. They are made to interact with senior management personnel and proactively provided with relevant news, views and updates on the Company and sector. All the information/documents sought by them is/are also shared with them for enabling a good understanding of the Company, its various operations and the industry. The Directors were apprised on key aspects of operations and market trend and the Company's performance and its future projects. The details of programmes for familiarisation for Independent Directors are posted on the website of the Company at www.gallantt.com under the Investors Corner of Gallantt Ispat Limited under the link: [https://www.gallantt.com/Investors Corner/ Gallantt Ispat Limited/ Familiarization Programme](https://www.gallantt.com/Investors%20Corner/Gallantt%20Ispat%20Limited/Familiarization%20Programme) Imparted.

CODE OF CONDUCT

Your Company has adopted a Code of Conduct for members of the Board (incorporating duties of Independent Directors) and the Senior Management. The Code aims at ensuring consistent standards of conduct and ethical

Directors' Report (Contd.)

business practices across the Company. Your Company has received confirmations from all concerned regarding their adherence to the said Code.

Pursuant to Regulation 17(5) of the Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr. C.P. Agrawal, Chairman & Managing Director and Mr. Mayank Agrawal, Chief Executive Officer confirmed compliance with the Code by all members of the Board and the Senior Management.

The full text of the Code is hosted on the Company's website www.gallantt.com under the Investors Corner of Gallantt Ispat Limited under the link: [https://www.gallantt.com/Investors Corner/ Gallantt Ispat Limited/ Code of Conduct of BOD-w.e.f. 01.04.2019](https://www.gallantt.com/Investors%20Corner/Gallantt%20Ispat%20Limited/Code%20of%20Conduct%20of%20BOD-w.e.f.%2001.04.2019).

CODE OF CONDUCT FOR PROHIBITION OF INSIDER TRADING

Your Company has adopted a Code of Conduct for Prevention of Insider Trading and Code of Practices and procedures for Fair Disclosure of Unpublished Price Sensitive Information (hereinafter referred to as the "Code of Conduct" as per Securities and Exchange Board of India (SEBI) (Prohibition of Insider Trading) Regulations, 2015. All Directors, Designated Employees who could have access to the Unpublished Price Sensitive Information of the Company are governed by the Code. During the year under review, there has been due compliance with SEBI (Prohibition of Insider Trading) Regulations, 2015. The full text of the Code is hosted on the Company's website www.gallantt.com under the Investors Corner of Gallantt Ispat Limited under the link: [https://www.gallantt.com/Investors Corner/ Gallantt Ispat Limited/ Code of Conduct of Insider Trading-w.e.f. 01.04.2019](https://www.gallantt.com/Investors%20Corner/Gallantt%20Ispat%20Limited/Code%20of%20Conduct%20of%20Insider%20Trading-w.e.f.%2001.04.2019).

NUMBER OF MEETINGS OF BOARD AND AUDIT COMMITTEE HELD DURING THE YEAR 2020-2021

Seven (7) meetings of the Board of Directors of the Company were conducted during the financial year and also Seven (7) meetings of the Audit Committee of the Board of Directors were conducted during the financial year. The details of board/committee/shareholders meetings are provided under the Corporate Governance Report which forms part of the Annual Report.

AUDIT COMMITTEE

The Audit committee of the Company as on the date of this report is constituted of following Directors:

Names	Designation	Category
Mrs. Smita Modi	Chairperson	Independent

Mrs. Sangeeta Upadhyay	Member	Independent
Mr. Prem Prakash Agrawal	Member	Executive

Constitution of the Audit Committee is in compliance with requisite provisions of the Companies Act, 2013 and rules made thereunder, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and all other applicable laws, rules and regulations.

STAKEHOLDERS RELATIONSHIP COMMITTEE

The Stakeholders Relationship Committee of the Company as on the date of this report is constituted of following Directors:

Names	Designation	Category
Mrs. Sangeeta Upadhyay	Chairperson	Independent
Mrs. Smita Modi	Member	Independent
Mr. Prem Prakash Agrawal	Member	Executive

Constitution of the Stakeholder Relationship is in compliance with requisite provisions of the Companies Act, 2013 and rules made thereunder, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and all other applicable laws, rules and regulations.

NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee of the Company as on the date of this report is constituted of following Directors:

Names	Designation	Category
Mrs. Sangeeta Upadhyay	Chairperson	Independent
Mrs. Smita Modi	Member	Independent
Mr. Ashtbhuja Prasad Srivastava	Member	Independent

Constitution of the Nomination and Remuneration Committee is in compliance with requisite provisions of the Companies Act, 2013 and rules made thereunder, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and all other applicable laws, rules and regulations.

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The Corporate Social Responsibility Committee of the Company as on the date of this report is constituted of following Directors:

Names	Designation	Category
Mr. Prem Prakash Agrawal	Chairperson	Executive
Mr. Chandra Prakash Agrawal	Member	Executive
Mrs. Smita Modi	Member	Independent

Directors' Report (Contd.)

Constitution of the Nomination and Remuneration Committee is in compliance with requisite provisions of the Companies Act, 2013 and rules made thereunder, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and all other applicable laws, rules and regulations.

COMMITTEE OF DIRECTORS

At their meeting held on June 29, 2020, the Board of Directors has constituted a Committee of Directors with nomenclature of "Committee of Directors". The Committee of Directors has the following composition of members as on the date of this report and is constituted of following Directors:

Names	Designation	Category
Mr. Chandra Prakash Agrawal	Chairperson	Executive
Mr. Prem Prakash Agrawal	Member	Executive
Mr. Nitin Mahavir Prasad Kandoi	Member	Executive

RISK MANAGEMENT COMMITTEE

In compliance with the requirements of Regulation 21 of the SEBI LODR, Board of Directors of the Company, at its meeting held on June 29, 2021, has constituted the Risk Management Committee with the following Directors:

Names	Designation	Category
Mr. Udit Agarwal	Chairperson	Independent
Mr. Ashtbhuja Prasad Srivastava	Member	Independent
Mr. Nitin Mahavir Prasad Kandoi	Member	Executive

REPORT ON PERFORMANCE AND FINANCIAL POSITION OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE COMPANIES

Pursuant to the provisions of Section 129(3) of the Act, a statement containing performance & salient features of the financial statements of Company's associate / Wholly Owned Subsidiaries in Form AOC-1 is attached as **ANNEXURE-IX**. The Company has two Wholly Owned Subsidiaries viz., Gallantt Industry Private Limited and Gallantt Udhog Private Limited. Gallantt Metal Limited is an 'Associate' of the Company.

The accounts of the Associate Company and Wholly Owned Subsidiaries are audited and certified by their respective Statutory Auditors for consolidation.

In accordance with Section 136 of the Act, the financial statements of the Associate Companies and Wholly Owned

Subsidiaries are available for inspection by the members at the Registered Office of the Company during business hours on all days except Saturdays, Sundays and public holidays upto the date of the AGM. Any member desirous of obtaining a copy of the said financial statements may write to the Company Secretary at the Registered Office of the Company. The financial statements including the CFS, and all other documents required to be attached to this report have been uploaded on the website of the Company at www.gallantt.com.

COMPANIES WHICH HAVE BECOME OR CEASED TO BE COMPANY'S SUBSIDIARIES, JOINT VENTURES OR ASSOCIATE COMPANIES DURING THE YEAR

The Company has acquired two Wholly Owned Subsidiaries viz., Gallantt Industry Private Limited and Gallantt Udhog Private Limited. Company did not have joint ventures. In terms of the Regulation 46(2)(h) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the policy for determining material subsidiaries is placed on the website of the Company at www.gallantt.com under Investors Corner of Gallantt Ispat Limited. Gallantt Metal Limited is an 'Associate' of the Company.

DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE

There are no significant material orders passed by the Regulators or Courts or Tribunal which would impact the going concern status of the Company and its future operations. However, Members attention is drawn to the statement on contingent liabilities, commitments in the notes forming part of the Financial Statements.

DETAILS OF ESTABLISHMENT OF VIGIL MECHANISM

The Company has formulated a Whistle Blower Policy to establish a vigil mechanism for Directors and employees of the Company to report concerns about unethical behaviour, actual or suspected fraud or violation of the Company's code of conduct or ethics policy. The Whistle Blower Policy is available on the website of the Company. The details of establishment of the Vigil Mechanism Policy is displayed on the website of the Company www.gallantt.com under the link: [https://www.gallantt.com/Investors Corner/ Gallantt Ispat Limited/ Whistle Blower Policy](https://www.gallantt.com/Investors%20Corner/Gallantt%20Ispat%20Limited/Whistle%20Blower%20Policy) w.e.f. 01.04.2019.

CORPORATE SOCIAL RESPONSIBILITY

The Company has constituted a Corporate Social Responsibility Committee and has framed a Corporate Social Responsibility Policy and identified Healthcare, Children's education, as some of the key areas. The

Directors' Report (Contd.)

Company will continue to support social projects that are consistent with the policy.

Corporate Social Responsibility Committee of the Company is constituted of:

Mr. Prem Prakash Agrawal, Chairman,

Mr. Chandra Prakash Agrawal and

Mrs. Smita Modi

KEY MANAGERIAL PERSONNEL

The following are the whole-time key managerial personnel of the Company:

Sl. No.	Name	Designation
1	Mr. Chandra Prakash Agrawal	Chairman and Managing Director
2	Mr. Prem Prakash Agrawal	Whole-time Director
3	Mr. Santosh Kumar Agrawal	Whole-time Director
4	Mr. Nitin Mahavir Prasad Kandoi	Whole-time Director
5	Mr. Mayank Agrawal	Chief Executive Officer
6	Mr. Amit Jalan	Chief Financial Officer
7	Mr. Nitesh Kumar	Company Secretary

CONSOLIDATED FINANCIAL STATEMENTS

In accordance with the Ind - AS on Consolidated Financial Statements read with the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, the Consolidated Audited Financial Statements and Consolidated Cash Flow Statement for the year ended March 31, 2020 are provided in the Annual Report. A statement containing the salient feature of the financial statements of each of the subsidiary and Associate Company in the prescribed Form AOC-1 is annexed **ANNEXURE-IX**.

Pursuant to Section 136 of the Act, the financial statements of the subsidiary and Associate Companies are kept for inspection by the shareholders at the Registered

Office of the Company. The Company shall provide free of cost, the copy of the financial statements of its subsidiary and Associate companies to the shareholders upon their request. The statements are also available on the website of the Company www.gallantt.com

COVID 19 STEPS TAKEN BY THE COMPANY

Your company stands by the society and community in times of despair. Apart from the above, the company has distributed wheat and other food items at the Gorakhpur and adjacent and nearby areas especially at villages nearby its plant. The company has also supplied face masks and sanitizers and free meal to these villages. The company strictly follows all precautions and guidelines prescribed by the Government particularly towards adhering to safety measures in respect of its employees.

BUSINESS RESPONSIBILITY REPORT

The Business Responsibility Report for the financial year, as stipulated under Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is part of the Annual Report and is attached as **ANNEXURE - X**.

EXTRACT OF ANNUAL RETURN

Pursuant to the provisions of section 92(3) of the Act, the details forming part of the extract of the Annual Return in Form MGT-9 is annexed herewith as **ANNEXURE-XI**.

RISK MANAGEMENT

Risk management is embedded in your Company's operating framework. Your Company believes that managing risks helps in maximizing returns. The Company's approach to addressing business risks is comprehensive and includes periodic review of such risks and a framework for mitigating controls and reporting mechanism of such risks. The risk management framework is reviewed periodically by the Board and the Audit Committee. Some of the risks that the Company is exposed to are:

Directors' Report (Contd.)

Key Risk	Impact to Gallantt Ispat Limited	Mitigation Plans
Commodity Price Risk	Risk of price Fluctuation on basic raw materials like Iron Ore, Coal, Chemicals, Scraps as well as finished goods used in the process of manufacturing.	The Company commands excellent business relationship with the business associates. In case of major fluctuation either upwards or downwards, the matter will be mutually discussed and compensated both ways. Also by focusing on new value added products helps in lowering the impact of price fluctuation in finished goods.
Uncertain global economic environment – slow growth in global economy	Impact on raw materials which are imported	We have internal procedure to mitigate the global adverse impact.
Interest Rate Risk	Any increase in interest rate can affect the finance cost	Any increase in interest rate can affect the finance cost. Dependence on debt is very minimum and we have surplus funds cushion to settle the entire debt in case the need arises. Further, the Company has repaid the Term Loan in full.
Foreign Exchange Risk	Your company does not have export sales. However, import raw materials from country outside India. Any volatility in the currency market can impact the overall profitability.	The Company commands excellent business relationship with the sellers and suppliers. In case of major fluctuation either upwards or downwards, the matter will be mutually discussed and compensated both ways.
Human Resources Risk	Your Company's ability to deliver value is dependent on its ability to attract, retain and nurture talent. Attrition and non-availability of the required talent resource can affect the overall performance of the Company.	By continuously benchmarking of the best HR practices across the industry and carrying out necessary improvements to attract and retain the best talent. Also recruitment is across almost all states of India which helps to mitigate this risk and we do not anticipate any major issue for the coming five years.
Competition Risk	Your company is always exposed to competition Risk from Steel and Agro Manufacturers across the region. The increase in competition can create pressure on margins, market share etc.	By continuous efforts to enhance the brand image of the Company, quality, Cost, timely delivery and customer service.
Compliance Risk – Increasing regulatory requirements	Any default can attract penal provisions	By regularly monitoring and review of changes in regulatory framework. By monitoring of compliance through legal compliance Management tools and regular internal audit and secretarial audit.
Industrial Safety, Employee Health and Safety Risk	The Steel and Agro industry is labour intensive and are exposed to accidents, health and injury risk due to machinery breakdown, human negligence etc.	By development and implementation of critical safety standards across the various departments of the factory, establishing training need identification at each level of employee.
Cyber Security Risk	With the growing instances of cyber-attacks, data security has become a challenge.	Confidential information has been enhanced by implementing best-in-class firewalls. The Company is aware about the current elevated levels of cybersecurity risks across the globe. All critical IT servers are protected with best-in-class firewalls which are monitored and updated regularly.

Directors' Report (Contd.)

Key Risk	Impact to Gallantt Ispat Limited	Mitigation Plans
		<p>All access to critical IT servers, including SAP ERP, for those working remotely, are allowed through security authentication tunnel.</p> <p>Necessary update patches and security policies are pushed over the internet to all computers of the Company on a daily basis, even if the user is at home or away from office. Deviations and alerts are monitored closely and corrective/preventive actions are implemented as per need.</p> <p>The Risk Management Committee looks into the monitoring and reviewing of the risk management plan and such other functions, as it may deem fit and such function specifically covers cyber security.</p>

Following amount of Unpaid Dividend has not been claimed and paid till 31.03.2021:

Nature of Money	Relevant Financial Year	Bank Account Details	Amount lying (In Rs.)
Final Dividend for 2014	2013-14	IDBI Bank Account No. 0135103000007900	3,282.50
Final Dividend for 2015	2014-15	IDBI Bank Account No. 0135103000008587	3,427.00
Interim Dividend 2016	2015-16	ICICI Bank Account No. 001105026007	3,929.00
Final Dividend for 2017	2016-17	IDBI Bank Account No. 1526103000000347	12,765.50
Final Dividend for 2018	2017-18	IDBI Bank Account No. 1526103000000569	21,063.00
Final Dividend for 2018-19 (Interim Dividend)	2018-19	IDBI Bank Account No. 1526103000000666	23,761.75

Unclaimed and unpaid amount of Dividend for the Financial Year 2012-13 to the tune of ₹ 17,666 were transferred to the Investors' Education and Protection Fund. Members who have not so far encashed their Dividend Warrants for the financial years ended 31st March 2014, 2015, 2016 (Interim), 2017, 2018 and 2019 (Interim) are requested to approach immediately the Registrars for revalidation of unclaimed Dividend Warrants. The details of unclaimed dividend are available on the Company's corporate website www.gallantt.com and also uploaded on the website of IEPF viz. www.iepf.gov.in

TRANSFER TO INVESTOR EDUCATION AND PROTECTION FUND

a) Transfer of Unclaimed Dividend to IEPF:

As required under Section 124 of the Act, the Unclaimed Dividend amount aggregating to ₹ 17,666/- pertaining to the financial year ended on 31st March, 2013 lying with

the Company for a period of seven years were transferred during the Financial Year 2020-21, to the Investor Education and Protection Fund established by the Central Government.

b) Transfer of shares to IEPF:

As required under Section 124 of the Companies Act, 2013, 881 Equity Shares, in respect of which dividend has not been claimed by the members for seven consecutive years or more have been transferred by the Company to the Investor Education and Protection Fund Authority (IEPF) during the financial year 2020-21. Details of shares transferred have been uploaded on the website of IEPF as well as the Company.

BOARD OF DIRECTORS AND SENIOR EXECUTIVE

The Board of Directors comprises of Eight Directors of which four are Independent. In terms Section 152 of the Companies Act, 2013, Mr. Prem Prakash Agrawal, liable to

Directors' Report (Contd.)

retire by rotation at the ensuing Annual General Meeting is eligible for re-election.

Mr. Ashtbhuja Prasad Srivastava (DIN: 08434115), Mrs. Sangeeta Upadhyay (DIN: 06920195), Mrs. Smita Modi (DIN: 01141396) and Mr. Dindayal Jalan (DIN: 00006882) are Independent Directors of the Company. Presently, Company has optimum combination of Executive, Non-Executive and Independent Directors on the Board of the Company.

Mr. Dindayal Jalan (DIN: 00006882) has tendered his resignation from the Directorship of the Company with effect from April 12, 2021. The Board has placed on record its deep appreciation for the invaluable support and guidance received from Mr. Dindayal Jalan during his association as a Non-Executive Independent Director of the Company.

Independent Directors are appointed for five consecutive years and are not liable to retire by rotation in terms of Sections 149, 152, Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Appointment and Qualification of Directors) Rules, 2014. Mr. Mayank Agrawal is a Chief Executive Officer of the Company as per the provisions of the Companies Act, 2013. Mr. Amit Jalan is Chief Financial Officer and is inter alia looking after the core finance function of the Company. Mr. Nitesh Kumar is working in the capacity of Company Secretary and Compliance Officer.

None of the Directors of your Company is disqualified under the provisions of Section 164(2)(a) & (b) of the Companies Act, 2013 and a certificate dated June 29, 2021 received from Company Secretary in Practice certifying that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of the Companies by SEBI/Ministry of Corporate Affairs or any such statutory authority is annexed to the Corporate Governance Report.

All Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and Regulation 16 (b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Further, Independent Director shall get themselves registered with the Independent Directors' Databank as per the Companies (Appointment and Qualification of Directors) Fifth Amendment Rules, 2019.

Mr. Udit Agrawal (DIN:07036864) has been appointed as an Additional Independent Director on the Board of the Company effective from June 29, 2021. His appointment shall be affirmed by the Shareholders in the ensuing Annual General Meeting of the Company. The Company has received notices u/s 160 of the Act from a Member

of the Company signifying his intention to propose the candidature of Mr. Udit Agrawal (DIN:07036864) for the office of the Director of the Company.

The Policy on Directors' appointment and remuneration, including the criteria for determining the qualifications, positive attributes and independence of Directors forms a part of the Corporate Governance Section of the Annual Report.

Presently, Company has optimum combination of Executive, Non-Executive and Independent Directors on the Board of the Company.

KEY FINANCIAL RATIOS

Key Financial Ratios for the financial year ended 31st March, 2021, are provided in the Management Discussion and Analysis Report given in **Annexure - V**, which is annexed hereto and forms a part of the Board's Report.

KEY MANAGERIAL PERSONNEL (KMP) WHO WERE APPOINTED OR HAVE RESIGNED DURING THE YEAR

During the year there were no changes in the KMP. However, on April 12, 2021 Mr. Dindayal Jalan (DIN: 00006882), Independent Director has tendered his resignation from the Board of the Company. Further, Mr. Udit Agrawal (DIN: 07036864) has been appointed as an Additional Independent Director of the Company. Details pertaining to their remuneration of KMPs have been provided in the Extract of Annual Return annexed hereto and forming part of this Report.

TRANSFER TO RESERVES

Your Directors has not proposed to transfer net earnings for the period to the General Reserve.

RELATED PARTY TRANSACTIONS

The details of Related Party Transactions during the Financial Year ending 31st March 2021, being arm's length transactions have been reported in the financial statements and forms part of this report. The Audit Committee and the Board of Directors of the Company have formulated the Policy on dealing with RPTs and a Policy on materiality of RPTs which is uploaded on the website of the Company and can be accessed through the website of the Company www.gallantt.com under the Investors Corner of Gallant Ispat Limited.

All transactions entered with Related Parties for the year under review were on arm's length basis and in the ordinary course of business and that the provisions of Section 188 of the Companies Act, 2013 and the Rules made thereunder are not attracted. Thus, disclosure in form AOC-2 in terms of Section 134 of the Companies Act, 2013 is not required. Further, there are no material related party transactions during the year under review with the

Directors' Report (Contd.)

Promoters, Directors or Key Managerial Personnel. The Company has developed a framework through Standard Operating Procedures for the purpose of identification and monitoring of such Related Party Transactions.

All Related Party Transactions are placed before the Audit Committee as also to the Board for approval. Omnibus approval was obtained on a yearly basis for transactions which are of repetitive nature. Transactions entered into pursuant to omnibus approval are audited by the Audit Committee and a statement giving details of all Related Party Transactions are placed before the Audit Committee and the Board for review and approval on a quarterly basis.

The policy on Related Party Transactions as approved by the Board of Directors has been uploaded on the website of the Company viz. www.gallantt.com. None of the Directors has any pecuniary relationship or transactions vis-à-vis the Company.

PERSONNEL, INDUSTRIAL RELATIONS AND MARKETING

The Company's HR philosophy is to establish and build a high performing organization, where each individual is motivated to perform to the fullest capacity: to contribute to developing and achieving individual excellence and departmental objectives and continuously improve performance to realize the full potential of our personnel. Industrial relations have remained harmonious throughout the year.

DECLARATION OF INDEPENDENCE

Your Company has received declarations from all the Independent Directors confirming that they meet the criteria of independence as prescribed under the provisions of Companies Act, 2013 read with the Schedules and Rules issued there under as well as Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

AWARD AND RECOGNITIONS

During the year and during previous years Company/ Management has received following awards, accolades and reconciliation:

During previous years:

- **Udyami Samman 2011:** Awarded by Zee Media House and was presented by Shri Prakash Jaiswal, Hon'ble Coal Minister, Government of India.
- **Udyami Samman 2013:** Awarded by Sahara Samay Media House and was presented by Shri Akhilesh Yadav, Hon'ble Chief Minister of U.P.
- Promoter of Gallantt Group Mr. C.P. Agrawal & family has been listed on India's Super Rich List at 188th position in 2014 by the Business World Magazine.

- Gems of Purvanchal: Jagran Coffee Table Book has given a place to our promoter Shri. C.P. Agrawal by stating **"MAKING A MARK WITH BUSINESS IN STEEL"**.
- Shri Yogi Adityanath Maharaj Ji, C.M. of U.P., honoured the company for **'Entrepreneur of the Region'** during Gorakhpur Mahotsav 2018.
- **The Top Challengers Award 2018:** awarded by the Construction World Magazine, a world famous magazine.
- **The Gallant Men:** Steel 360, a renowned magazine of steel industry felicitated the group and its promoters in its cover story May, 2018.
- **Ranked at 6th position among the top 10 mid-size rebar producers in India by Steel 360 magazine in August, 2018 edition.**
- Listed **"200 BEST UNDER A BILLION COMPANIES"** in Forbes Asia Magazine, July/August 2019 edition.
- Group Chairman, Shri Chandra Prakash Agrawal Ji was felicitated with momento for his significant and imperishable contributions to the Industrial development in the State, by Shri Yogi Adityanath Maharaj Ji, C.M. of U.P. on the eve of U.P. Diwas Mahotsav, in January, 2020.

During the year:

- Industry outlook Magazine recognised Gallantt under **"TOP 10 TMT IRON & STEEL MANUFACTURES 2021"**.

MATERIAL CHANGES AND COMMITMENTS

There have been no material changes and commitments affecting the financial position of the Company since the close of financial year i.e. since 31st March, 2021 till the date of this Report. Further, it is hereby confirmed that there has been no change in the nature of business of the Company. However, after approval of the Scheme of Amalgamation as above all the assets and liabilities of the Transferor Companies shall be transferred to the Company. Significant and material orders passed by the regulators / courts / tribunals impacting the going concern status and the Company's operations in future.

As such there is no significant and material order by the regulator/court/tribunals impacting the going concern status and the Company's operation in future.

GENERAL

- Your Company has not issued equity shares with differential rights as to dividend, voting or otherwise; and
- Your Company does not have any ESOP scheme for its employees/Directors.

Directors' Report (Contd.)

CHANGE IN SHARE CAPITAL

There are no changes in the Share Capital during the year.

INTERNAL FINANCIAL CONTROLS

The Company has an adequate system of internal controls in place. It has documented policies and procedures covering all financial and operating functions. These controls have been designed to provide a reasonable assurance with regard to maintaining of proper accounting controls for ensuring reliability of financial reporting, monitoring of operations, and protecting assets from unauthorized use or losses, compliances with regulations.

The Company has continued its efforts to align all its processes and controls with global best practices.

The framework on Internal Financial Controls over Financial Reporting has been reviewed by the internal and external auditors. The Company's internal financial controls were operating effectively based on the internal control criteria established by the Company considering the essential components of internal control stated in the guidance note on audit of internal control over financial reporting issued by the Institute of Chartered Accountants of India.

The Audit committee of the Board of Directors actively reviews the adequacy and effectiveness of internal control systems and suggests improvements wherever needed to strengthen the same. The Audit Committee evaluated the internal financial controls based on the following criteria:

1. Systems have been laid to ensure that all transactions are executed in accordance with management's general and specific authorisation. There are well-laid manuals for such general or specific authorisation.
2. Systems and procedures exist to ensure that all transactions are recorded as necessary to permit preparation of financial statements in conformity with generally accepted accounting principles or any other criteria applicable to such statements, and to maintain accountability for aspects and the timely preparation of reliable financial information.
3. Access to assets is permitted only in accordance with management's general and specific authorisation. No assets of the Company are allowed to be used for personal purposes, except in accordance with terms of employment or except as specifically permitted.
4. The existing assets of the Company are verified / checked at reasonable intervals and appropriate action is taken with respect to any differences, if any.
5. Proper systems are in place for prevention and detection of frauds and errors and for ensuring adherence to the Company's policies.

A report on the internal financial controls under clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 issued by M/s. Maroti & Associates, Chartered Accountants, Statutory Auditors of the Company is attached with their Independent Auditor's report and the same is self-explanatory.

Effective steps are taken by the Management to enable continuous monitoring of lead control indicators and action taken towards correcting identified gaps. Respective functions have been trained and equipped to enable continuous monitoring of exceptions by themselves to reduce surprises and enable corrective action on timely and regular basis.

Your Company has a robust financial closure self-certification mechanism wherein the line managers certify adherence to various accounting policies, accounting hygiene and accuracy of provisions and other estimates.

PARTICULARS OF LOANS/ADVANCES/INVESTMENTS AS REQUIRED UNDER SCHEDULE V OF THE LISTING REGULATIONS

The details of related party disclosures with respect to loans/advances/investments at the year end and maximum outstanding amount thereof during the year as required under Part A of Schedule V of the Listing Regulations have been provided in the notes to the Financial Statements of the Company.

FRAUD REPORTING

There have been no frauds reported by the Auditors of the Company to the Audit Committee or the Board of Directors under sub-section (12) of section 143 of the Companies Act, 2013 during the financial year.

ENVIRONMENT AND SAFETY

The Company is conscious of the importance of environmentally clean and safe operations. The Company's policy requires conduct of operations in such a manner so as to ensure safety of all concerned, compliances of environmental regulations and preservation of natural resources.

TRANSFER OF SHARES COMPULSORILY IN DEMAT MODE

As per amended Regulation 40(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 amended vide SEBI Notification No. SEBI/LADNRO/GN/2018/24 dated June 2018, effective from December 5, 2018; securities of the listed companies can be transferred (except in case of transmission or transposition) only in the dematerialized form.

In case any of the Shareholders have any queries or need any assistance in this regard, please contact;

Directors' Report (Contd.)

GALLANTT ISPAT LIMITED Regd. Office Address: "GALLANTT HOUSE", I-7, Jangpura Extension, New Delhi – 110014 Telefax: 011-41645392 Email Id: nitesh@gallantt.com Website: www.gallantt.com	Registrar & ShareTransfer Agent Niche Technologies Pvt. Ltd. 7th Floor, Room, No. 7A & 7B, 3A, Auckland Rd, Elgin, Kolkata, West Bengal – 700017 Tel.: (033) 2280 6616 /17 / 18 Email id: nichetechpl@nichetechpl.com Website: www.nichetechpl.com
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POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION

Procedure for Nomination and Appointment of Directors:

The Nomination and Remuneration Committee (NRC) has been mandated to oversee and develop competency requirements for the Board based on the industry requirements and business strategy of the Company. The NRC reviews and evaluates the resumes of potential candidates for appointment of Directors and meets them prior to making recommendations of their nomination to the Board. Specific requirements for the position, including expert knowledge expected, are communicated to the appointee.

On the recommendation of the NRC, the Board has adopted and framed a Remuneration Policy for the Directors, Key Managerial Personnel and other employees pursuant to the provisions of the Act and the Listing Regulations. The remuneration determined for Executive/Independent Directors is subject to the recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors. The Non-Executive Independent Directors and Non-Executive Non-Independent Directors are compensated by way of sitting fees for attending meetings of the Board and its Committees. The Executive Directors are not paid sitting fees; the Non-Executive Directors are entitled to sitting fees for attending the Board/Committee Meetings.

It is affirmed that the remuneration paid to Directors, Key Managerial Personnel and all other employees is in accordance with the Remuneration Policy of the Company. The Company's Policy on Directors' Appointment and Remuneration and other matters provided in Section 178(3) of the Act and Regulation 19 of the Listing Regulations have been disclosed in the Corporate Governance Report, which forms part of the Annual Report.

EMPLOYEES WELFARE

The Company continues to focus on welfare and improving the quality of lives of its employees by providing educational assistance to their children, employee wellness sessions, periodic occupational health checks, spiritual peace by yoga classes, crèche and child care facilities, transport facilities to employees at subsidized rate or at no charge.

AMALGAMATION OF COMPANIES

At their meeting held on January 18, 2020, Board of Directors of the Company has approved the Scheme of Amalgamation and Slump Sale providing for the Amalgamation of Gallantt Ispat Limited (Transferor Company No. 1 or GIL), AAR Commercial Company Limited (Transferor Company No. 2 or AAR), Hipoline Commerce Private Limited (Transferor Company No. 3 or HIPOLINE), Lexi Exports Private Limited (Transferor Company No. 4 or LEXI) and Richie Credit and Finance Private Limited (Transferor Company No. 5 or RICHIE) (together referred to as the "Transferor Companies") with Gallantt Metal Limited ("Transferee Company" or "GML") and for the Slump Sale of 18 MW Power Plant Undertakings of Gallantt Ispat Limited to the Transferee Company and their respective shareholders and Creditors ("Scheme") under Section 230 to 232 and other applicable provisions of the Companies Act, 2013.

In accordance with the Regulation 37 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as the "LODR") Company had filed the draft Scheme of Amalgamation and Slump Sale with the BSE Limited (formerly Bombay Stock Exchange Limited) and the National Stock Exchange of India Limited (hereinafter together referred to as the "Stock Exchanges") for obtaining an 'observation letter' or a 'no-objection letter', before filing such scheme. Further, Transferor Company No. 1, Transferor Company No. 2 and the Transferee Company had also filed this application with the Stock Exchanges under Regulation 37 of LODR.

Brief details of the Scheme are as under:

- GIL, AAR, HIPOLINE, LEXI and RICHIE all are TRANSFEROR COMPANIES and GML is TRANSFEE COMPANY.**
- The Transferee Company is a listed Company, GIL and AAR are also Listed Companies.
- Upon the Scheme becoming effective in lieu of the amalgamation no consideration will be due to the Transferor Companies and in consideration of the amalgamation of the Transferor Companies with the Transferee Company pursuant to the Scheme including the consequential extinguishment of the

shareholding in Transferor Companies, the Transferee Company shall without further application, issue and allot as given below equity shares in the Transferee Company to the equity shareholders of the Transferor Companies whose names appear in the Register of Members of the Transferor Companies on the Record Date:

- 13 (Thirteen) equity shares of the nominal value of Rs. 10/- fully paid up in the Transferee Company for every 14 (Fourteen) equity shares of ₹ 1/- each fully paid up held by such member in GIL.
 - 5 (Five) equity shares of the nominal value of ₹ 10/- fully paid up in the Transferee Company for every 1 (One) equity share of ₹ 10/- each fully paid up held by such member in AAR.
 - 9 (Nine) equity shares of the nominal value of ₹ 10/- fully paid up in the Transferee Company for every 2 (Two) equity shares of ₹ 10/- each fully paid up held by such member in HIPOLINE.
 - 84 (Eighty-Four) equity shares of the nominal value of ₹ 10/- fully paid up in the Transferee Company for every 1 (One) equity share of ₹ 10/- each fully paid up held by such member in LEXI.
 - 101 (One Hundred One) equity shares of the nominal value of ₹ 10/- fully paid up in the Transferee Company for every 2 (Two) equity shares of ₹ 10/- each fully paid up held by such member in RICHIE.
4. Transferor Companies GIL and AAR and Transferee Company GML are under the Jurisdiction of the Registrar of Companies, Delhi and Haryana and Transferor Companies, HIPOLINE, LEXI and RICHIE are under the jurisdiction of the Registrar of Companies, West Bengal.
 5. Pursuant to the Scheme 18 MW Power Plant Undertakings of GIL will be sold and transferred to the Transferee Company through Slump Sale at a consideration of Rs. 35 Crores payable in cash.
 6. "Appointed Date of Slump Sale" means the open of business hours on 1st April 2019
 7. "Appointed Date" means the open of business hours on 1st April 2019 after the completion of the slump sale.

Company has appointed BSE Limited as designated Stock Exchange for coordinating with the SEBI in respect of the said Scheme and matters connected therewith.

Vide its letters dated November 12, 2020 and November 23, 2020, BSE Limited and National Stock Exchange of India Limited respectively have issued Observation letters (hereinafter referred to as the "Observation Letters").

Post getting the observation Letters as above, Companies

filed application with the Honorable National Company Law Tribunal, Principal Bench, New Delhi (hereinafter referred to as the "NCLT Delhi") together with other petitioner Companies viz., AAR and GIL for directions to hold meetings of the Shareholders and Creditors of the Companies. Further, the Petitioner Companies Hipoline, LEXI and Richie, falling under the jurisdiction of Honorable Company Law Tribunal, Kolkata Bench (hereinafter referred to as the "NCLT Kolkata"), have filed application along with necessary enclosures for dispensation of the meeting of Shareholders and Creditors.

Pursuant to the application filed as above, NCLT Kolkata, vide its order dated January 19, 2021 has dispensed the meetings of shareholders and creditors. Further, NCLT Delhi, vide its order dated February 26, 2021, has directed to convene and hold meetings of shareholders and creditors of GML, GIL and AAR ON April 08, 2021. The Chairman has appointed Mr. Somnath Gangopadhyay and the Chairperson and Ms. Aisha Amin as Alternate Chairperson. Further, Mr. Tanmay Kumar Saha was appointed as the Scrutinizer of the meetings.

In accordance with the NCLT Delhi Order and provisions of (i) Section 230(4) read with Section 108 of the Act and read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended; (ii) Rule 6(3) (xi) of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016; (iii) Regulation 44 and other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended ("Listing Regulations"); and (iv) Secretarial Standards-2 on General Meetings issued by Institute of Company Secretaries of India, as applicable, the Company has engaged the services of National Securities Depository Limited ("NSDL") for the purpose of providing facility of remote e-voting prior to the Meeting and e-voting during the Meeting, so as to enable the equity shareholders, to consider and if thought fit, approve the Scheme by way of requisite majority. Accordingly, voting by equity shareholders, secured creditors and unsecured creditors of the Company were carried out through (a) remote e-voting prior to the Meeting, and (b) e-voting during the Meeting. Remote e-voting prior to the Meeting was opened during the period commencing from 9.00 a.m. (IST) on Monday, April 05, 2021 and ending at 5.00 p.m. (IST) on Wednesday, April 07, 2021, arranged by NSDL.

The members (including public shareholders), secured creditors and unsecured creditors passed the resolution for approval of the Scheme with the requisite majority. After approval of the resolution by the shareholders, secured and unsecured creditors, the Companies complied with the requisite formalities and filed petition with the NCLT

Delhi for their approval and order of the Scheme. Similarly, Other Petitioner Companies viz., Hipoline, Lexi and Richie have also filed petition with the NCLT Kolkata Bench for approval of the Scheme by the NCLT Kolkata Bench.

CONSOLIDATED FINANCIAL STATEMENTS

In accordance with the provisions of Companies Act, 2013 (hereinafter referred to as "the Act"), Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as "Listing Regulations") and applicable Accounting Standards, the Audited Consolidated Financial Statements of the Company for the financial year 2020-21, together with the Auditors' Report form part of this Annual Report.

OTHER DISCLOSURES

- The Managing Director & CEO of the Company has not received any remuneration or commission from any of the subsidiary companies;
- None of the Auditors of the Company have reported any fraud as specified under the second proviso of Section 143 (12) of the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force);

- The Company does not have any scheme or provision of money for the purchase of its own shares by employees/ Directors or by trustees for the benefit of employees/ Directors; and
- The Company has not issued equity shares with differential rights as to dividend, voting or otherwise.
- In the preparation of financial statements, no treatment different from that prescribed in an Accounting Standard has been followed.

ACKNOWLEDGEMENT

Your Directors wish to convey their appreciation to all of the Company's employees for their contribution towards the Company's performance. Your Directors would also like to thank the shareholders, employee unions, customers, dealers, suppliers, bankers, Governments and all other business associates for their continuous support to the Company and their confidence in its management on behalf of the Board.

For Gallantt Ispat Limited

Date: July 29, 2021
Place: Gorakhpur

C. P. Agrawal
Chairman

Annexure - I to the Directors' Report

Dividend Distribution Policy

1. Statutory Mandate

The Board of Directors (The 'Board') of Gallantt Ispat Limited ("the Company") has adopted the following Policy for Distribution of Dividend to the Shareholders of the Company.

2. Background

The Steel industry is a capital-intensive industry. Most units of the owned by the Company entails substantial capital outlays.

A large proportion of the financing of the Company is through equity capital. With a low level of borrowing in proportion to equity capital, the outlay on dividend forms a substantial part of the cost of capital. It is the Company's endeavour to maintain and pay dividend keeping market expectations in mind. The dividend paid as a proportion of earnings has been maintained accordingly.

The prevailing Governmental and geopolitical environment directly impacts profit in the steel industry. Infrastructural development, both domestic and foreign, depends on factors that are beyond the control of the Company. In the past, the need to meet the general investor's expectations of return on equity during the years of instability has resulted in a relatively reasonable payout ratio.

3. Policy

This Policy for Distribution of Dividend to Shareholders of the Company is framed in terms of Regulation 43 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as the "Listing Regulations").

4. Dividend

The Board will finalise the dividend to be declared by the Company based on the above stated background while also considering the following:

Dividend will be declared once a year based on the profits as per the Audited Financial Statements for the year. The Board may declare an interim dividend after satisfying themselves about the distributable profit.

Normally, the Dividend will be declared out of the current year's profit of the Company, subject to the following:

- i) Company's need of Capital Expenditures/ Investment;
- ii) Cash Flow position.

Given that profits can be volatile, the Board to the

extent feasible, in the quantum of Dividend paid to Shareholders. Should the current year's profit be inadequate, the Board may, after considering the Carried Forward Balance in the Profit & Loss Account of the Company, declare dividend or declare dividend out of Reserves, as is permitted under the law.

As such, the Company may declare the Dividend out of:

- i) Current year's profit –
 - a) after providing for depreciation in accordance with Sub-section (2) of Section 123 of the Companies Act, 2013 ("Act") and
 - b) after transfer of such percentage of its profits for that Financial Year to reserves as may be required under the law and as the Board of Directors may deem fit; OR
- ii) Carried Forward Balance in the Profit & Loss Account; OR
- iii) Free Reserve as may be permitted under law; OR
- iv) A combination of (i), (ii) and (iii) above.

5. Factors to be considered for declaration of Dividend

- i) Capital Expenditure /Investment requirement of the Company for:
 - a) New projects;
 - b) Ongoing projects including expansion, renovation or modernisation etc.
 - c) Acquisition of major fixed assets including land and buildings;
 - d) Acquisition of any business entity etc.
- ii) Payment of any major liability;
- iii) Any other requirements for fund conservation;
- iv) Agreement with lending institutions.

6. Revision in the Policy

The Board of Directors will review the policy from time to time or when changes may be required.

7. General

All the words and expressions used in this Policy, unless defined hereinafter, shall have the meaning respectively assigned to them under the Listing Regulations and in the absence of its definition or explanation therein, as per the Companies Act, 2013 and the Rules, Notifications and Circulars made/ issued thereunder, as amended from time to time.

Annexure - II to the Directors' Report

A. CONSERVATION OF ENERGY

(a) Energy Conservation Measures Taken

Steps taken for conservation of energy:

Your Company is continually taking necessary steps to absorb and adopt the latest technologies. These initiatives enable the facilities to become more efficient and productive as the company expands, thereby helps in energy conservation. All machinery and equipment are continuously serviced, updated and overhauled in order to maintain them in good condition. This resulted in consumption of lesser energy consumption. Energy Conservation continues to receive increased emphasis at all the units of the Company. Your Company's technical

team monitors closely and vigorously various plants and equipments and suggests adoption of new and latest technology etc. and discuss to identify areas of improvement.

In addition to the existing Energy Conservation measures, the Engineering and Production departments in each

manufacturing unit work closely towards improving the efficiency of generation and also in the reduction in energy consumption. Additionally, constant efforts in continuing all previous conservation measures and increasing awareness of energy management amongst employees have continued which should enable further savings to transpire going forward.

The measures taken in all the Company's manufacturing units can be briefly enumerated as below:

- Additional investments and proposals, if any, being implemented for reduction of consumption of energy - Nil
- In respect of measures at (a) and (b) above for reduction of energy consumption and consequent impact on the cost of production of goods- This has resulted in cost savings for the Company.
- Total energy consumption and energy consumption per unit of production as per **Form "A"** of the Annexure in respect of industries specified in the Schedule thereto:

FORM -A

Disclosure of Particulars with respect to conservation of energy

A.	Power & Fuel Consumption	2020-21	2019-20
1.	Electricity		
	(a) Purchased		
	Total Unit in Lacs KWH	313.09	180.04
	Amount ₹ in Lacs	1,539.10	1,876.88
	Rate Per Unit (₹)	4.92	10.42
	(b) Own Generation		
	Total Units in Lacs KWH	2,355.22	2,583.31
	Amount ₹ In Lacs	10,709.20	16,661.54
	Rate per Unit (₹)	4.55	6.45
2.	Coal		
	Quantity - M.T.	2,97,117.56	3,61,091.08
	Total Cost - ₹ in Lacs	19,510.02	25,678.23
	Average rate - ₹ per M.T.	6,566.43	7,111.29
B.	Consumption per unit of production		
1.	Electricity (Unit/M.T.)		
	- Agro	71.19	97.25
	- Sponge Iron	62.61	63.91
	- SMS (Furnace and Concast)	807.00	769.90
	- Rolling Mills	119.82	125.74
2.	Coal		
	- Power Plant (per 1000 KWH)	286.23	428.44
	- Rolling Mills (Kg/M.T.)	15.42	17.50
	- Sponge Iron (Kg/M.T.)	972.98	910.90

Annexure - II to the Directors' Report (Contd.)

FORM –B

Disclosure of Particulars with respect to technology absorption

RESEARCH & DEVELOPMENT (R & D)

Specific areas in which R & D carried out by the Company

No Research & Development work has been carried out by the Company.

TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION

1) Efforts, in brief, made towards technology absorption, adaptation etc.

- Absorbing and adapting latest technology in maintenance system.
- Technical Interaction with expert.

- Continuous efforts are being made towards improvements in existing production process.

2) Benefits derived as a result of the above efforts

- Improvement in quality of products.
- Cost reduction
- Improvement in the existing process and productivity.
- Knowledge of updated technology.

FOREIGN EXCHANGE EARNINGS AND OUTGO

1. Activities relating to export, initiative taken to increase exports, development of new export markets for products and export plans – Nil
2. Total foreign exchange used and earned

	2020-2021 (₹ in Lacs)	2019-2020 (₹ in Lacs)
Raw Materials	1,939.15	4,178.56
Stores, Chemical and Packaging Materials	127.01	57.91
Capital Goods	-	168.51
Earning in foreign currency	185.80	-

Annexure - III to the Directors' Report

MANAGERIAL REMUNERATION

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and

Remuneration of Managerial Personnel) Rules, 2014 are as under:

- (a) ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year;

Name	Designation	Ratio to median remuneration of Employees
Chandra Prakash Agrawal	Chairman & Managing Director	29.14:1
Prem Prakash Agrawal	Whole-time Director	29.14:1
Santosh Kumar Agrawal	Director (Sales & Marketing)	29.14:1
Nitin Mahavir Prasad Kandoi	Director (Plant-Operation)	29.14:1
Dindayal Jalan#	Independent Director	N.A. *
Smita Modi	Independent Director	N.A. *
Ashtbhuja Prasad Srivastava	Independent Director	N.A. *
Sangeeta Upadhyay	Independent Director	N.A. *

* Except sitting fees, no remuneration is paid to the Non-Executive Independent Director.

Resigned from the Board of Directors effective from April 12, 2021.

- (b) Percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year;

Name	Designation	% increase
Chandra Prakash Agrawal	Chairman & Managing Director	0%
Prem Prakash Agrawal	Whole-time Director	0%
Santosh Kumar Agrawal	Director (Sales & Marketing)	0%
Nitin Mahavir Prasad Kandoi	Director (Plant-Operation)	0%
Dindayal Jalan#	Independent Director	N.A. *
Smita Modi	Independent Director	N.A. *
Ashtbhuja Prasad Srivastava	Independent Director	N.A. *
Sangeeta Upadhyay	Independent Director	N.A. *
Mayank Agrawal	Chief Executive Officer	0%
Amit Jalan	Chief Financial Officer	-2.29%
Nitesh Kumar	Company Secretary	-6.05%

- (c) number of permanent employees on the rolls of company: 1,516

- d) explanation on the relationship between average increase in remuneration and company performance: The profit before tax for the financial year ended March 31, 2021 increased by 109.14% and the profit after tax for the financial year ended March 31, 2021 increased by 78.35%, whereas the increase in median remuneration is -4.96%.

- e) comparison of the remuneration of the Key Managerial

Personnel against the performance of the company; The total remuneration of KMP decreased by 0.74%, whereas the profit before tax increased by 109.14% and the profit after tax increased by 78.35%.

- f) average percentile increases already made in the salaries of employees other than the managerial personnel in the last- financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for

Annexure - III to the Directors' Report (Contd.)

increase in the managerial remuneration: -4.61% (non-Managerial personnel) and -0.74% (Managerial Personnel);

g) comparison of remuneration of each of the Key Managerial Personnel against the performance of the company;

Name	Designation	% increase	Comparison
Chandra Prakash Agrawal	Chairman & Managing Director	0%	The profit before tax for the financial year ended March 31, 2021 increased by 109.14% and the profit after tax for the Financial year ended March 31, 2021 increased by 78.35%.
Prem Prakash Agrawal	Whole-time Director	0%	
Santosh Kumar Agrawal	Director (Sales & Marketing)	0%	
Nitin Mahavir Prasad Kandoi	Director (Plant-Operation)	0%	
Mayank Agrawal	Chief Executive Officer	0%	
Amit Jalan	Chief Financial Officer	-2.29%	
Nitesh Kumar	Company Secretary	-6.05%	

- h) the key parameters for any variable component of remuneration availed by the directors; Company's financial results, the performance of the business unit, individual performance, skills and competence, fulfilment of various improvement targets or the attainment of certain financial objectives.
- i) the ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year; NIL

j) We hereby affirm that the remuneration paid to the managerial and non-managerial personnel is as per the Remuneration Policy of the Company approved at the board meeting dated 30.05.2014.

The Remuneration policy of the Company comprising the appointment and remuneration of the Directors, Key Managerial Personnel and Senior Executives of the Company including criteria for determining qualifications, positive attributes, independence of a Director and other related matters has been provided in the Report.

Annexure - III to the Directors' Report (Contd.)

Details of Top 10 Employees 2020-2021

Sr.	Employee Name	Father Name	D.O.B	Age	Educational Qualification	Date of Joining	Salary	Last Employment	Designation	Department	Relation with Directors	Experience
1	Umesh Rai	Sri Chandu Rai	10/10/1973	46	10th	10/05/2017	1415983	Bharat Steel Muzaffarnagar	Foreman	Rolling Mill	No	23
2	Amit Kumar Nanda	Sri Gaurishankar Nanda	18/05/1985	34	B.Tech	23/11/2017	1312960	Electrotherm India Ltd Gujrat	Genral Manager Process	Sponge Iron	No	13
3	Sandeep Kumar Srivastava	Sri Ravindra Nath Srivastava	15/04/1973	46	Dip. (Mech.)	03/09/2018	1411622	Galwalia Ispat Ltd., Kashipur	Marketing & Sales General Manager	General	No	21
4	Rohit Saraswat	Sri Radhe Shyam	19/06/1984	38	M.B.A	01/05/2012	1373124	Reliance Capital Limited	Commercial General Manager	Purchase	No	12
5	Ashtosh Agrawal	Sri Santosh Kumar Agrawl	04/04/1978	41	Graduate	01/05/2009	1800000	Govind Mill Ltd	Sr.Executive Mis	Sponge Iron	Son Of Director	10
6	Mayank Agrawal	Sri C.P.Agrawal	20/07/1984	35	BBA	01/05/2009	1800000	Govind Mill Ltd	CEO	Admin	Son Of CMD	10
7	Rajesh Kumar Minhas	Late Chambail Singh Minhas	24/05/1959	60	Dip. (Mech.)	10/09/2018	1543958	Smc Power Generation Ltd., Jharsuguda	G M Mechanical	Sponge Iron	No	33
8	Nitesh Kumar	Sri Arjun Ram	04/07/1978	43	B.Com (H); Company Secretary	11/08/2008	1803936	Greenply Industries Ltd	Manage,Emt Trainee	Compliance	No	20
9	Parashuram Shukla	Sri Ramji Shukla	03/05/1960	59	B.Sc	03/09/2018	1737397	Anjani Steel Raigarh	Genral Manager Furnace	Steel Melt Shop	No	35
10	Sanjay Sharma	Sri Ram Chandra Sharma	15/08/1969	52	B.Tech	20/04/2010	1333109	Industrial Technical Consultants	G M Electrical	Sponge Iron	No	52

Annexure - IV to the Directors' Report

LOANS, INVESTMENT & GUARANTEE U/s 186 of the Companies Act, 2013

₹ in Lacs

Sl. No.	Particulars	Loans	Investments	Guarantee
1	Gallantt Metal Limited	5,000.00	NIL	NIL
2	Gallantt Udhyog Private Limited	NIL	2,001.00	NIL
3	Gallantt Industry Private Limited	NIL	4,001.00	NIL

Annexure - V to the Directors' Report

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

MANAGEMENT DISCUSSION AND ANALYSIS REPORT Forming part of the Report of the Directors for the year ended 31st March, 2021

ECONOMY OVERVIEW AND DEVELOPMENT

FY 2020-21 has been an unprecedented year in modern times, with the COVID-19 pandemic impacting human life extensively across the globe. In 2020, the world experienced a crisis like no other and it is expected to continue in 2021. Its impact on the economic front, too, has been significant. The slowdown across economies witnessed in 2019 exacerbated further in 2020 by the shock delivered by the pandemic. As a result, the global GDP is believed to have contracted by ~3.3% in 2020, with all major economies moving into negative territory. China was the only exception amongst the major economies to have posted a positive growth in 2020, albeit at a much lower rate of 2.3%. The pandemic has caused heavy toll on life and livelihood and pushed millions into poverty. This may impact economic activities and the income level for some time. Assuming success of the vaccine rollout, the World Bank indicated that the global economy will expand by 4% in 2021. However, the latest surge of Covid-19 infection in the leading economies may dent the expansion to some extent.

The economic upheaval could have been much more severe had it not been for the quick and synchronised response from central banks and governments globally, although this too varied across countries. The increase in balance sheet sizes of almost all central banks and the supportive measures undertaken by governments globally ensured easy availability of funding and support for both private and public consumption. This support has been instrumental in the progressive recovery seen in the last two quarters of the calendar year as compared to the significant contractions observed in the first two quarters. The sequential recovery in global trade coupled with the easy liquidity conditions have also led to a sharp rise in commodity prices, especially in the last quarter of FY 2019-20. This has been further aggravated by large-scale disruptions in the global supply chain, with shipping line capacities and container availability posing a major challenge.

The steel industry (excluding China) also witnessed a significant decline in production and demand during the first half of 2020. However, an almost equally stronger recovery has been witnessed in the second half of the year. According to World Steel Association ('WSA'), global crude steel production reached 1,864 million tonnes in 2020, down by 0.9% as compared to 2019. China has

produced 1,053 million tonnes of crude steel in 2020, up by 5.2% over 2019. China's share of global crude steel production has also increased from 53.3% in 2019 to 56.5% in 2020. Global steel demand has also seen only a minor contraction of ~0.2% in 2020 due to a very strong recovery in China during H1 (Half-Year) 2020 and a better than expected rebound in the rest of the world during H2 (Half-Year) 2020.

INDIAN ECONOMY

The pandemic hit the economy when the growth was declining. The Government action on managing the pandemic as well as the economy helped to arrest the de-growth to 9.6% for the financial year ('FY') 2020-21. This is a significant improvement considering 23.9% shrinkage recorded in GDP for April-June quarter. Considering positive sentiments of the last two quarters of FY 2020-21, the World Bank estimates that the Indian economy will recover by 5.4% in FY 2021-22. However, the surge in Covid-19 positive cases and the death toll starting April 2021 may slow down the economy to some extent and may adversely impact the forecast growth.

However, India has witnessed a gradual resumption of economic activity from Q2FY2021 onwards. The initial recovery was driven by government spending on infrastructure, exports and rural economy. The recovery has gained momentum since August 2020 with pickup in consumption demand driven by festive buying and return of urban consumption resulting in GDP growth of 0.4% in Q3 FY2021. Despite this recovery, India is estimated to see a contraction of ~8% in the annual GDP of FY 2021 due to sharp fall seen in H1 FY 2021.

India's steel industry has also suffered from production losses due to lockdown in Q1 FY 2021 and recovered gradually since then, initially driven by exports followed by gradual recovery in domestic demand. A strong rebound in manufacturing and infrastructure development activity during H2 FY 2021 has led to a sharp rise in both production and consumption of steel in India. According to the Joint Plant Committee, India's crude steel production has reached ~92 million tonnes during the period April 2021 to February 2022 and is estimated to reach 103 million tonnes by end of FY2021, registering a decline of ~5.5% over the last year. India's finished steel demand is estimated to be ~93 million tonnes for FY 2021 as against ~100 million tonnes in FY2020, a drop of ~7%.

INDUSTRY STRUCTURE AND DEVELOPMENTS

Global Steel Industry

Disruption on both demand and supply resulted in global steel demand in 2020 to fall by 0.2% against a growth of 3.7% in 2019. The total demand in 2020 was 1,772 MnT against 1,775 MnT in 2019. The impact of COVID-19 has been

Annexure - V to the Directors' Report (Contd.)

much more benign for the steel industry due to resurgent demand in China and better than expected post lockdown recovery globally in second half of 2020. China and Turkey were two key countries that saw an increase in finished steel demand of 9% and 13% respectively in 2020. North America and the European Union ('EU') have experienced strong decline in steel demand owing to the COVID-19 pandemic. Both regions experienced demand decline of around 11%-16%. India also contributed to global decline, as steel consumption in India declined by 13.7% to 88.5 MnT in 2020 against 102.6 MnT in 2019.

The Steel pricing scenario has remained buoyant since Q4 FY 2020-21, which has seen highs not witnessed in over a decade. In CY 2020, average global steel price was about US\$582/tonne. However, as CY 2021 commenced, average price in the first five months jumped to US\$883/tonne. China, the largest steel making country, is limiting production, restricted exports, encouraging import of semi-finished steel and is focusing on domestic consumption. This means that excessive supply and dumping experienced earlier from China are expected to be under control. Similarly, across the world, the under investment for past several years on infrastructure is now an opportunity to stimulate economic activity with huge spending on infrastructure through massive fiscal stimulus. This presents a case for sustained and growing demand. However, on the supply side the increase is not proportionate, with rising scrutiny on Environmental, Social and Governance (ESG) aspects. In light of this, steel demand and pricing are expected to remain firm in the near-to-medium-term, with bouts of short-term corrections.

Indian Steel Industry

India's steel industry has also suffered the production loss due to lockdown last year and recovered gradually since then, initially driven by export followed by gradual recovery in domestic demand. Strong rebound in manufacturing and infrastructure development activity has led to a sharp rise in both production and consumption of steel in India. In 2021, India's steel demand is expected to grow by 20% over 2020, taking the demand higher than the pre-pandemic level of 103 MnT, driven by strong infrastructure spending and sustained demand of automotive and consumer durables.

Government focus on strengthening the domestic manufacturing base under the Atmanirbhar Bharat program presents a strong opportunity for steel consumption in India. The production linked incentive scheme, which intends to incentivise the additional production in India, is expected to boost steel demand in

automobile & auto components, consumer durables, solar equipment, telecom, etc.

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

Government Initiatives

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

- Under the Union Budget 2020-21, the government allocated Rs. 39.25 crore (US\$ 5.4 million) to the Ministry of Steel.
- In January 2021, the Ministry of Steel, Government of India, signed a Memorandum of Cooperation (MoC) with the Ministry of Economy, Trade and Industry, Government of Japan, to boost the steel sector through joint activities under the framework of India-Japan Steel Dialogue.
- In December 2020, the Minister for Petroleum & Natural Gas and Steel, Mr. Dharmendra Pradhan, has appealed to the scientific community to Innovate for India and create competitive advantages to make India 'Aatmanirbhar'.
- In September 2020, the Ministry of Steel prepared a draft framework policy for development of steel clusters in the country.
- On October 1, 2020, Directorate General of Foreign Trade (DGFT) announced that steel manufacturers in the country can avail duty drawback benefits on steel supplied through their service centres, distributors, dealers and stock yards.
- Government introduced Steel Scrap Recycling Policy to reduce import.
- An export duty of 30% has been levied on iron ore[^] (lumps and fines) to ensure supply to domestic steel industry.
- Government of India's focus on infrastructure and restarting road projects is aiding the demand for steel. Also, further likely acceleration in rural economy and infrastructure is expected to lead to growth in demand for steel.
- The Union Cabinet, Government of India approved the National Steel Policy (NSP) 2017, as it intend to create a globally competitive steel industry in India. NSP 2017 envisage 300 million tonnes (MT) steel-making capacity and 160 kgs per capita steel consumption by 2030-31.
- The Ministry of Steel is facilitating setting up of an industry driven Steel Research and Technology Mission of India (SRTMI) in association with the public

Annexure - V to the Directors' Report (Contd.)

and private sector steel companies to spearhead research and development activities in the iron and steel industry at an initial corpus of ₹ 200 crore (US\$ 30 million).

- The Government of India raised import duty on most steel items twice, each time by 2.5% and imposed measures including anti-dumping and safeguard duties on iron and steel items.

National Steel Policy 2017

The new Steel Policy enshrines the long term vision of the Government to give impetus to the steel sector. It seeks to enhance domestic steel consumption and ensure high quality steel production and create a technologically advanced and globally competitive steel industry.

The National Steel Policy, 2017, has envisaged 300 million tonnes of production capacity by 2030-31. The per capita consumption of steel has increased from 57.6 kg to 74.1 kg during the last five years.

Key features of the NSP 2017:

1. Create self-sufficiency in steel production by providing policy support & guidance to private manufacturers, MSME steel producers, CPSEs.
2. Encourage adequate capacity additions.
3. Development of globally competitive steel manufacturing capabilities.
4. Cost-efficient production.
5. Domestic availability of iron ore, coking coal & natural gas.
6. Facilitating foreign investment.
7. Asset acquisitions of raw materials &
8. Enhancing the domestic steel demand.

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

We, at Gallantt Ispat, has the following production data of the Fiscal 2020-21 under the Steel Segment:

Steel Segment products wise	Production (in MT)
Sponge Iron (M.T.)	2,32,001
M.S. Billets (M.T.)	2,61,135
M.S. Round Bar & Miss Rolled Bar (M.T.)	2,57,527
Wheat Products (M.T.)	51,731
Power Generation (KWH)	23,55,22,319

Agro Industry (Wheat Products)

The Indian food industry is poised for huge growth,

increasing its contribution to world food trade every year due to its immense potential for value addition, particularly within the food processing industry. Indian food and grocery market is the world's sixth largest, with retail contributing 70 per cent of the sales. The Indian food processing industry accounts for 32 per cent of the country's total food market, one of the largest industries in India and is ranked fifth in terms of production, consumption, export and expected growth.

"India's Agricultural and Allied Activities sector has shown its resilience amid the adversities of Covid-19 induced lockdowns which is reflected in the sector's FY 2020-21 growth estimate of 2.3% compared to 4.3% in FY 2019-20. Agriculture remained the silver lining while contact-based services, manufacturing, construction were hit hardest and recovered steadily. Exports of agriculture and allied products recorded expansion. The share of the sector in Gross Value Added ('GVA') of the country at current prices is 17.8% for FY 2019-20."

Agriculture and Input Industry

A World Bank research study estimated the impact of Covid-19 on Agriculture as (3.04)% and (1.5)% on Crop Protection [deviation from benchmark output measured in USD in %]. The report also estimates a modest growth of the crop protection market compared to previous year led by Asia and North America. The report also reflects the strong fiscal support to farmers by Governments led by the USA and followed by the European Union, China and India.

In the past, the agriculture productivity enhancement happened mostly with intensive use of the land already under cropping aided by improved farming practices, irrigation, improved varieties, modern inputs, etc. These trends are expected to continue to ensure that supplies match the increasing demand for agricultural produce in the near future.

On one hand there is high expectation from agriculture and its various stakeholders which includes regulators, consumers, food processors, retailers, etc. and on the other hand the farmer is facing increasing challenges such as climate change, soil health, evolving pest and disease incidences and ever-increasing pressure on resources such as land, water, labour, capital, etc. Volatility induced by geopolitical challenges and other environmental factors is further increasing the complexity of agriculture activities globally.

Agriculture inputs industry is continuously innovating to support the farmers to address these challenges to serve its stakeholders better. It can also be observed that the

Annexure - V to the Directors' Report (Contd.)

increasing role of digital not only brings efficiency to the operations of agriculture input players but also helps farmers to make informed decisions supported by big data and analytics.

We, at Gallantt Ispat, has the following production data of the Fiscal 2020-21 under the Agro Segment:

Agro Segment products wise	Production (in MT)
Maida (refined wheat flour)	29,226.53
Suji (Semolina)	7,170.41
Atta (Flour)	2,799.24
Choker (Wheat Bran)	12,534.47

OPPORTUNITIES & THREATS

Opportunities

Government focus on strengthening the domestic manufacturing base under the Atmanirbhar Bharat program presents a strong opportunity for steel consumption in India. The production linked incentive scheme, which intends to incentivise the additional production in India, is expected to boost steel demand in automobile & auto components, consumer durables, solar equipment, telecom, etc.

The global construction industry is the world's largest consumer of base metal commodities, including steel. TMT steel bars are one of the major significant steel products and are used as reinforcement bars in building the supportive frames of modern infrastructure. Growth in the global economy coupled with increasing rising per capita income is driving the global construction industry which will subsequently lead to the expansion of the global TMT steel bar market.

As the country transitions into an economic powerhouse, steel demand is poised to log a compound annual growth rate (CAGR) of 7-7.5% between fiscals 2022 and 2025. A large part of this growth will be spurred by the government's Rs 111 lakh crore National Infrastructure Pipeline initiative through fiscal 2025. Here, the government's initiatives on housing (Housing for All), roads (Bharatmala), ports (Sagarmala), railways (dedicated freight corridors, metros, and bullet train), and airports (Udaan) will provide impetus. The industry has the potential to help India regain its positive trade balance in steel as well as to drive the country's export manufacturing capabilities. Mandatory road crash barriers on national highways, rising concretisation, use of pre-engineered buildings, design changes in urban housing (underground parking and bigger span) – all augur well for steel demand in the long term.

Threats and Risks

Covid-19

The outbreak of the deadly Covid-19 pandemic, followed by the lockdown in the country has adversely affected the business operations of the Company. Due to the rapid spread of the Covid - 19 in the Country, the health of the employees and workers of the Company has become priority of the Company over the business operations. This unproductive lockdown is resulting in the financial burden for the Company. The depressed market conditions due to Covid - 19 have further resulted in decrease in manpower requirement resulting in idling of work force.

Resurgence of infections leading to fresh lockdowns, both localized as well as at regional / national levels resulting in disruption in economic activity. Large dependence of the agricultural sector on monsoon. In the last 2 (two) years a normal monsoon has supported the growth in the agricultural sector. Slower recovery in services, which is the backbone of Indian economy.

The availability of raw material at right price remains a concern for the steel sector and then there is the threat of cheap dumping from China, say experts and industry players. The government, however, is keeping a brave face and its focus areas for the New Year include increasing per capita steel consumption, finding new markets for India made steel and a shift in the industry's attention towards production of special steel.

India's steel industry is going through an acute shortage of labour that threatens to bring it to a halt. Apart from the labour issue, a slump in demand for the product and squeeze in the supply of a key raw material has added to the woes. The supply of coal, a key raw material has also suffered because South Africa - one of the biggest sources, is itself going through a lockdown.

SEGMENT-WISE OR PRODUCT-WISE PERFORMANCE

Major Product-wise Turnover

	FY 2020-2021		FY 2019-20	
	Qty (MT/Unit)	₹ In Lacs	Qty (MT/Unit)	₹ In Lacs
Agro (MT)	50,461	10,252.93	44,362	9,933.13
Steel (MT)*	2,60,685	99,461.41	2,88,925	91,353.61
Power (Unit)	23,55,22,319	10,709.20	25,83,30,603	16,661.54
Real Estate	-	-	-	723.41
Un-allocable	-	1,262.31	-	3,609.14

*Company has Integrated Steel Plant facilities at Sahjanwa, Gorakhpur. Being an Integrated Steel Plant, Company, during the manufacturing process of end products TMT Bars also manufactures Sponge Iron, Billets etc.

Annexure - V to the Directors' Report (Contd.)

OUTLOOK

The outlook for the industry looks reasonable, since India has good iron ore deposits, skilled manpower and growing demand for steel. The improved demand is expected to continue in the current fiscal as well on the back of ongoing government funded infrastructure projects. The domestic steel sector has witnessed a strong revival in third quarter of FY 2020-21 regaining the pre COVID-19 level because of a combination of factors such as strong retail demand emanating from a thriving rural economy, and green shoots of recovery in white goods and the automobile sector, especially from tractors, passenger vehicles and two-wheelers.

This spree of high demand is likely to continue in FY22 backed by an uptick in the overall consumption; government's efforts to improve infrastructure, coupled with the 'AtmanirbharBharat' policy and the Production Linked Incentive (PLI) initiative. Government route for investment on infrastructure and projects such as affordable housing, railway line, metro rail, shipbuilding, oil & gas distribution pipeline projects, etc., should boost steel consumption. Additionally, the government's focus on rural infrastructure projects will also give an impetus to the steel demand. The medium to long term outlook in the Products of the Company remains very encouraging.

RISKS AND CONCERNS

Economic recession gripped global economy following the lockdowns and surge in infections due to the Covid-19 pandemic was sudden and unexpected. While India is facing a tough battle with the second wave, a potential third wave or other complications could again impact both the domestic and global economy. External factors such as government policies and rainfall could have a significant impact on sales of Steel Products.

Availability of Raw materials like Iron Ore, Coal etc. at a competitive cost is the main area of concern for the Company. Any sharp hike in raw material costs arising out of geopolitical conflicts could stretch working capital requirements and increase short-term borrowings, impacting the Company's finance costs. Our profitability and cost effectiveness may be affected due to change in the prices of raw materials, power and other input costs. While we are typically able to pass on these costs to our customers with a slight lag. This risk is significant and is carefully monitoring.

Geopolitical conflicts and trade wars between major economies could impact global steel demand and production, leading to a decline in steel demand. Similarly, high cost of iron ore and coal impacting the EBITDA margin. Availability and cost of required grade of Iron ore

are impacted by Global movement and parity of landed cost considering price, freight, tariff and exchange rates and also Domestic demand-supply gap, constraints and vendor actions. All these concern as well as Government policies and their impact on raw materials availability are being tracked regularly.

The Company does not apprehend any inherent risk in the long run, with the exception of certain primary concerns that have afflicted the progress of our industry in general, like:

- Shortage of Labour
- Rising manpower and material costs
- Approvals and procedural difficulties
- Lack of adequate sources of finance.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has adequate internal controls commensurate with the nature of its business and size of its operations, to effectively provide for the safety of its assets, reliability of financial transactions with adequate checks and balances, adherence to applicable statutes, accounting policies, approval procedures and to ensure optimum use of available resources. These systems are reviewed and improved regularly.

The Company has a comprehensive budgetary control system to monitor revenue and expenditure against approved budget on an ongoing basis. The Audit committee of Board of Directors on regular intervals and in co-ordination with internal and statutory Auditors reviews the adequacy of internal control systems within the company.

DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

The Revenue from Operations for the current year is ₹ 1,09,714.34 Lacs as compared to ₹ 1,02,010.15 Lacs in the previous year. The Profit before Tax for the year under review is ₹ 13,569.13 Lacs as against ₹ 6,488.19 Lacs in the previous year. Profit after Tax during FY 2020-21 stood at ₹ 10,366.30 Lacs as against ₹ 5,812.42 Lacs in the previous year.

Comparative chart of Segment wise Revenue and Profits are as under:

SEGMENT REVENUE			(` In Lacs)
	2021	2020	% Changes
Agro	10,252.93	9,933.13	3.22%
Steel	99,461.41	91,353.61	8.88%
Power	10,709.20	16,661.54	-35.73%
Real Estate	-	723.41	-100.00
Unallocated	1,262.31	3,609.14	-65.02%

Annexure - V to the Directors' Report (Contd.)

SEGMENT RESULTS			(₹ In Lacs)
	2021	2020	% Changes
Agro	241.94	542.79	-55.43%
Steel	8,285.56	635.31	1,204.18%
Power	5,313.75	5,831.13	-8.87%
Real Estate	-	661.25	-100.00%
Unallocated	-	-	-

8. MATERIAL DEVELOPMENTS IN HUMAN RESOURCES / INDUSTRIAL RELATIONS FRONT, INCLUDING NUMBER OF PEOPLE EMPLOYED

We believe that our intellectual capital is the true asset of our business and losing them could have an adverse effect on the Company's performance. At Gallantt Ispat, we believe that to ensure skill development and to be able to face major challenges, we need teams who deliver and who are motivated. Our human capital is our greatest tool for shaping the future of the Company and is also critical for our smooth functioning. Discovering talented people and retaining them is the key aim of our HR policy. Our people are our greatest strength as a company and the bedrock of our organization. That's why our highest priority is to provide a rewarding workplace that's safe, welcoming, and supportive of professional development. Employees work with great zeal with the feeling in mind that the interest of employer and employees is one

and the same, i.e. to increase production. Every worker feels that he is a co-owner of the gains of industry. The employer in his turn must realize that the gains of industry are not for him alone but they should be shared equally and generously with his workers.

The Company has established a robust Human Resources ('HR') system that nurtures a high performing, conducive and inclusive work culture. It emphasises on the freedom to express views, competitive pay structure, performance-based reward system and growth opportunities and internal job opportunities, critical assignments within the organisation for career options for the employees. It has well-documented and disseminated employee-friendly policies to enhance transparency, create a sense of teamwork and trust among employees and align employee interests with organisational strategic goals. These appropriate policies assist in a holistic workplace environment and play a key role in right talent on-boarding, talent retention and leadership development.

The Company maintained harmonious industrial relations in all units of the Company during the financial year 2020-21.

SIGNIFICANT CHANGES IN FINANCIAL RATIOS

During the year, the significant changes in the financial ratios, compared to the previous year which are more than 25% as compared to the previous year, are summarised below:

Financial Ratio	FY 2020- 21	FY 2019-20	Change (%)	Reason for change
Debtors Turnover	24.09	17.16	40.38%	Operating profit increased during the year and overall, very good performance of steel Industry.
Inventory Turnover	10.52	8.01	31.38%	Operating profit increased during the year and overall, very good performance of steel Industry.
Interest Coverage Ratio	12.40	6.56	88.89%	Operating profit increased during the year and overall, very good performance of steel Industry.
Current Ratio	1.92	2.68	-28.46%	Demand of short-term loan. Operating profit increased during the year and overall, very good performance of steel Industry.
Debt Equity Ratio	0.42	0.36	16.22%	-
Operating Profit Margin	15.33	9.51	61.14%	Operating profit increased during the year and overall, very good performance of steel Industry.
Net Profit Margin	9.34	5.51	69.39%	Better sales realisation and profitability. Also, Operating profit increased during the year and overall, very good performance of steel Industry.
Return on Net Worth	0.11	0.07	58.22%	Better sales realisation and profitability. Also, Operating profit increased during the year and overall, very good performance of steel Industry.

CAUTIONARY STATEMENT

Statements in the Management Discussion and Analysis describing the Company's objectives, projections, estimates and expectations may be 'forward-looking statements' within the meaning of applicable laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include among others, climatic conditions, economic conditions affecting demand-supply and price conditions in the domestic and overseas markets in which the Company operates, changes in the Government regulations, tax laws and other statutes and other incidental factors. The Company assumes no responsibility to publicly update, amend, modify or revise any forward-looking statements, based on any subsequent development, new information or future events or otherwise except as required by applicable law.

On behalf of the Board

Date: June 29, 2021
Place: Gorakhpur

C. P. Agrawal
Chairman

Annexure - VI to the Directors' Report (Contd.)

Corporate Social Responsibility Policy

[PURSUANT TO SECTION 135 OF THE COMPANIES ACT, 2013]

CONCEPT & CONTEXT

The purpose of this policy is to ensure Gallantt Ispat Limited ("GIL" or the "Company"), affiliates and associated companies; consistently operate in a manner that minimises detrimental impacts to society and the environment. Corporate Social Responsibility (CSR) has always been on the agenda of the Company. Pursuant to Section 135 of the Companies Act, 2013, and Companies (Corporate Social Responsibility Policy) Rules, 2014 every Company having Net Worth of ₹ 500 Crores or more or Turnover of ₹ 1,000 Crore or more or Net Profit of ₹ 5 Crore or more shall constitute Corporate Social Responsibility Committee ('CSR Committee') and CSR Committee shall formulate and recommend Policy.

The CSR Committee so constituted formulated Policy on Corporate Social Responsibility (CSR Policy) and recommended the same to the Board of Directors of the Company ('Board') for its approval. The Board of Directors (the "Board") of Gallantt Ispat Limited acting upon the recommendation of its Directors and CSR Committee, has adopted the following policy and procedures with regard to the Company's Social Responsibility.

CORPORATE SOCIAL RESPONSIBILITY PHILOSOPHY

GIL's continual aspirations to achieve and surpass the highest standards of conduct and corporate social responsibility are essential components of how we measure our success. GIL strives to be a socially responsible company and strongly believes in development which is beneficial for the society at large. This policy clearly sets forth GIL's social responsibility objectives and provides guidance on the social responsibilities of all individuals associated with GIL. GIL's primary responsibility is to ensure the long-term success of the Gallantt Group through the adoption and management of good corporate social behaviour.

OBJECTIVES OF THE POLICY

The objective of this Policy is to set guiding principles for carrying out CSR activities by the Company and also to set up process of execution, implementation and monitoring of the CSR activities to be undertaken by the Company. The Policy shall be read in line with Section 135 of the Companies Act, 2013, Companies (Corporate Social Responsibility Policy) Rules, 2014 and such other rules, regulations, circulars and notifications (collectively referred hereinafter as 'Regulations') as may be applicable and as amended from time to time and will, inter-alia provide the following:

- Establishing a guideline for compliance with the provisions of Regulations to dedicate a percentage of Company's profits for social projects.
- Ensuring the implementation of CSR initiatives in letter and spirit through appropriate procedures and reporting.
- Creating opportunities for employees to participate in socially responsible initiatives.

DEFINITIONS

Act means the Companies Act, 2013;

Corporate Social Responsibility means Corporate Social Responsibility (CSR) as defined in Section 135 of the Companies Act, 2013 and Companies Corporate Social Responsibility Policy) Rules, 2014;

Ministry means the Ministry of Corporate Affairs;

Net Profit means net profit as defined in Section 135 of the Companies Act, 2013 and Companies Corporate Social Responsibility Policy) Rules, 2014 as set out below:

Net Profit as per its financial statement prepared in accordance with the applicable provisions of the Act, but shall not include the following, namely:-

- any profit arising from any overseas branch or branches of the company, whether operated as a separate company or otherwise; and
- any dividend received from other companies in India, which are covered under and complying with the provisions of section 135 of the Act:

Words and expressions used in this CSR Policy and not defined herein but defined in the Act shall have the meaning respectively assigned to them in the Act.

LIST OF CSR PROJECTS/PROGRAMS/ACTIVITIES

The policy recognizes that corporate social responsibility is not merely compliance; it is a commitment to support initiatives that measurably improve the lives of underprivileged by one or more of the following focus areas as notified under Section 135 of the Companies Act, 2013 and Companies (Corporate Social Responsibility Policy) Rules, 2014:

The activities involve the following:

- Eradicating hunger, poverty and malnutrition, promoting preventive health care and sanitation and making available safe drinking water;
- Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects;

Annexure - VI to the Directors' Report (Contd.)

- Promoting gender equality, empowering women, setting up homes and hostels for women and orphans; setting up old age homes, day care centres and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups;
- Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agro forestry, conservation of natural resources and maintaining quality of soil, air and water;
- Protection of national heritage, art and culture including restoration of buildings and sites of historical importance and works of art, setting up public libraries, promotion and development of traditional arts and handicrafts;
- Measures for the benefit of armed forces veterans, war widows and their dependents;
- Training to promote rural sports, nationally recognized sports, paralympic sports and Olympic sports;
- Contribution to the Prime Ministers' National Relief Fund or any other fund set up by the Central Government for socio-economic development and relief and welfare of the Scheduled Castes, the Scheduled Tribes, other backward classes, minorities and women;
- Contributions or funds provided to technology incubators located within academic institution which are approved by the Central Government;
- Rural development projects.
- Any other activities in relation of the above and all other activities which forms part of CSR as per
- Schedule VII of the Act as amended from time to time.

AREA OF ACTIVITY

The Act provides that the Company shall give preference to the local area and areas around it where it operates, for spending the amount earmarked for CSR. The Company will thus give preference to conducting CSR activities in the State of Uttar Pradesh, Bihar, West Bengal and such other state(s) in India wherein the Company has/will have its operations. However, the Committee may identify such areas other than stated above, as it may deem fit, and recommend it to the Board for undertaking CSR activities.

FUNDING AND QUANTUM OF AMOUNT FOR CSR

The Company would spend not less than 2% of the average Net Profits of the Company made during the three immediately preceding financial years. The surplus

arising out of the CSR activity will not be part of business profits of the Company. The corpus would thus include 2% of average net profits, as aforesaid, any income arising there from and surplus arising out of CSR activities.

The Company may build CSR capacities of its personnel and/or those of its implementing agencies through Institutions with established track records of at least three financial years but such expenditure shall not exceed five percent of total CSR expenditure of the Company in one financial year.

However, if the Company ceases to be covered under subsection (1) of Section 135 of the Act for three financial years, then it shall not be required to, comply with the provisions laid down under sub-section (2) to (5) of the said section, till such time it meets the criteria specified in sub-section (1) of the Act.

THE PROCESS TO MONITOR SUCH PROJECTS OR PROGRAMS

The CSR Committee of the Board of Directors of the Company shall approve to the Board of Directors the projects and activities to be undertaken by the Company out of the activities stated hereinabove as per Schedule VII of the Companies Act, 2013.

The CSR Committee shall recommend from time to time the amount of expenditure to be incurred on the activities referred to hereinabove and to monitor the Corporate Social Responsibility Policy of the company from time to time.

The CSR Committee, shall prepare a transparent monitoring mechanism for ensuring implementation of the projects / programmes / activities to be undertaken by the Company. The CSR Committee shall have the authority to obtain professional advice from external sources and have full access to information contained in the records of the Company as well as the powers to call any employee / external consultant or such other person(s) and for such purpose as may be deemed expedient for the purpose of accomplishments of overall CSR objectives laid down under the Act.

Appropriate documentation and amendments of the CSR Policy, annual CSR activities, reports on execution by

CSR Partner(s) and expenditures will be undertaken on a regular basis and the same will be available to the Board of Directors of the Company.

Initiatives undertaken on the CSR front will be reported in the Annual Report of the Company.

The CSR Committee and persons / entities authorised by it will conduct the due diligence checks on the current

projects/partners on a quarterly basis and report anomalies, if any, immediately.

THE PROCEDURES

1. As per the Regulations the Company will set aside, for annual CSR activities, an amount equal to 2% of the average Net Profits of the Company made during the three immediately preceding financial years. Any unutilised CSR allocation of a particular year will be carried forward to the following year, i.e. the CSR budget will be non-lapsable in nature.

Provided that all reasonable efforts will be made to ensure that the annual CSR allocation is fully utilized in the respective year. However, if the Company fails to spend such amount, the Board of Directors shall, in its report under clause (o) of subsection (3) of section 134 of the Act, shall specify the reasons for not spending the amount.

2. Annexure VIII contains the details of the proposed expenditure for respective Financial Year, towards CSR activities. The same shall be amended annually according to the Financial Year after the review by the Committee or at such time, as the Committee may deem fit.
3. Tax treatment of CSR spend will be in accordance with the Income Tax Act, 1961 as may be notified by Central Board of Direct Taxes (CBDT).

PLANNING AND IMPLEMENTATION

- For the purpose of focusing its efforts in a continued and effective way, Education and Literacy Enhancement is identified as a main thrust area, besides other activities permitted under the Regulations.
- A list of CSR projects / programmes which the Company plans to undertake during the implementation year will be laid down before the Committee at the beginning of each year, specifying modalities of execution in the areas/sectors chosen and implementation schedules for the same.
- Identification of projects and the executing agency/ NGO will be made, inter alia, by assessing the following:
 1. Project Objectives
 2. Baseline Survey – As-is and To-be state basis, accordingly the outcome of the project will be measured.
 3. Implementation Schedules – Timelines for milestones of the project will need to be prescribed and agreed upon.

4. Responsibilities and authorities.

5. Major results expected and measurable outcome including the expenses/charges ratio as against the actual CSR spend.

- If the Company decides to set up a Trust or Section 8 Company, or Society or Foundation or any other form of entity operating within India to facilitate implementation of its CSR activities in accordance with its stated CSR Policy, the following shall apply:

- a) The Company would need to specify the projects/ programmes to be undertaken by such an organization, for utilizing funds provided to it;

- b) The Company shall establish a monitoring mechanism to ensure that the allocation is spent for the intended purpose only.

- The Company may also conduct/implement its CSR programmes through Trusts, Societies, or Section 8 Companies operating in India, which are not set up by the Company itself, herein collectively referred to as 'CSR Partner(s)'.

- Such spends may be included as part of its prescribed CSR spend only if such organizations have an established track record of at least three years in carrying on activities in related areas.

- Company may collaborate or pool resources with other companies to undertake CSR activities within India. Only activities which are not for the benefit of employees of the company or their family members shall be considered as CSR activity.

- CSR Committee in consultation with the Board of Directors of the Company will identify suitable projects for implementation in line with the objectives of the Company and requirements laid down under the Regulations. These projects would be executed either directly by the Company and / or through CSR Partner(s).

- While identifying projects, CSR Committee will assess CSR Partner(s) organizations who would execute the projects at the grass root level. At a minimum they need to meet the following criteria:

- i. The CSR Partner(s) has a permanent office/address in India;

- ii. The CSR Partner(s) is a Trusts, Societies, or Section 8 Company having an established track record of three years in undertaking similar CSR programmes or projects in pursuance with the relevant regulations;

- iii. Possesses a valid income-tax Exemption Certificate

- iv. The antecedents of the CSR Partner are verifiable
- v. Have requisite framework to report progress/status of the projects on a quarterly basis on agreed parameters.
- vi. Maintain a required level of auditable records on the CSR initiatives conducted in conjunction with GIL as agreed mutually.

REVIEW AND REPORTING

The CSR Committee will review the philanthropic activities of the Company and will provide progress update to the Board of Directors every six months /such other intervals as deemed fit.

The Company will report in the prescribed format, the details of CSR initiatives and activities of the Company in the Directors' Report and on the website of the Company, as required under the Regulations. Such reporting will be done, pertaining to financial year(s) commencing on or after the 1st day of April, 2014.

AMENDMENTS TO THE POLICY

The Board of Directors on its own and / or as per the recommendations of CSR Committee can amend this policy, as and when required as deemed fit. Any or all provisions of the CSR Policy would be subject to revision/ amendment in accordance with the Regulations on the subject as may be issued from relevant statutory authorities, from time to time.

Annexure - VII to the Directors' Report

ANNUAL REPORT ON CSR ACTIVITIES FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2021

1. Brief outline on CSR Policy of the Company:

The Company has currently identified the following Priority Projects to be undertaken by the CSR Committee:

1. Promoting education including special education especially among children, women, elderly and the

differently abled and livelihood enhancement projects in backward areas;

2. Promoting health care including preventive health care and sanitation and making available safe drinking water;

The Company has framed its CSR policy in compliance with the provisions of the Companies Act, 2013 and the policy is duly approved by the Board of Directors.

2. Composition of CSR Committee:

S. N.	Name of Director	Designation / Nature of Directorship	Number of Meetings of CSR Committee held during the year	Number of Meetings of CSR Committee attended during the year
1.	Mr. Prem Prakash Agrawal	Chairman	2	2
2.	Mr. Chandra Prakash Agrawal	Member	2	2
3.	Mrs. Smita Modi	Member	2	2

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company.	http://gallantt.com/gallantt ispat limited/ investors corner/
4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report).	Not Applicable
5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any	NIL

Sl. No.	Financial Year	Amount available for set-off from preceding financial year	Amount required to be set-off for the financial year, if any
		NIL	

6. Average net profit of the company as per section 135(5)	₹ 1,00,56.45 Lacs
7. (a) Two percent of average net profit of the company as per section 135(5)	₹ 201.13 lacs
(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years.	-
(c) Amount required to be set off for the financial year, if any	-
(d) Total CSR obligation for the financial year (7a+7b-7c).	₹ 201.13 lacs

Annexure - VII to the Directors' Report (Contd.)**8. (a) CSR amount spent or unspent for the financial year:**

Total amount spent for the Financial Year	Amount Unspent				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of Transfer	Name of the Fund	Amount	Date of Transfer
₹ 202.21 Lacs	-	-	-	-	-

(b) Details of CSR amount spent against **ongoing projects** for the financial year: Nil(c) Details of CSR amount spent against **other than ongoing projects** for the financial year:.

(₹ in Lakhs)

S.N.	Name of the Project	Item from the list of activities in Schedule VII of the Act	Local Area (Yes / No)	Location of the Project		Amount spent for the project	Mode of Implementation - Direct (Yes / No)	Mode of Implementation through implementing Agency	
				State	District			Name	CSR Regn. Number
1.	Healthcare	Health and Medical help to Underprivileged, Malnutrition reduction, relief for Covid-19 etc.,	Yes	Uttar Pradesh	Gorakhpur	12.21	Yes	N.A.	N.A.
2.	Healthcare	Health and Medical help to Underprivileged, Malnutrition reduction, relief for Covid-19 etc.,	Yes	Uttar Pradesh	Gorakhpur	50.00	Government Covid Care Fund Contribution	N.A.	N.A.
3.	Literacy	The company is promoting Education for economically weaker section of the society through Gyan Jyoti Education Foundation (Charitable Society) area of Assam for the benefit of the society in the backward area of Gauwahati, Assam	No	Assam	Guwahati	140.00	No. Contribution through Gyan Jyoti Foundation (Charitable Society) in the backward area of Guwahati, Assam	N.A.	N.A.

(d) Amount spent in Administrative Overheads:	Nil
(e) Amount spent on Impact Assessment, if applicable:	N.A.
(f) Total amount spent for the Financial Year	₹ 202.21 Lakhs

(g) Excess amount for set off, if any

(₹ in Lakhs)		
S.N.	Particulars	Amount
(i)	Two percent of average net profit of the company as per section 135(5)	201.13
(ii)	Total amount spent for the Financial Year	202.21
(iii)	Excess amount spent for the financial year [(ii)-(i)]	1.08
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	-
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	1.08

9. (a) Details of Unspent CSR amount for the preceding three financial years: Nil

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s): Nil

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details): Nil

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5): Nil

For CSR Committee, GALLANTT ISPAT LIMITED

Place : Gorakhpur
Date : 29th June, 2021

Prem Prakash Agrawal
Chairman of CSR Committee & Director
(DIN: 01397585)

Annexure - VIII to the Directors' Report

FORM NO. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31.03.2021

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To

The Members,

GALLANTT ISPAT LIMITED

I-7, Jangpura Extension, New Delhi – 110014

1. We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **M/s. Gallantt Ispat Limited** [CIN: L27109DL2005PLC350523] (hereinafter called the company). Secretarial Audit was conducted based on records made available to us, in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion/understanding thereon.

2. Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and made available to us and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we, on strength of those records, and information so provided, hereby report that in our opinion and understandings, the Company has, during the audit period covering the financial year ended on March 31, 2021, appears to have complied with the statutory provisions listed hereunder and also in our limited review, that the Company has proper and required Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minutes' book, forms and returns filed and other records maintained by the Company and made available to us, for the financial year ended on March 31, 2021 according to the applicable provisions of:

- i) The Companies Act, 2013 (the Act) and the rules made thereunder and the Companies Act, 1956 and the rules made thereunder as applicable;
- ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

iv) Applicable provisions of Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder.

v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI ACT'):-

- a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- c. The Securities and Exchange Board of India (Issue of Capital and Disclosures Requirements) Regulations, 2009; – Not Applicable as the Company did not issue any security during the financial year under review.
- d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999/ Securities and Exchange Board of India (Share Based Employee Benefits) Regulations 2014; - Not Applicable as the Company does not have Employee Stock Option Scheme for its employees;
- e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; – Not applicable as the Company has not issued any debt securities during the financial year under review;
- f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client to the extent of securities issued.
- g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; – Not applicable as the Company has not delisted its equity shares from any stock exchange during the financial year under review; and
- h. The Securities and Exchange Board of India

Annexure - VIII to the Directors' Report (Contd.)

(Buyback of Securities) Regulations, 1998; - Not Applicable as the Company has not done any buyback of its securities during the financial year under review.

vi) Other Laws specifically applicable to the Company as under:

1. The Air (Prevention and Control of Pollution) Act, 1981
2. The Water (Prevention and Control of Pollution) Act, 1974
3. The Environment (Protection) Act, 1986
4. The Factories Act, 1948
5. The Employees' Provident Funds and Miscellaneous Provisions Act, 1952
6. Employees' State Insurance Act, 1948
7. Equal Remuneration Act, 1976
8. The Minimum Wages Act, 1948
9. The Payment of Wages Act, 1936
10. The Payment of Bonus Act, 1965
11. The Legal Metrology Act, 2009
12. The Maternity Benefit Act, 1961 and
13. The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

We further report that with respect to the compliance of the below mentioned laws, we have relied on the compliance system prevailing in the Company and on the basis of representation received from its concerned department:

- (a) Mines and Minerals (Development Regulation) Act, 1957 and other Acts/Rules as applicable to Mining activities;
- (b) The Electricity Act, 2003 and rules issued thereunder;
- (c) National Tariff Policy;
- (d) Indian Boilers Act, 1923 and rules issued thereunder;
- (e) Explosives Act, 1884 and rules issued thereunder;
- (f) Manufacture, Storage and Import of Hazardous Chemical Rules, 1989;
- (g) Applicable Labour laws and rules issued thereunder;
- (h) Applicable Environment laws and rules issued thereunder;

(i) Applicable direct & indirect tax laws and rules issued thereunder;

(j) Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India;
- (ii) The Listing Agreements entered into by the Company with Bombay Stock Exchange Limited and National Stock Exchange of India Limited pursuant to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards etc. mentioned above except appointment of Woman Director on the Board of the Company within the stipulated time.

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. There is no change in the composition of the Board of Directors during the period under review.

Adequate notice is given to all Directors to schedule the Board Meetings. Agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

There were no dissenting views on any decisions of the Board, as recorded in the Minutes of Board meetings.

We further report that based on review of compliance mechanism established by the Company and on the basis of the Compliance Certificate(s) issued by the Company Secretary and taken on record by the Board of Directors at their meeting(s), we are of the opinion that the management has adequate systems and processes commensurate with its size and operations, to monitor and ensure compliance with all applicable laws, rules, regulations and guidelines; and

As informed, the Company has responded to notices for demands, claims, penalties etc. levied by various statutory / regulatory authorities and initiated actions for corrective measures, wherever necessary.

There are no other specific events/actions in pursuance of

Annexure - VIII to the Directors' Report (Contd.)

the above referred laws, rules, regulations guidelines etc., having a major bearing on the Company's Affairs.

We further report that during the audit period there were no instances of:

- i. Public/Right/Preferential issue of shares /debentures/ sweat equity;
- ii. Redemption / buy-back of securities;
- iii. Foreign technical collaborations.

We further report that during the audit period:

We further report that during the audit year the Company has not held an Extra-ordinary General Meetings (EGM).

We further report that our Audit is subjected only to verifying adequacy of systems and procedures that are in place for ensuring proper compliance by the Company and we are not responsible for any lapses in those compliances on the part of the Company.

Anurag Fatehpuria

Company Secretary

Place:Kolkata

Date:29.06.2021

ACS 34471; CP No. 12855

UDIN: A034471B000392171

This Report is to be read with our testimony of even date which is annexed as Annexure A and forms an integral part of this report.

Annexure A

To

The Members,

GALLANTT ISPAT LIMITED

Our report of even date it to be read along with this supplementary testimony.

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion. Due to COVID 19 pandemic, the aforesaid Audit has been conducted partially physically and partially through electronic communication in the best possible manner in the prevailing situation.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management.

Our examination was limited to the verification of procedures on test basis.

6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.
7. We further report that, based on the information provided by the Company, its officers, and authorised representatives during the conduct of the audit and also on the review of quarterly compliance report issued by the respective departmental heads/ Company Secretary/Managing Director & CEO, and taken on record by the Board of the Company, in our opinion adequate systems and process and control mechanism exist in the Company to monitor compliance with applicable general laws like Labour Laws & Environment Laws.
8. We further report that the Compliance by the Company of applicable Financial Laws like Direct & Indirect Tax Laws has not been reviewed in this audit since the same has been subject to review by the statutory financial audit and other designated professionals.

While forming an opinion on compliance and issuing the Secretarial Audit Report, we have also taken into consideration the compliance related actions taken by the Company after 31st March 2021 but before issue of the Report.

Anurag Fatehpuria

Company Secretary

Place:Kolkata

Date:29.06.2021

ACS 34471; CP No. 12855

UDIN: A034471B000392171

Annexure - IX to the Directors' Report

FORM NO. AOC.1

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures
(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Part "A": Subsidiaries

(₹ in Lakhs)

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
Sl. No.	Name of the Company	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	Share Capital	Reserve & Surplus	Total Assets	Total Liabilities	Investments	Turnover	Profit before Taxation	Provision for Taxation	Profit After Taxation	Proposed Dividend	% of share-holding
	Gallantt Udyog Private Limited	NA	NA	201.00	1,803.84	2,007.09	2.25	-	9.61	5.19	1.35	3.84	Nil	100%
	Gallantt Industry Private Limited	NA	NA	401.00	3,601.66	4,010.29	7.63	-	19.05	2.25	0.58	1.66	Nil	100%

Part "B": Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Name of Associate	Gallantt Metal Limited
1. Latest audited Balance Sheet Date	31.03.2021
2. Shares of Associate held by the company on 31.03.2021	
No.	3,94,62,895
Amount of Investment in Associate	4,267.98
Extend of Holding %	48.53%
3. Description of how there is significant influence	By way of Ownership
4. Reason why the associate/joint venture is not consolidated	Consolidated
5. Networth attributable to Shareholding as per latest audited Balance Sheet	26,375.37
6. Profit / Loss for the year	5,702.93
i. Considered in Consolidation	2,767.43
i. Not Considered in Consolidation	2,935.50

As per our report of even date

For MAROTI & ASSOCIATES

Chartered Accountants

FRN. 322770E

(CA Radhika Patodia)

Partner

Membership No. 309219

Date : June 29, 2021

Place : Kolkata

UDIN: 21309219AAAACU9470

(C.P. Agrawal)

Chairman & Managing Director

(S.K. Agrawal)

Whole time Director

(Amit Jalan)

Chief Financial officer

(Nitesh Kumar)

Company Secretary

Annexure - X to the Directors' Report

(₹ In Lacs)

BUSINESS RESPONSIBILITY STATEMENT (Part of the Directors Report) Annual Report 2020-21

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

1	Corporate Identity Number (CIN) of the Company	L27109DL2005PLC350523
2	Name of the Company	GALLANTT ISPAT LIMITED
3	Registered address	"GALLANTT HOUSE", I-7, Jangpura Extension, New Delhi – 110014.
4	Website	www.gallantt.com
5	E-mail id	nitesh@gallantt.com
6	Financial Year reported	2020-21
7	Sector(s) that the Company is engaged in (industrial activity code-wise)	Steel, Power, Agro and Real Estate
8	List three key products/services that the Company manufactures/provides (as in balance sheet)	Steel, Power, Agro Products and Real Estate
9	Total number of locations where business activity is undertaken by the Company (a) Number of International Locations (Provide details of major 5) (b) Number of National Locations	Only one plant of Steel and Agro Unit is located at "Plot No. AL-5, Sector – 23, Gorakhpur Industrial Development Authority (GIDA), Sahjanwa, Gorakhpur, Uttar Pradesh". Registered Office at "GALLANTT HOUSE", I-7, Jangpura Extension, New Delhi – 110014. Also, Company has real estate project located at Mahanagar, Lucknow, Uttar Pradesh.
10	Markets served by the Company – Local/State/National/International	Local/State/National

SECTION B: FINANCIAL DETAILS OF THE COMPANY

Paid up Capital (INR)	28,23,60,720/-
Total Turnover (INR)	10,97,14,34,357/-
Total profit after taxes (INR)	1,03,66,30,143/-
Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	Please refer annexure to the Board Report regarding CSR
List of activities in which expenditure in 4 above has been incurred.	Please refer annexure to the Board Report regarding CSR

SECTION C: OTHER DETAILS

Does the Company have any Subsidiary Company/ Companies?	No
Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s)	No
Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%]	No

Annexure - X to the Directors' Report (Contd.)

SECTION D: BR INFORMATION

1. Details of Director/Directors responsible for BR

DIN Number (if applicable)	01814318
Name	Chandra Prakash Agrawal
Designation	Managing Director
Telephone number	011-41645392
e-mail id	gil@gallantt.com

2. Details of BR Head

DIN Number (if applicable)	01814318
Name	Chandra Prakash Agrawal
Designation	Managing Director
Telephone number	011-41645392
e-mail id	gil@gallantt.com

3. Principle-wise [as per National Voluntary Guidelines (NVGs)] BR Policy/policies (Reply in Y/N)

P1	Business should conduct and govern themselves with Ethics, Transparency and Accountability
P2	Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle
P3	Businesses should promote the well-being of all employees
P4	Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized
P5	Businesses should respect and promote human rights
P6	Businesses should respect, protect, and make efforts to restore the environment
P7	Businesses when engaged in influencing public and regulatory policy, should do so in a responsible manner
P8	Businesses should support inclusive growth and equitable development
P9	Businesses should engage with and provide value to their customers and consumers in a responsible manner

S.N.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	Do you have a policy/ policies for various principles.	Y	Y	Y	Y	Y	Y	Y	Y	Y
2	Has the policy being formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
3	Does the policy conform to any national / international standards? If yes, specify? (50 words)	Y	Y	Y	Y	Y	Y	Y	Y	Y
4	Has the policy being approved by the Board? Is yes, has it been signed by MD/ owner/ CEO/ appropriate Board Director?	Y	Y	Y	Y	Y	Y	Y	Y	Y
5	Does the company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	Y	Y	Y
6	Indicate the link for the policy to be viewed online?	www.gallantt.com								
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
8	Does the company have in-house structure to implement the policy/ policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
9	Does the Company have a grievance redressal mechanism related to the policy/ policies to address stakeholders' grievances related to the policy/ policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
10	Has the company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	Y	Y	Y	Y	Y	Y	Y	Y	Y

Annexure - X to the Directors' Report (Contd.)

4. Governance related to BR

- The Board of Directors of your Company, either directly or through its Committees, assesses various initiatives forming part of the BR performance of the Company on a periodic basis. The CSR Committee meets every quarter or on certain interval to review implementation of the projects/programmes/activities to be undertaken in the field of CSR. Other supporting functions/groups like Sustainability, meet on a periodic basis to assess the BR performance.

Your Company publishes the information on BR which forms part of the Annual Report of the Company. The Annual Report is also uploaded on the website of the Company – www.gallantt.com

SECTION E: PRINCIPLE-WISE PERFORMANCE

PRINCIPLE 1

ETHICS, TRANSPARENCY AND ACCOUNTABILITY

Does the policy relating to ethics, bribery and corruption cover only the Company? Yes/No. Does it extend to the Group/Joint Ventures/Suppliers/Contractors/NGOs Others?

Ethics, transparency and accountability are the three basic pillars on which the compliance eco-system of your Company is built. The compliance management system has been designed in such a way that it not only helps adhere to the regulatory requirements but also develops a culture of self-regulation and accountability at the grass root level within the organization. In the present times when governance is looked upon as a critical aspect of sustainability, we believe, our compliance management systems play a significant role in ensuring good corporate governance. All internal stakeholders of the Gallantt Ispat Limited are subjected to work within boundaries of the Code of Conduct.

1. Under this principle, the Company has the following Policies:

- Whistle Blower Policy** – to provide an avenue for directors and employees to inform about any wrongdoing in the company and reassurance that they will be protected from reprisals or victimization for whistle blowing.
- Policy for Determining Materiality of Events and Information** - The objective of this Policy is: (a) to ensure disclosure of any event or information which, pursuant to SEBI regulations is material, (b) to determine whether an event or information is material or not, and (c) to ensure timely, accurate, uniform and transparent disclosure.

- Code of Conduct for Directors & Senior Management** – to ensure, inter-alia, protection of confidential information, preventing conflict of interest, ensuring that anti-bribery and corruption laws are complied with, and ensure compliance with all the applicable laws, regulations and Company's policies.
- Company's Code of Conduct on (prevention of) Insider Trading** – to prevent insider trading and protect of price sensitive information.
- Policy on prevention of sexual harassment.

These policies cover the Company, subsidiaries.

How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.

The Company has in place different mechanisms for receiving and dealing with complaints from different stakeholders viz. shareholders, customers, employees, vendors etc. There are dedicated resources to respond to the complaints within a time bound manner. During the year, your Company has not received complaint from shareholders.

PRINCIPLE 2

PRODUCT LIFE CYCLE SUSTAINABILITY

- List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.**

Our operations have carried out significant test work on the physical and chemical characteristics of their products to ensure their properties and potential impacts. Further, the Company ensures that all processes, plant, equipment, machinery and material provided at plant are safe to the people as well as environment. Your Company has been constantly improving its operational efficiencies for reducing the consumption of resources without compromising on the quality and quantity of its production. Your Company take initiatives to improve awareness about legal compliances, enhance eco-friendly efficiencies, packaging / logistics improvements at the suppliers end. Supplier and transporter meets are held on a periodical basis where your Company engages and encourages them to undertake sustainable practices across supply chain.

We are conscious that extraction of natural resources gives rise to negative environmental impacts, from gas and particulate emissions and hazardous waste;

Annexure - X to the Directors' Report (Contd.)

to water extraction and landscape modification. To this end, we manage our footprint to the most stringent global standards throughout the project life cycle.

Our three major products are Sponge Iron, Re-Rolled Products and Agro Products. We make all efforts to ensure that we produce, in a safe and environmentally responsible manner. Over the years, we have constantly improved our recoveries, reduced hazardous waste generation, improved water and energy consumption and reduced our tailings to optimally use available natural resources.

2. Does the company have procedures in place for sustainable sourcing (including transportation)?

- a) If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.

Our product movements to consumers take place through rail and roadways. The environmental impacts like dust emission during transportation of coal, iron ore, lime etc., final products and road dust etc. have been identified. All safety and environmental protocols are followed and proper training is provided for handling. At material handling areas for coal and iron ore, new technologies are installed with proper water sprinklers. Ore transport from the railways to the factory point is carried out through trucks with properly covered to ensure no spillage and dust generation.

The Company has adopted Green Logistics Process in the entire supply chain using re-useable trolleys, bins and pallets thereby significantly eliminating use of packaging materials.

3. Has the company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work?

- a) If yes, what steps have been taken to improve their capacity and capability of local and small vendors?

The Company sources its major inputs like

Iron Ore and Coal from large national and international manufacturers/sellers. For Agro Division we procure inputs (Wheat etc.) from local market. Going forward, we will make further efforts to increase local sourcing. Our direct & indirect employment as also our CSR activities are largely focused on the communities surrounding our operations.

4. Does the company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so.

Our primary activities are in the producing of steel and agro products as well as power generation using well established processes and technologies. Our focus on best available technology helps us to produce these products using efficient energy consumption and maximum product output.

Our main priority is to reduce both the quantity and toxicity of our waste, followed by recovery, reuse and recycling. Waste heat of Sponge Iron plant is recycled to generate power. Waste of steel plants and residual files are sold and disposed in land filling. Furnace slag are sold to buyers, they use these in road construction, land levelling and in the abrasive and cement industries. Fly ash from our power plants was sent to nearby cement and brick manufacturing units together with land levelling. Wastage of Agro Products (Wheat) are sold to be used in feeding animals.

PRINCIPLE 3:

EMPLOYEE WELL-BEING

Our employees are our key asset and our growth and success are attributable to them. Our people strategy is founded on this belief and is designed to recruit, develop and retain the talented work force that run our businesses.

We are committed to providing our employees with a safe and healthy work environment. Through a high degree of engagement and empowerment we enable them to realise their full potential, creating a high performance work culture.

Annexure - X to the Directors' Report (Contd.)

1.	Please indicate the Total number of employees.	1,516
2.	Please indicate the Total number of employees hired on temporary/contractual/casual basis.	230
3.	Please indicate the Number of permanent women employees.	14 (included in 1 above)
4.	Please indicate the Number of permanent employees with disabilities.	NIL
5.	Do you have an employee association that is recognized by management?	No
6.	What percentage of your permanent employees is members of this recognized employee association?	Not Applicable
7.	Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.	No complaints relating to child labour, forced labour, involuntary labour, sexual harassment were received in the last financial year.
8.	What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year? (a) Permanent Employees (b) Permanent Women Employees (c) Casual/Temporary/Contractual Employees (d) Employees with Disabilities	100% employees (in-house/on the Job Training) 100% employees (in-house/on the Job Training) 100% employees (in-house/on the Job Training) Not applicable

PRINCIPLE 4:**STAKEHOLDER ENGAGEMENT****1. Has the company mapped its internal and external stakeholders? Yes/No**

Yes. The Company has identified investors, shareholders, employees, labour unions, local communities, civil societies, NGOs, legal institutions, trade associations, media, suppliers, business partners, customers, dealers, government, regulators and competitors as its key stakeholder groups. Engagement responsibility for each stakeholder group is entrusted with specific teams in the Company.

2. Out of the above, has the Company identified the disadvantaged, vulnerable and marginalized stakeholders?

Yes, Gallantt Ispat Limited has identified disadvantaged, vulnerable and marginalised stakeholders.

3. Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable and marginalized stakeholders. If so, provide details thereof, in about 50 words or so.

Yes, the Company undertook activities to improve the lives of vulnerable stakeholder groups. Few such activities are listed below:

Stakeholder group	Description
Elderly	Health camps
Differently abled individuals	Providing children with special needs a platform to access community-based rehabilitation services <ul style="list-style-type: none"> • Counseling for families and parents • Camps for raising awareness
Tribalpeople	Health services to the weaker section of the society – Development oriented activities, with focused initiatives for women, children and marginal dairy farmers
Migrantworkers	Awareness on health related issues and sanitation

Annexure - X to the Directors' Report (Contd.)

PRINCIPLE 5:

HUMAN RIGHTS

1. Does the policy of the Company on human rights cover only the Company or extend to the Group Joint Ventures/Suppliers/Contractors/NGOs/Others?

Gallantt Ispat Limited has zero tolerance for discrimination based on any grounds. All its business partners (Suppliers, Contractors, NGOs) are contractually obliged to respect human rights.

2. How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?

Gallantt Ispat Limited has received no such complaint pertaining to sexual harassment during the reporting year 2020-21.

PRINCIPLE 6:

ENVIRONMENTAL

1. Does the policy related to Principle 6 cover only the Company or extend to the Group/Joint Ventures/Suppliers/Contractors/NGOs/others?

The company does not have a specific environment policy. Many facets of respecting and protects environment are embedded in the company's operations as also its products. These have been covered above.

2. Strategies/ initiatives to address global environmental issues such as climate change, global warming, etc.

To minimise the environmental impacts of its products, the Company continuously improves products in terms of fuel efficiency, material use and recyclability.

3. Potential environmental risks

Potential environmental risks are identified as a part of the Company's risk management identification process and this feature in the Company's risk library. The Company regularly reviews its environmental risks and undertakes initiatives to mitigate them.

4. Does the company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed? No such project.
5. Has the company undertaken any other initiatives on – clean technology, energy efficiency, renewable

energy, etc. Y/N. If yes, please give hyperlink for web page etc.

Not undertaken.

6. Are the Emissions/Waste generated by the company within the permissible limits given by CPCB/SPCB for the financial year being reported?

Yes, all emission/waste generated by the Company are within the permissible limits given by CPCB/SPCB in 2020-21.

7. Number of show cause/ legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.

No show cause notices from SPCB or CPCB are pending as at end of the financial year 2020-21.

PRINCIPLE 7:

Policy Advocacy

1. Is your Company a member of any trade and chamber or association? If yes, name only those major ones that your business deals with.

Yes, Gallantt Ispat Limited is a member of 2 industrial and trade bodies. The Company is most actively engaged with the following :

- Chamber of Industries, Gorakhpur
- Indian Industries Association, Lucknow

2. Advocating through above associations for the advancement or improvement of public good

Yes, Gallantt Ispat Limited is actively involved in the following areas for advocating public good:

- Energy and Raw Material Security
- Sustainable Business principles
- Governance
- Safety and Skill Development
- Economic Reforms

PRINCIPLE 8:

BUSINESSES SHOULD SUPPORT INCLUSIVE GROWTH AND EQUITABLE DEVELOPMENT

1. Specified programmes / initiatives / projects in pursuit of the policy related to Principle 8.

The Company supports inclusive growth and equitable development through its Corporate Social Responsibility (CSR) programmes. The Company has aligned its CSR programmes with the requirements of the Companies Act 2013. The Company has set up a three members CSR Committee of the Board. The

Annexure - X to the Directors' Report (Contd.)

Company's CSR Policy has been approved by the CSR Committee and the Board. The CSR programmes are clearly mentioned in the CSR policy.

2. **The CSR programmes of the Company are overseen largely by NGOs. However, it is being planned to do the same by in-house teams and wherever need arise in future services of NGO partners and other agencies will be taken subject to their expertise.**
3. **The CSR programmes and their impacts/ outcomes are monitored and reviewed by the management periodically as also by the CSR committee of the Board.**
4. **Details on the Company's CSR programmes on community development have been shared in the Directors Report.**

The Company is socially committed to focus these areas:

- a. Education
- b. Health, Nutrition and Sanitation
- c. Need Based Community Infrastructure Development
5. **Steps taken to ensure that this community development initiative is successfully adopted by the community**

To ensure successful implementation of community development programmes in collaboration with community members, the Company adopts following approach:

- a. Rapport building with community leaders and opinion makers
- b. Project identification in association with community members
- c. Involvement of community members in project implementation
- d. Maintaining continuous and close interaction with community members through field teams

PRINCIPLE 9:

BUSINESSES SHOULD ENGAGE WITH AND PROVIDE VALUE TO THEIR CUSTOMERS AND CONSUMERS IN A RESPONSIBLE MANNER

1. **What percentage of customer complaints/consumer cases are pending as on the end of financial year**

Effective redressal mechanism is in place for addressing customer complaints and handling consumer cases. This is periodically reviewed by management team as well. The number of such cases is insignificant in comparison to the number of customers in fold. No customer complaints are pending.

2. **Does the Company display product information on the product label, over and above what is mandated as per local laws? Yes/No/N.A. /Remarks (additional information)**

The customers have access to the Company website which provides host of information on products.

3. **Is there any case filed by any stakeholder against the Company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year?**

No case has been filed by stakeholders against the Company regarding unfair trade practices, irresponsible advertising and anti-competitive behaviour during the last five years. Therefore, no such cases remain pending as on the end of the financial year 2020-21.

4. **Did your Company carry out any consumer survey/ consumer satisfaction trends?**

Yes, the Company carries out customer satisfaction surveys to understand customer concerns and emerging trends. Gallantt Ispat Limited's sales team also interacts with specific customer groups like architects and auto companies, among others to address.

On behalf of the Board

Date: June 29, 2021
Place: Gorakhpur

C. P. Agrawal
Chairman

Annexure - XI to the Directors' Report

FORM NO. MGT-9

Extract of Annual Return as on the financial period ended on 31st March 2021

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

S.N.	CIN	L27109DL2005PLC350523
1	Registration Date	11/02/2005
2	Name of the Company	GALLANTT ISPAT LIMITED
3	Category /Sub-Category of the Company	Public Company limited by Shares/IndianNon-Government Company
4	Address	"GALLANTT HOUSE", I-7, Jangpura Extension, New Delhi – 110014 Telefax: 011-41645392
5	Whether listed Company	Yes
6	Name, Address and Contact details of Registrar and Transfer Agent, if any	Registrars & Share Transfer Agents Niche Technologies Pvt. Ltd. 7th Floor, Room, No. 7A & 7B, 3A, Auckland Rd, Elgin, Kolkata – 700017 West Bengal Tel.: (033) 2280 6616 / 17 / 18 Email id: nichetechpl@nichetechpl.com Website: www.nichetechpl.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company shall be stated:

Sr. No.	Name and Description of Main Product /Services	NIC Code of the Product	% to total turnover of the Company
1	Steel	2410	81.70
2	Power	3510	8.80
3	Agro	1061	8.43*

*less than 10%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

S.N.	Name and Address of the Company	CIN/GIN	Holding/ Subsidiary/ Associate	% of Shares	Applicable Section
1.	Gallantt Metal Limited	L27109DL2005PLC350524	Associate	25.68	Section 2(6) of the Companies Act, 2013
2.	Gallantt Industry Private Limited	U26990UP2020PTC137202	Subsidiary	100.00	Section 2(87) of the Companies Act, 2013
3.	Gallantt Udyog Private Limited	U15123UP2020PTC137201	Subsidiary	100.00	Section 2(87) of the Companies Act, 2013

Annexure - XI to the Directors' Report (Contd.)

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

A. Category-wise Share Holding

Category of Shareholders		No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. PROMOTERS										
(1) Indian										
a) Individual / HUF		105636760	0	105636760	37.412	105635310	0	105635310	37.411	-0.001
b) Centran Government										
c) State Government										
d) Bodies Corporate		72519920	0	72519920	25.683	72519920	0	72519920	25.683	0.000
e) Banks / Financial Institutions										
f) Any Other										
Sub-total (A)(1)		178156680	0	178156680	63.095	178155230	0	178155230	63.095	0.000
(2) Foreign										
a) NRIs - Individuals										
b) Other - Individuals										
c) Bodies Corporate										
d) Banks / Financial Institutions										
e) Any Other										
Sub-total (A)(2)		0	0	0	0.000	0	0	0	0.000	0.000
Total Shareholding of Promoter (A) = (A)(1)+(A)(2)		178156680	0	178156680	63.095	178155230	0	178155230	63.095	0.000
B. PUBLIC SHAREHOLDING										
(1) Institutions										
a) Mutual Funds										
b) Banks / Financial Institutions		100	0	100	0.000					0.000
c) Central Governments										
d) State Governments										
e) Venture Capital Funds										
f) Insurance Companies										
g) Foreign Institutional Investors (FII)										
h) Foreign Venture Capital Funds										
i) Others (Specify)										
Sub-total (B)(1)		1	0	1	0.000	100	0	100	0.000	0.000
(2) Non-Institutions										
a) Bodies Corporate										
i) Indian		97264802	0	97264802	34.447	98061939	0	98061939	34.729	0.282
ii) Overseas										
b) Individuals										
i) Individual shareholders holding nominal share capital upto Rs 1 lakh		4310350	60	4310410	1.527	3563748	60	3563808	1.262	-0.265
ii) Individual shareholders holding nominal share capital in excess of Rs 1 l		2492110	0	2492110	0.883	2492110	0	2492110	0.883	0.000
c) Others Specify										
1. NRI		79137	0	79137	0.028	52717	0	52717	0.019	-0.009
2. Overseas Corporate Bodies										
3. Foreign Nationals										
4. Clearing Members		51081	0	51081	0.018	27635	0	27635	0.010	-0.008

Annexure - XI to the Directors' Report (Contd.)

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
5. Trusts									
6. Foreign Bodies - D.R.									
7. IEPF Authority	6400	0	6400	0.002	7281	0	7281	0.003	0.001
Sub-total (B)(2)	104203880	60	104203940	36.905	104205430	60	104205490	36.905	0.000
Total Public Shareholding (B) = (B)(1)+(B)(2)	104203980	60	104204040	36.905	104205430	60	104205490	36.905	0.000
C. Shares held by Custodian for GDRs & ADRs									
GRAND TOTAL (A+B+C)	282360660	60	282360720	100.000	282360660	60	282360720	100.000	0.000

B. Shareholding of Promoters

SI No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% of change in shareholding during the year
		No. of Shares	% of total shares of the company	% of Shares Pledged/encumbered to total shares	No. of Shares	% of total shares of the company	% of Shares Pledged/encumbered to total shares	
1	ASHU GOEL	1450	0.043	0.000			-0.001	0.001
2	ASHUTOSH AGARWAL	2621670	18.537	0.000	2621670	0.928	0.000	0.000
3	CHANDNI AGRAWAL	120830	1.889	0.000			-0.043	0.000
4	CHANDRA PRAKASH AGARWAL	52340040	25.683	0.000	64840040	22.964	4.427	0.000
5	CHANDRA PRAKASH AGRAWAL HUF	5334930	1.247	0.000	5334930	1.889	0.000	0.000
6	GALLANTT METAL LIMITED	72519920	2.454	0.000	72519920	25.683	0.000	0.000
7	MADHU AGARWAL	3521450	0.168	0.000	3521450	1.247	0.000	0.000
8	MAYANK AGARWAL	6929370	0.918	0.000	6929370	2.454	0.000	0.000
9	NITIN MAHAVIR KANDOI	475000	2.114	0.000	475000	0.168	0.000	0.000
10	PREM PRAKASH AGARWAL	2592130	0.782	0.000	2712960	0.961	0.043	0.000
11	PREM PRAKASH AGRAWAL HUF	5969350	2.113	0.000	5969350	2.114	0.000	0.000
12	SANTOSH KUMAR AGARWAL	2207080	1.896	0.000	207080	0.073	-0.709	0.000
13	SANTOSH KUMAR AGRAWAL HUF	5967170	0.286	0.000	5967170	2.113	0.000	0.000
14	SHYAMA AGRAWAL	5353030	4.036	0.000	5353030	1.896	0.000	0.000
15	SMRITI AGARWAL	807450	63.095	0.000	807450	0.286	0.000	0.000
16	UMA AGARWAL	11395810	4.036	0.000	895810	0.317	-3.719	0.000
	TOTAL	178156680	63.095	0.000	178155230	63.095	0.000	0.000

Annexure - XI to the Directors' Report (Contd.)

C. Change in Promoter's Shareholding

SI No.	Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	ASHU GOEL				
	a) At the Beginning of the Year	1450	0.001		
	b) Changes during the year				
	Date Reason				
	26/06/2020 Transfer	-1000	0.000	450	0.000
	03/07/2020 Transfer	-300	0.000	150	0.000
	04/12/2020 Transfer	-150	0.000	0	0.000
	c) At the End of the Year			0	0.000
2	ASHUTOSH AGRAWAL				
	a) At the Beginning of the Year	2621670	0.928		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			2621670	0.928
3	CHANDNI AGRAWAL				
	a) At the Beginning of the Year	120830	0.043		
	b) Changes during the year				
	Date Reason				
	31/03/2021 Transfer	-120830	0.043	0	0.000
	c) At the End of the Year			0	0.000
4	CHANDRA PRAKASH AGRAWAL				
	a) At the Beginning of the Year	52340040	18.537		
	b) Changes during the year				
	Date Reason				
	31/03/2021 Transfer	12500000	4.427	64840040	22.964
	c) At the End of the Year			64840040	22.964
5	CHANDRA PRAKASH AGRAWAL HUF				
	a) At the Beginning of the Year	5334930	1.889		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			5334930	1.889
6	GALLANTT METAL LIMITED				
	a) At the Beginning of the Year	72519920	25.683		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			72519920	25.683
7	MADHU AGRAWAL				
	a) At the Beginning of the Year	3521450	1.247		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			3521450	1.247
8	MAYANK AGRAWAL				
	a) At the Beginning of the Year	6929370	2.454		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			6929370	2.454
9	NITIN MAHAVIR KANDOI				
	a) At the Beginning of the Year	475000	0.168		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			475000	0.168

Annexure - XI to the Directors' Report (Contd.)

Sl No.	Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
10	PREM PRAKASH AGRAWAL				
	a) At the Beginning of the Year	2592130	0.918		
	b) Changes during the year				
	Date Reason				
	31/03/2021 Transfer	120830	0.043	2712960	0.961
	c) At the End of the Year			2712960	0.961
11	PREM PRAKASH AGRAWAL HUF				
	a) At the Beginning of the Year	5969350	2.114		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			5969350	2.114
12	SANTOSH KUMAR AGRAWAL				
	a) At the Beginning of the Year	2207080	0.782		
	b) Changes during the year				
	Date Reason				
	31/03/2021 Transfer	-2000000	0.708	207080	0.073
	c) At the End of the Year			207080	0.073
13	SANTOSH KUMAR AGRAWAL HUF				
	a) At the Beginning of the Year	5967170	2.113		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			5967170	2.113
14	SHYAMA AGRAWAL				
	a) At the Beginning of the Year	5353030	1.896		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			5353030	1.896
15	SMRITI AGRAWAL				
	a) At the Beginning of the Year	807450	0.286		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			807450	0.286
16	UMA AGRAWAL				
	a) At the Beginning of the Year	11395810	4.036		
	b) Changes during the year				
	Date Reason				
	31/03/2021 Transfer	-10500000	3.719	895810	0.317
	c) At the End of the Year			895810	0.317
	TOTAL	178156680	63.095	178155230	63.095

Annexure - XI to the Directors' Report (Contd.)

D. Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holder of GDRs and ADRs) :

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	AAR COMMERCIAL COMPANY LIMITED				
	a) At the Beginning of the Year	49748760	17.619		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			49748760	17.619
2	GLOBE CAPITAL MARKET LIMITED				
	a) At the Beginning of the Year	218913	0.078		
	b) Changes during the year				
	Date Reason				
	03/04/2020 Transfer	-218913	0.078	0	0.000
	c) At the End of the Year			0	0.000
3	NIDHI JAIN				
	a) At the Beginning of the Year	89461	0.032		
	b) Changes during the year				
	Date Reason				
	31/12/2020 Transfer	4110	0.001	93571	0.033
	08/01/2021 Transfer	-2000	0.001	91571	0.032
	c) At the End of the Year			91571	0.032
4	NIHON IMPEX PRIVATE LIMITED				
	a) At the Beginning of the Year	7526116	2.665		
	b) Changes during the year				
	Date Reason				
	03/04/2020 Transfer	5292	0.002	7531408	2.667
	10/04/2020 Transfer	163956	0.058	7695364	2.725
	17/04/2020 Transfer	10000	0.004	7705364	2.729
	24/04/2020 Transfer	2007	0.001	7707371	2.730
	01/05/2020 Transfer	3292	0.001	7710663	2.731
	08/05/2020 Transfer	2723	0.001	7713386	2.732
	15/05/2020 Transfer	34392	0.012	7747778	2.744
	22/05/2020 Transfer	26282	0.009	7774060	2.753
	29/05/2020 Transfer	22262	0.008	7796322	2.761
	05/06/2020 Transfer	16267	0.006	7812589	2.767
	12/06/2020 Transfer	9019	0.003	7821608	2.770
	19/06/2020 Transfer	54469	0.019	7876077	2.789
	26/06/2020 Transfer	3524	0.001	7879601	2.791
	17/07/2020 Transfer	18985	0.007	7898586	2.797
	24/07/2020 Transfer	40990	0.015	7939576	2.812
	31/07/2020 Transfer	26284	0.009	7965860	2.821
	07/08/2020 Transfer	46160	0.016	8012020	2.838
	14/08/2020 Transfer	28425	0.010	8040445	2.848

Annexure - XI to the Directors' Report (Contd.)

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	21/08/2020 Transfer	28400	0.010	8068845	2.858
	28/08/2020 Transfer	42385	0.015	8111230	2.873
	04/09/2020 Transfer	19500	0.007	8130730	2.880
	11/09/2020 Transfer	23596	0.008	8154326	2.888
	18/09/2020 Transfer	14240	0.005	8168566	2.893
	25/09/2020 Transfer	7684	0.003	8176250	2.896
	30/09/2020 Transfer	3800	0.001	8180050	2.897
	09/10/2020 Transfer	4700	0.002	8184750	2.899
	16/10/2020 Transfer	2800	0.001	8187550	2.900
	23/10/2020 Transfer	3518	0.001	8191068	2.901
	30/10/2020 Transfer	4877	0.002	8195945	2.903
	06/11/2020 Transfer	2679	0.001	8198624	2.904
	13/11/2020 Transfer	30103	0.011	8228727	2.914
	20/11/2020 Transfer	14320	0.005	8243047	2.919
	27/11/2020 Transfer	15287	0.005	8258334	2.925
	04/12/2020 Transfer	4600	0.002	8262934	2.926
	11/12/2020 Transfer	38730	0.014	8301664	2.940
	18/12/2020 Transfer	14551	0.005	8316215	2.945
	25/12/2020 Transfer	38192	0.014	8354407	2.959
	31/12/2020 Transfer	47558	0.017	8401965	2.976
	01/01/2021 Transfer	5000	0.002	8406965	2.977
	08/01/2021 Transfer	16389	0.006	8423354	2.983
	15/01/2021 Transfer	3230	0.001	8426584	2.984
	12/03/2021 Transfer	13150	0.005	8439734	2.989
	19/03/2021 Transfer	9133	0.003	8448867	2.992
	26/03/2021 Transfer	15086	0.005	8463953	2.998
	31/03/2021 Transfer	2300	0.001	8466253	2.998
	c) At the End of the Year			8466253	2.998
5	PULKIT.N.SEKHSARIA				
	a) At the Beginning of the Year	1700000	0.602		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			1700000	0.602
6	SAROJ DEVI KHETAN				
	a) At the Beginning of the Year	24985	0.009		
	b) Changes during the year				
	Date Reason				
	17/04/2020 Transfer	15	0.000	25000	0.009
	24/04/2020 Transfer	1886	0.001	26886	0.010
	01/05/2020 Transfer	-92	0.000	26794	0.009
	15/05/2020 Transfer	1129	0.000	27923	0.010
	05/06/2020 Transfer	19572	0.007	47495	0.017

Annexure - XI to the Directors' Report (Contd.)

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	12/06/2020 Transfer	1500	0.001	48995	0.017
	19/06/2020 Transfer	2201	0.001	51196	0.018
	10/07/2020 Transfer	4834	0.002	56030	0.020
	17/07/2020 Transfer	12794	0.005	68824	0.024
	24/07/2020 Transfer	5059	0.002	73883	0.026
	31/07/2020 Transfer	200	0.000	74083	0.026
	07/08/2020 Transfer	4000	0.001	78083	0.028
	14/08/2020 Transfer	1435	0.001	79518	0.028
	21/08/2020 Transfer	1000	0.000	80518	0.029
	11/09/2020 Transfer	4919	0.002	85437	0.030
	18/09/2020 Transfer	3402	0.001	88839	0.031
	16/10/2020 Transfer	2529	0.001	91368	0.032
	23/10/2020 Transfer	2115	0.001	93483	0.033
	13/11/2020 Transfer	6000	0.002	99483	0.035
	27/11/2020 Transfer	-1546	0.001	97937	0.035
	04/12/2020 Transfer	1500	0.001	99437	0.035
	11/12/2020 Transfer	4200	0.001	103637	0.037
	25/12/2020 Transfer	3235	0.001	106872	0.038
	08/01/2021 Transfer	-18000	0.006	88872	0.031
	15/01/2021 Transfer	-1777	0.001	87095	0.031
	22/01/2021 Transfer	1000	0.000	88095	0.031
	05/03/2021 Transfer	1500	0.001	89595	0.032
	19/03/2021 Transfer	2400	0.001	91995	0.033
	26/03/2021 Transfer	615	0.000	92610	0.033
	31/03/2021 Transfer	1000	0.000	93610	0.033
	c) At the End of the Year			93610	0.033
7	SHREE SURABHI FLOUR MILLS PRIVATE LIMITED				
	a) At the Beginning of the Year	0	0.000		
	b) Changes during the year				
	Date Reason				
	21/08/2020 Transfer	34300	0.012	34300	0.012
	28/08/2020 Transfer	9373	0.003	43673	0.015
	11/09/2020 Transfer	8963	0.003	52636	0.019
	18/09/2020 Transfer	6143	0.002	58779	0.021
	25/09/2020 Transfer	13540	0.005	72319	0.026
	09/10/2020 Transfer	3781	0.001	76100	0.027
	16/10/2020 Transfer	2382	0.001	78482	0.028
	23/10/2020 Transfer	2000	0.001	80482	0.029
	30/10/2020 Transfer	3854	0.001	84336	0.030
	06/11/2020 Transfer	1847	0.001	86183	0.031

Annexure - XI to the Directors' Report (Contd.)

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	13/11/2020 Transfer	15167	0.005	101350	0.036
	04/12/2020 Transfer	-3108	0.001	98242	0.035
	18/12/2020 Transfer	-10000	0.004	88242	0.031
	25/12/2020 Transfer	3990	0.001	92232	0.033
	31/12/2020 Transfer	35800	0.013	128032	0.045
	01/01/2021 Transfer	5150	0.002	133182	0.047
	08/01/2021 Transfer	3600	0.001	136782	0.048
	15/01/2021 Transfer	3000	0.001	139782	0.050
	19/03/2021 Transfer	10200	0.004	149982	0.053
	26/03/2021 Transfer	7900	0.003	157882	0.056
	31/03/2021 Transfer	2750	0.001	160632	0.057
	c) At the End of the Year			160632	0.057
8	SUSHIL KUMAR JAIN				
	a) At the Beginning of the Year	93154	0.033		
	b) Changes during the year				
	Date Reason				
	22/05/2020 Transfer	1847	0.001	95001	0.034
	05/06/2020 Transfer	2000	0.001	97001	0.034
	12/06/2020 Transfer	500	0.000	97501	0.035
	26/06/2020 Transfer	1000	0.000	98501	0.035
	30/06/2020 Transfer	-1500	0.001	97001	0.034
	25/12/2020 Transfer	2500	0.001	99501	0.035
	c) At the End of the Year			99501	0.035
9	UTKARSH DEALER PRIVATE LIMITED				
	a) At the Beginning of the Year	6726070	2.382		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			6726070	2.382
10	VIVEKANANDAN SRINIVASAN				
	a) At the Beginning of the Year	792110	0.281		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			792110	0.281
11	WALLSTREET DISTRIBUTOR PRIVATE LIMITED				
	a) At the Beginning of the Year	19258290	6.820		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			19258290	6.820
12	WARNER DEALCOM PRIVATE LIMITED				
	a) At the Beginning of the Year	13590320	4.813		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			13590320	4.813
	TOTAL	99768179	35.334	100727117	35.673

Annexure - XI to the Directors' Report (Contd.)**E. Shareholding of Directors and Key Managerial Personnel**

Sl. No.	Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	AMIT JALAN				
	a) At the Beginning of the Year	120	0.000		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			120	0.000
2	CHANDRA PRAKASH AGRAWAL				
	a) At the Beginning of the Year	52340040	18.537		
	b) Changes during the year				
	Date Reason				
	31/03/2021 Transfer	12500000	4.427	64840040	22.964
	c) At the End of the Year			64840040	22.964
3	MAYANK AGRAWAL				
	a) At the Beginning of the Year	6929370	2.454		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			6929370	2.454
4	NITIN MAHAVIR KANDOI				
	a) At the Beginning of the Year	475000	0.168		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			475000	0.168
5	PREM PRAKASH AGRAWAL				
	a) At the Beginning of the Year	2592130	0.918		
	b) Changes during the year				
	Date Reason				
	31/03/2021 Transfer	120830	0.043	2712960	0.961
	c) At the End of the Year			2712960	0.961
6	SANTOSH KUMAR AGRAWAL				
	a) At the Beginning of the Year	2207080	0.782		
	b) Changes during the year				
	Date Reason				
	31/03/2021 Transfer	-2000000	0.708	207080	0.073
	c) At the End of the Year			207080	0.073
7.	NITESH KUMAR				
	a) At the Beginning of the Year	0	0.00	0	0.00
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year	0	0.00	0	0.00
	TOTAL	64543740	22.859	75164570	26.620

Annexure - XI to the Directors' Report (Contd.)

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

(₹ In Lacs)

Particulars	Secured Loan excluding Deposit	Unsecured Loan	Deposit	Total Indebtedness
Indebtedness at the beginning of the financial year				
(i) Principal Amount	4,390.75	19,276.07	-	23,666.82
(ii) Interest due but not paid	0	0	-	0.00
(iii) Interest accrued but not due	0	0	-	0.00
Total (1+2+3)	4,390.75	19,276.07	-	23,666.82
Change in Indebtedness during the Financial Year				
• Addition	0	9,262.61	-	9,262.61
• Reduction	480.92	0.00	-	480.92
Net Change	-480.92	9,262.61	-	8,781.69
Indebtedness at the end of the financial year				
(i) Principal Amount	3,909.83	28,538.68	-	32,448.51
(ii) Interest due but not paid	0	0	-	0.00
(iii) Interest accrued but not due	0	0	-	0.00
Total (1+2+3)	3,909.83	28,538.68	-	32,448.51

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager

S.N.	Particulars of Remuneration	Name of MD/WTD/Manager				Total Amount (₹ In Lacs)
		Chandra Prakash Agrawal	Prem Prakash Agrawal	Santosh Kumar Agrawal	Nitin Mahavir Prasad Kandoi	
1	Gross Salary					
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	36.00	36.00	36.00	36.00	144.00
	(b) Value of perquisites u/s. 17(2) of the Income Tax Act, 1961	NIL	NIL	NIL	NIL	NIL
2	Commission	NIL	NIL	NIL	NIL	NIL
3	Others— Remuneration benefits	NIL	NIL	NIL	NIL	NIL
	Total (A)	36.00	36.00	36.00	36.00	144.00

B. Remuneration to Other Directors (All being Independent)

S.N.	Particulars of Remuneration	Name of Directors				Total Amount (₹ In Lacs)
		A. P. Srivastava	Dindayal Jalan	Sangeeta Upadhyay	Smita Modi	
1	Fees for attending Board/ Committee Meetings	0.75	0.65	0.90	1.40	3.70
2	Commission	NIL	NIL	NIL	NIL	NIL
3	Others	NIL	NIL	NIL	NIL	NIL

C. Remuneration to Key Managerial Personnel

S.N.	Particulars of Remuneration	Name of Key Managerial Personnel			Total Amount (₹ In Lacs)
		Mayank Agrawal	Amit Jalan	Nitesh Kumar	
1	Gross Salary (a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961 (b) Value of perquisites u/s. 17(2) of the Income Tax Act, 1961	18.00 NIL	10.78 NIL	18.04 NIL	46.82 NIL
2	Others –Remuneration benefits	NIL	NIL	NIL	NIL

VII PENALTIES / PUNISHMENT/COMPOUNDING DURING THE FINANCIAL YEAR

Type	Section of the Companies Act	Brief description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD/NCLT/ COURT]	Appeal made, if any (give Details)
A. Company					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL
B. Directors					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL
C. Other Officers in Default					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL

Report on Corporate Governance

REPORT ON CORPORATE GOVERNANCE

1. CORPORATE GOVERNANCE PHILOSOPHY

Good corporate governance is an intrinsic part of the company's fiduciary responsibility as a responsible citizen. Corporate Governance practices are reflection of one's value culture, policies and the manner in which it deals with various stakeholders. The company believes that corporate governance is an integral means for the existence of the company. It ensures adherence to the moral and ethical values, legal and regulatory framework and the adoption of good practices beyond the realms of law. Timely and accurate disclosure of information regarding the financial situation, performance, ownership and governance of the Company is also an important part of Corporate Governance.

The company complies with the corporate governance provisions as specified in chapter IV of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and hereby presents the following Corporate Governance Report for the financial year 2020-21.

2. BOARD OF DIRECTORS

The board is accountable to shareholders and other stakeholders and is responsible for protecting and generating sustainable value over the long term. The role of the board includes responsibilities for entrepreneurial leadership, risk management, strategy, securing the necessary financial and human resources and performance review. The board also sets the company's values and standards, and ensures it meets its obligations to shareholders and others.

2.1 Composition

The Company's Board has an optimum combination of Executive and Non-Executive Directors including a

Woman Director. The Company has a very balanced and diverse Board of Directors, which primarily takes care of the business needs and stakeholders' interest. The Non-Executive Directors including Independent Directors on the Board are experienced, competent and highly renowned persons having requisite qualifications and experience in general corporate management, operations, strategy, governance etc. They actively participate at the Board and Committee meetings by providing valuable guidance to the Management on various aspects of business, policy direction, governance, compliance etc.

The Board composition is in conformity with the requirements set forth by Regulation 17 (1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, ('the Listing Regulations') and the Companies Act, 2013 ('the Act'). The Company's Board has an optimum combination of Executive and Non-Executive Directors including a Woman Director. The Company has a balanced and diverse Board, which includes independent professionals and confirms to the provisions of the Companies Act, 2013 and the Listing Regulations.

As on March 31, 2021, your Company's Board comprised of 8 Directors (out of which 50% of the Directors are Non-Executive Independent Directors) with Mr. Chandra Prakash Agrawal as Executive Chairman. The position of Chairman of the Board and Chief Executive Officer of the Company are held by separate individuals. All Directors are resident Directors.

The composition of the Board as on March 31, 2021 is as follows:

- Executive Directors – 4
- Non Executive Independent Directors – 4

Names of the Director		% to the total number of Directors
I	Independent Director	
	Mr. Dindyal Jalan*	
	Mr. Ashtbhuja Prasad Srivastava	50%
	Mrs. Smita Modi	
	Mrs. Sangeeta Upadhyay	
II	Non-Executive Non-Independent Director	NIL
III	Executive Director	
	Chandra Prakash Agrawal	
	Santosh Kumar Agrawal	50%
	Prem Prakash Agrawal	
	Nitin Mahavir Prasad Kandoi	

Report on Corporate Governance (Contd.)

**Mr. Dindayal Jalan (DIN:00006882), Independent Director has tendered his resignation from the Directorship of the Company with effect from April 12, 2021. The Board has placed on record its deep appreciation for the invaluable support and guidance received from Mr. Dindayal Jalan during his association as a Non-Executive Independent Director of the Company.*

Further, Mr. Udit Agrawal (DIN:07036864) has been appointed as an Additional Independent Director on the Board of the Company effective from June 29, 2021. His appointment shall be affirmed by the Shareholders in the ensuing Annual General Meeting of the Company. The composition of the Board reflects the judicious mix of professionalism, competence and sound knowledge which enables the Board to provide effective leadership to the Company. The Board is balanced comprising Executive and Non-Executive Directors. The Board has been constituted in such a way that it has understanding and competence to deal with current and emerging business issues. The Board periodically evaluates the need for change in its size and composition to ensure that it remains aligned with statutory and business requirements.

Mr. Chandra Prakash Agrawal, Mr. Santosh Kumar

Agrawal and Mr. Prem Prakash Agrawal are related to each other as brothers. Also, relatives of these Directors were employed in the Company. None of the Directors on the Board is a member of more than ten Committees or Chairman of five Committees (committees being Audit Committee and Stakeholders Relationship Committee) across all the Indian Public Companies in which he/she is a Director. Necessary disclosures regarding their Committee positions have been made by all the Directors. None of the Directors hold office in more than ten Public Companies. None of the Independent Directors of the Company serve as an Independent Director in more than seven listed companies. All Directors are also in compliance with the limit on Independent Directorships of listed companies as prescribed under Regulation 17A of the Listing Regulations. The Board confirms that the Independent Directors fulfil the conditions specified in these regulations and that they are Independent of the management.

In terms of the provisions of Schedule V of the Listing Regulations, detail of skills/expertise/competency of the Directors with reference to business and industry of the Company are given as under:

Name of Director	Expertise in specific functional area
Mr. Chandra Prakash Agrawal	<p>He is constantly guiding by his rich experience of Steel & Power industry domain and vision of long-term trends. He has quality Management skills and Business Strategies, exploring new markets and deeper penetration of existing markets and good understanding of Corporate Governance, Regulatory Environment etc.</p> <p>He is the prime mover of the exponential growth of Gallantt Ispat Limited. He has been deeply involved with the manufacturing process and has progressively added production capacity. He spearheaded the marketing initiatives personally building brand Gallantt that undisputedly commands the market specifically in Uttar Pradesh, Bihar, Delhi, etc. His finance, taxation, accounting, investor relations and corporate affairs involvement is phenomenal. The charismatic leadership, personal drive and strategic thinking of Mr. Chandra Prakash Agrawal has rallied our Company to attain market leadership in a very short period of time, in the state of U.P., Bihar and Delhi. In his term of office spanning 16 years, Mr. Chandra Prakash Agrawal has contributed extensively towards the growth of the Company and has been actively responsible for the installation, implementation and functioning of units of the project of the Company and attainment of the highest standards of quality. By focussing on key areas such as Finance, ERP implementation, Value Engineering, Process Documentation, Environment Health and Safety measures, he has significantly strengthened the foundation of the Company.</p>

Report on Corporate Governance (Contd.)

Name of Director	Expertise in specific functional area
Mr. Santosh Kumar Agrawal	He has extensive experience in various aspects of Management, viz., Production, Marketing & General Administration etc. He has good understanding of Market Environment and Economic know-how. He is looking after operations of the agro manufacturing facility of the Company apart from sales and marketing of the Company. During this period and under his Directorship, the Company has completed and achieved various targets and plans and the Company achieved higher levels of growth.
Mr. Prem Prakash Agrawal	He supervises the functioning of various departments in the organization such as Sales & Marketing, Estimation, Customer Relationship Management, Cost Audit, Human Resources, Purchase, Corporate Communications & IT, day to day administration, finance and accounts
Mr. Nitin Mahavir Prasad Kandoi	He is involved in setting up of the operations of our Company and has been instrumental in the implementation of technological advances made in the manufacturing processes of our Company. During this period and under his Directorship, the Company has completed and achieved various targets and plans and the Company achieved higher levels of growth. His expertise in the steel and power businesses has been instrumental in contributing to the growth of the Company. Mr. Kandoi supervises the operation and functioning of steel and power plants, besides he supervises purchase and procurement departments of the Company.
Mr. Dindayal Jalan*	Mr. Dindayal Jalan is a Chartered Accountant and has vast expertise of over 40 years in financial management, corporate negotiations, financial control, business planning, due diligence, business development, treasury, capital raising, business structuring, investor relations, commercial, taxation, people development and strategic planning.
Mrs. Smita Modi	Mrs. Smita Modi, aged about 64 years completed her graduation and post-graduation in Obstetrics and Gynaecology from BRD Medical College, Gorakhpur. Apart from the above, she possesses good experience of accounts, finance and taxation.
Mr. Ashtbhuja Prasad Srivastava	Mr. Ashtbhuja Prasad Srivastava has been an officer of Indian Revenue Service (IRS), 1976 batch. Being in the post of Chief Commissioner, Income Tax, Mr. Ashtbhuja Prasad Srivastava has a vast experience of 36 years in the field of finance, accounts, taxation and audit. He has the expertise to formulate effective strategies, innovative tax planning and effectively manage compliance of taxation law.
Mrs. Sangeeta Upadhyay	Mrs. Sangeeta Upadhyay is an Independent Director of the Company. She possesses vast experience in the field of food processing and agro business.
Mr. Udit Agarwal	Mr. Udit Agarwal, aged about 34 years, is a qualified Company Secretary and LLB with over 5 years of work experience in finance, accounts and law. He possesses vast experience in the field of finance, accounts and corporate law matters.

*Mr. Dindayal Jalan (DIN: 00006882), Independent Director has tendered his resignation from the Directorship of the Company with effect from April 12, 2021.

2.2 Appointment of Directors

Directors are appointed or re-appointed with the approval of the shareholders and shall remain in office in accordance with the provisions of the law and terms and conditions of appointment. The Company has issued letter of appointment to all the Independent Directors and the terms and conditions of their appointment have

been disclosed on the Company's website www.gallantt.com

2.3 Meetings and Attendance

During the financial year 2020-21, Seven Board Meetings were held. These were held on 25.05.2020, 29.06.2020, 28.07.2020, 04.11.2020, 30.11.2020, 12.02.2021 and 31.03.2021. The maximum time gap between any two board meetings was less than 120 days.

Report on Corporate Governance (Contd.)

2.4 Changes during the Year

Mr. Udit Agrawal (DIN:07036864) has been appointed as an Additional Independent Director on the Board of the Company effective from June 29, 2021. His appointment shall be affirmed by the Shareholders in the ensuing Annual General Meeting of the Company.

2.5 Re-appointment of Directors Proposed at upcoming AGM

In terms Section 152 of the Companies Act, 2013, Mr. Prem Prakash Agrawal, Director of the Company is liable to retire by rotation and is eligible for reappointment at the forthcoming Annual General Meeting.

Mr. Chandra Prakash Agrawal, Mr. Santosh Kumar Agrawal and Mr. Prem Prakash Agrawal are related to each other as brothers. Also, relatives of these Directors were employed in the Company.

Brief resume, nature of expertise in specific functional areas, Directorships and Membership of the Board

Committees of the proposed appointee / re-appointee are given in the Explanatory Statement attached to the Notice of 17th AGM of the Company.

2.6 Other Directorships and Committee Memberships

The names and categories of the Directors on the Board, their attendance at Board Meetings held during the year and at the last Annual General Meeting (AGM) and the number of Directorships and Committee Chairmanships/ Memberships held by them in other public limited companies as on March 31, 2021 are given below. Other directorships do not include directorships of private limited companies, foreign companies and companies under Section 8 of the Act.

For the purpose of determination of limit of the Board Committees, chairpersonship and membership of the Audit Committee and Stakeholders' Relationship Committee has been considered as per Regulation 26(1) (b) of the Listing Regulations.

Name & Designation of the Directors	Category/ Position	Last Annual General Meeting (10/09/2020) Attended	No. of Board Meetings Attended out of 7 meetings held during the year	No. of other directorships in public companies as on 31/03/2021	No. of other Board Committees in which he is a member or Chairperson other than Gallantt Ispat) As on 31/03/2021	
					Chairman	Member
Mr. Chandra Prakash Agrawal, Chairman & Managing Director (DIN: 01814318)	Executive/ Promoter	Yes	7	1	Nil	Nil
Mr. Santosh Kumar Agrawal, Director Sales & Marketing (DIN: 01045228)	Executive/ Promoter	No	6	Nil	Nil	Nil
Mr. Prem Prakash Agrawal Whole-time Director (DIN: 01397585)	Executive/ Promoter	Yes	7	Nil	Nil	Nil
Mr. Nitin Mahavir Prasad Kandoi Whole-time Director (DIN:01979952)	Executive/ Promoter	Yes	6	1	1	1
Mr. Dindayal Jalan* Director (DIN:00006882)	Non- Executive/ Independent	Yes	6	3	1	Nil

Report on Corporate Governance (Contd.)

Name & Designation of the Directors	Category/ Position	Last Annual General Meeting (10/09/2020) Attended	No. of Board Meetings Attended out of 7 meetings held during the year	No. of other directorships in public companies as on 31/03/2021	No. of other Board Committees in which he is a member or Chairperson other than Gallantt Ispat) As on 31/03/2021	
					Chairman	Member
Mrs. Smita Modi Director (DIN:01141396)	Non-Executive/Independent	Yes	7	Nil	Nil	Nil
Mr. Ashtbhuja Prasad Srivastava Director (DIN: 08434115)	Non-Executive/Independent	No	6	1	1	Nil
Mrs. Sangeeta Upadhyay (DIN: 06920195)	Non-Executive/Independent	Yes	4	Nil	Nil	Nil

*Mr. Dindayal Jalan (DIN: 00006882), Independent Director has tendered his resignation from the Directorship of the Company with effect from April 12, 2021.

Mr. Chandra Prakash Agrawal, Mr. Nitin Mahavir Prasad Kandoi and Mr. Ashtbhuja Prasad Srivastava are also Directors of Gallantt Metal Limited (Listed Company). Hence, they are Directors in two listed Companies.

Notes:

- Mrs. Smita Modi, Mr. Ashtbhuja Prasad Srivastava, Mr. Dindayal Jalan and Mrs. Sangeeta Upadhyay have been considered as Independent Directors as they qualify to be Independent Directors as per the provisions of the Companies Act, 2013 and Listing Regulations.

- Other Directorships of only Indian Public Limited Companies have been considered.
- In accordance with Regulation 26 of the Listing Regulations, Memberships/Chairmanships of two Committees viz. Audit Committee and Stakeholders' Relationship Committee of all Public Limited Companies have been considered.
- The details of Director seeking re-appointment at the ensuing Annual General Meeting have been furnished in the Notice convening the Meeting of the shareholders.
- Except Mr. Chandra Prakash Agrawal, Mr. Santosh Kumar Agrawal and Mr. Prem Prakash Agrawal who are brothers, no other directors have any inter se relationship.

Name of other listed entities where Directors of the company are Directors and the category of Directorship:

Sl. No.	Name of Director	Name of other listed entities in which the concerned Director is a Director	Category of Directorship
1	Mr. Chandra Prakash Agrawal Chairman & Managing Director (DIN: 01814318)	1. Gallantt Metal Limited (CIN: L27109DL2005PLC350524)	Executive Director
2	Mr. Santosh Kumar Agrawal, Director Sales & Marketing (DIN: 01045228)	None	-
3	Mr. Prem Prakash Agrawal Whole-time Director (DIN: 01397585)	None	-

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Sl. No.	Name of Director	Name of other listed entities in which the concerned Director is a Director	Category of Directorship
4	Mr. Nitin Mahavir Prasad Kandoi Whole-time Director (DIN:01979952)	1. Gallantt Metal Limited (CIN: L27109DL2005PLC350524)	Non – Executive Non-Independent Director
5	Mrs. Sangeeta Upadhyay Director (DIN: 06920195)	None	-
6	Mr. Dindayal Jalan Director (DIN:00006882)	1. Gallantt Metal Limited (CIN: L27109DL2005PLC350524)	Non – Executive Independent Director
7	Mrs. Smita Modi Director (DIN:01141396)	None	-
8	Mr. Ashtbhuja Prasad Srivastava Director (DIN: 08434115)	1. Gallantt Metal Limited (CIN: L27109DL2005PLC350524)	Non – Executive Independent Director

2.7. Skills / Expertise / Competencies of the Board of Directors

The following is the list of core skills / expertise / competencies identified by the Board of Directors as required in the context of the Company's business and that the said skills are available with the Board Members:

- Knowledge on Company's businesses (Steel, Agro and Real Estate), policies and culture (including the Mission, Vision and Values) major risks / threats and potential opportunities and knowledge of the industry in which the Company operates;
- Behavioural skills** - attributes and competencies to use their knowledge and skills to contribute effectively to the growth of the Company;
- Business Strategy, Sales & Marketing, Corporate Governance, Forex Management, Administration, Decision Making;
- Financial and Management skills;
- Technical / Professional skills and specialized knowledge in relation to Company's business

2.8 Information supplied to the Board

The agenda is circulated well in advance to the Board members, along with comprehensive background information on the items in the agenda to enable the Board members to take informed decisions. During the financial year 2020-21, all necessary information, as required under the applicable provisions of the Act, 2013, Part A of Schedule II of the SEBI Listing Regulations and SS-1 ("Secretarial Standard on Meetings of the

Board of Directors") and other applicable laws, rules and regulations were placed and discussed at the Board Meetings. The Board also reviews the declarations made regarding compliance with all applicable laws and reviews the related compliance reports.

2.9 Separate Meeting of Independent Directors

As per the provisions of Section 149 read with Schedule IV to the Companies Act, 2013 and the SEBI Listing Regulations, Independent Directors of the Company held one meeting without the attendance of non-independent directors. The meeting, inter alia, has taken following business:

- Review of performance of non-independent directors and the Board as a whole;
- Review of performance of the Chairperson of the Company, taking into account the views of the executive and independent directors;
- Assessment of quality, quantity and timeliness of flow of information between the company management and the Board.

Holding of the separate Board meeting is mandatory as required under Section 149 read with Schedule IV to the Companies Act, 2013 and Regulation 25(3) of the Listing Regulations.

The Board evaluates the Company's strategic direction, management policies, performance objectives and effectiveness of Corporate Governance practices. Further, the Board fulfils the key functions as prescribed under the Listing Regulations.

Report on Corporate Governance (Contd.)

During the financial year 2020-21, as per the requirement of Schedule IV of the Act, 2013 and the Regulation 25(3) of the SEBI Listing Regulations, 1 (One) separate meeting of Independent Directors was held on March 26, 2021 whereby, all the Independent Directors were present except the presence of Mrs. Sangeeta Upadhyay and without the presence of the Non-Independent Directors

and the members of the management of the Company.

2.10 Shareholding of Directors Including Non-Executive Directors

The details of shares held by the Directors of the Company in their individual names as on March 31, 2021 are furnished below:

Sr. No.	Name of Directors	No. of Shares held
1.	Mr. Chandra Prakash Agrawal	6,48,40,040
2.	Mr. Santosh Kumar Agrawal	2,07,080
3.	Mr. Prem Prakash Agrawal	27,12,960
4.	Mr. Nitin Mahavir Prasad Kandoi	4,75,000
5.	Mrs. Sangeeta Upadhyay	NIL
6.	Mrs. Smita Modi	NIL
7.	Mr. Ashtbhuja Prasad Srivastava	NIL
8.	Mr. Dindayal Jalan	NIL

None of the non-executive directors held any shares in the Company during the year ended March 31, 2021.

2.11 Induction and Familiarization Program for Directors

Your Company follows a structured orientation and familiarization programme through various reports/codes/internal policies for all the Directors with a view to update them on the Company's policies and procedures on a regular basis.

Periodic presentations are made at the Board Meetings on business and performance, long term strategy, initiatives and risks involved.

The details of familiarisation programme have been posted in the website of the Company www.gallantt.com

2.12 Independent Directors

Your Company appointed Independent Directors having expertise/experience in their respective field/profession. None of the Independent Directors are Promoters or related to Promoters. They do not have pecuniary relationship with the Company and further do not hold two percent or more of the total voting power of the Company.

Every Independent Director, at the first meeting of the Board in which he/she participates as a Director and thereafter at the first meeting of the Board in every financial year, gives a declaration that he/she meets the criteria of independence as required under Section 149(7) of the Companies Act, 2013.

All Independent Directors maintain their limits of directorships as required under Listing Regulations. The Company had issued a formal letter of appointment to all Independent Directors and the terms and conditions of their appointment have been disclosed in the website of the Company www.gallantt.com

Pursuant to sub section (6) of Section 149 of the Companies Act, 2013 and Regulation 16(1) (b) of the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015, the Independent Directors of the Company viz. Mr. Dindayal Jalan, Mr. Ashtbhuja Prasad Srivastava, Mrs. Smita Modi and Mrs. Sangeeta Upadhyay have given declaration to the Company that they qualify the criteria of independence as required under the Act and the regulations. Also, Mr. Udit Agarwal has been appointed as an Additional Independent Director on the Board of the Company with effect from June 29, 2021. He has also submitted declaration to the Company that he qualifies the criteria of independence as required under the Act and the regulations.

2.13 Board Procedures

The Board meets at least once in a quarter to review financial results and operations of the Company. In addition to the above, the Board also meets as and when necessary to address specific issues concerning the businesses of your Company. The Board Meetings are governed by a structured Agenda. The Agenda along with detailed explanatory notes and supporting material are circulated in advance before each meeting to all the

Report on Corporate Governance (Contd.)

Directors for facilitating effective discussion and decision making. The Board members are, on a quarterly basis, appraised by the Managing Director & CEO on the overall performance of the Company through presentations and detailed notes.

Time gap between two consecutive meetings does not exceed 120 days. The agenda and agenda notes are circulated to all the Directors well in advance, usually a week before the Meeting. In case of sensitive agenda matters, where it is not practical to circulate the relevant information as part of the agenda papers, the same is tabled at the meeting. In special and exceptional circumstances, additional or supplementary agenda items are taken-up for discussion with the permission of the Chairman. The members of the Board or Committees are free to suggest any item to be included in the agenda, in addition to exercising their right to bring up matters for discussion at the meeting with permission of the Chairman.

The Senior Management Personnel are invited to the Board/ Committee Meetings to apprise and update the members on the items being discussed at the meeting. The Members of the Board have complete freedom to express their opinion and have unfettered and complete access to information in the Company. All the decisions are taken after detailed deliberations by the Board Members at the meetings.

2.14 Performance evaluation of Directors

The Nomination and Remuneration Committee of the Board laid down the criteria for performance evaluation of all Directors. The performance evaluation has been done by the entire Board of Directors, except the Director concerned being evaluated. The criteria for performance evaluation are as follows:

- The ability to contribute to and monitor our corporate governance practices.
- The ability to contribute by introducing international best practices to address business challenges and risks.
- Active participation in long-term strategic planning.
- Commitment to the fulfilment of a Director's obligations and fiduciary responsibilities; these include participation in Board and Committee meetings.
- performance of the directors

- fulfilment of the independence criteria as specified in these regulations and their independence from the management.

The criteria for the performance evaluation included the following:

- The Board – Structure, composition and quality of Board, Board meeting schedule, agenda and collaterals, board meeting practices and overall board effectiveness.
- Board Committees – Composition, charter, information flow and effectiveness of the meetings, recommendation to the Board, etc.
- Individual Directors – Attendance at the meetings, preparedness for discussion, quality of contribution, engagement with fellow board members, KMPs and senior management, etc.
- The Chairman - The Chairman was additionally evaluated on few parameters such as leadership provided to the Board, promoting effective participation of all board members in the decision-making process, etc.

The Independent Directors had to assess the performance of the Board and committees as a whole and for the assessment of Executive Chairperson, Executive Director, Non-Executive Director, Board and Committees as a whole.

Based on the criteria set by the Nomination and Remuneration Committee, the Board carries out an annual evaluation of its own performance, its Committees and individual Director(s) including the Chairman of the Board. The questionnaires on performance evaluation are prepared in line with the Companies Act, 2013, the Listing Regulations and in accordance with the set guideline Board evaluation, issued by the SEBI. Proper mechanism has been provided to each Director for their feedback and evaluation. The parameters for performance evaluation of the Board includes the roles and responsibilities of the Board, timeliness for circulating the board papers, content and the quality of information provided to the Board, overseeing and guiding on major plans of action, risk management, annual budget/capex, acquisition and investment/ divestments etc. The performance of the Committees are evaluated based on criteria such as adequate independence of each Committee, frequency of meetings and time allocated for discussions at meetings,

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functioning of Board Committees and effectiveness of its advice & recommendation to the Board, etc. Performance evaluation of Independent Directors is done by the entire Board, excluding the Independent Director being evaluated, based on various aspects such as attendance, contribution in Board and Committee meetings, judgment, performance and exercise of duties with due and reasonable care.

In addition, the evaluation criterion for Chairman includes attendance, effectiveness of leadership, relationship with Board and shareholders, effective and maximum usage of Board support system etc.

The Executive Directors are evaluated on various aspects, including inter alia overall performance of Management, accomplishment of long-term objectives, efforts made by them towards enhancing brand equity, compliance with regulatory law(s) and to encourage new initiatives and expansions etc. Non- Executive Directors are also evaluated on the basis of criteria such as attendance and participation in meetings of Board and Committees, contribution to the development of long-term strategy and risk management, updating in the relevant areas such as corporate governance, industry and market scenario etc.

The Nomination and Remuneration Committee and Board of Directors expressed their satisfaction towards the process followed by the Company for evaluating the performance of the Directors, Board as a whole including Chairman and its Committees.

2.15 Non-executive Directors' compensation and disclosures

Except sitting fees for attending meetings of Board and Committee thereof, Non-executive Directors (including Independent Directors) are not paid fixed fees/ remuneration.

2.16 Other Provisions as to Board and Committees

The Board met 7 times during the year and the time gap between any two meetings did not exceed 120 days.

2.17 Independent Directors confirmation by the Board

All Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and Regulation 16(1) (b) of the SEBI LODR Regulations 2015.

In the opinion of the Board, the Independent Directors, fulfil the conditions of independence specified in Section 149(6) of the Companies Act, 2013 and Regulation 16(1) (b) of the SEBI LODR Regulations 2015. A formal letter of appointment to Independent Directors as provided in Companies Act, 2013 has been issued and disclosed on website of the Company viz. <https://www.gallantt.com>

2.18. Policy for Selection and Appointment of Directors and their Remuneration

Nomination and Remuneration Committee, inter alia, deals with the manner of selection of Board of Directors and payment of their remuneration.

2.19 Criteria of Selection of Independent Directors

The Nomination and Remuneration Committee considers, inter alia, the following attributes/criteria, whilst recommending to the Board the candidature for appointment as Independent Director:

- Qualification, expertise and experience in their respective fields.
- Personal characteristics which align with the Company's values, such as integrity, accountability, financial literacy, high performance standards, etc.
- Diversity of thought, experience, knowledge, perspective and gender in the Board.
- Such other criteria as prescribed in the Corporate Governance Guidelines of the Company or prescribed by the Board from time to time.

In case of appointment of Independent Directors, the Nomination and Remuneration Committee satisfies itself about the independence of the Directors vis-à-vis the Company to enable the Board to discharge its functions and duties effectively. The Nomination and Remuneration Committee ensures that the candidates identified for appointment as Directors are not disqualified for appointment under Section 164 and other applicable provisions of the Companies Act, 2013. Further pursuant to Schedule V, Part C of SEBI LODR Regulations 2015 read with Amendments thereof, it is hereby confirmed that in the opinion of the Board, the Independent Directors fulfil the conditions specified SEBI LODR Regulations 2015 read with Amendments thereof and are independent of the management.

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2.20 Chart/matrix setting out the skills/expertise/competence of the Board of Directors

Pursuant to Schedule V, Part C of SEBI LODR Regulations 2015 read with Amendments thereof, below are the list of

core skills/expertise/competencies identified by the Board of Directors for the year under review as required in the context of its business(es) and sector(s) for it to function effectively and those actually available with the board:

S.N.	Category	Core skills/expertise/competencies identified by the Board of Directors	Available with the Board
1.	Understanding of Business/Industry	Experience and knowledge of Steel, Power, Agro and Real Estate Business.	Yes
2.	Financial	Ability to analyse and understand the key financial statements, assess financial viability of the projects and efficient use of resources.	Yes
3.	Leadership	Leadership experience for understanding of business nuisance and organizational challenges. Quality of strategic planning, and risk management for long-term growth.	Yes
4.	Mergers and Acquisitions	A history of leading growth through acquisitions and other business combinations, analyze the fit of a target with the Company's strategy and culture, accurately value transactions, and evaluate operational integration plans.	Yes
5.	Board Service and Governance	Service on a public company board to develop insights about maintaining board and management accountability, protecting shareholder interests, and observing appropriate governance practices.	Yes
6.	Sales and marketing	Experience in developing strategies to grow sales and market share, build brand awareness and equity, and enhance Company's reputation.	Yes
7.	Strategy and strategic planning	Ability to think strategically and identify and critically assess strategic opportunities and threats and develop effective strategies.	Yes

2.21 Detailed reasons for the resignation of an independent director

Detailed reasons for the resignation of an independent director who resigns before the expiry of his tenure along with a confirmation by such director that there are no other material reasons other than those provided:

Mr. Dindayal Jalan (DIN: 00006882) Independent Director has also tendered her resignation from the Directorship of the Company with effect from April 12, 2021. In his resignation letter Mr. Dindayal Jalan has stated the following reasons for his resignation from the Board of the Company:

"Due to work pressure, pre-occupation, lack of time and my other engagements, I find it difficult to devote my time to the Company."

Further, they have confirmed that there are no other material reasons other than those provided. Hence, based on their declaration, this is to confirm that resignation of all the above Directors were due to their personal reasons and other engagements and that there are no other material reasons other than those provided for their

resignation from the Directorship of the Company.

Hence, based on their declaration, this is to confirm that resignation of all the above Directors were due to their personal reasons and other engagements and that there are no other material reasons other than those provided for their resignation from the Directorship of the Company.

Further, this is to confirm that in the opinion of the Board, the Independent Directors fulfil the conditions specified in these regulations and are independent of the management.

2.22 Succession Planning

We have an effective mechanism for succession planning which focuses on orderly succession of Directors, including Executive Directors and other senior management team and executive officers.

The Nomination and Remuneration Committee implements this mechanism in concurrence with the Board.

Further, this is to confirm that in the opinion of the

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Board, the Independent Directors fulfil the conditions specified in these regulations and are independent of the management.

2.23 Committees of Board of Directors

The Board has constituted various Committees to focus on specific areas and to make informed decisions within their authority. The Committees of the Board of Directors are set up under the formal approval of the Board to carry out clearly defined roles which are considered to be performed by members of the Board, as a part of good governance practice. The minutes of the meetings of all committees are placed before the Board for review. Each Committee is governed by its charter and has well defined terms of reference which outline the scope, role, responsibilities and powers of the Committee. All the recommendations of the Committees are duly considered by the Board.

The Board of Directors have constituted following Committees of the Board of Directors with specific terms of reference and adequate delegation of powers to discharge their purposes, goals and responsibilities effectively:

Your Company has five Board level committees:

- a) Audit Committee
- b) Nomination & Remuneration Committee
- c) Stakeholders' Relationship Committee
- d) Corporate Social Responsibility Committee
- e) Committee of Directors*
- f) Risk Management Committee**

*The Board of Directors at its meeting held on June 29, 2020, constituted the "Committee of Directors".

**The Board of Directors at its meeting held on June 29, 2021, constituted the "Risk Management Committee".

3. CODE OF CONDUCT

Details of the Code of Conduct for Board members and senior management of the Company is available on the Company's website www.gallantt.com

Annual declaration signed by the Managing Director & CEO of the Company pursuant to Regulation 26(3) read with Schedule V (Part D) of the SEBI Listing Regulations is annexed to the Annual Report.

4. AUDIT COMMITTEE

In terms of provisions of Section 177 of the Companies Act, 2013 and Regulation 18 of SEBI Listing Regulations, Audit Committee of the Board of Directors presently consists of three Non-Executive Independent Directors. The role of the Audit Committee is to provide directions to and oversee the internal audit and risk management functions, review of financial results and annual financial statements, interact with statutory auditors and such other matters as are required in terms of the Companies Act, 2013 and SEBI Listing Regulations.

Constitution of the Audit Committee complies with requirements of the Companies Act 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 with all members being financially literate and most having accounting or related financial management expertise.

4.1 Composition

The Audit Committee comprises of three (3) Directors Mrs. Smita Modi (Chairperson), Mrs. Sangeeta Upadhyay and Mr. Prem Prakash Agrawal, all of whom possess accounting and financial management expertise/exposure. Mr. Nitesh Kumar, Company Secretary acts as the Secretary to the Audit Committee.

Mrs. Smita Modi, the Chairperson – Audit Committee was present at the Annual General Meeting held on Thursday, September 10, 2020.

Company Secretary, Chief Financial Officer, Internal Auditors, Statutory Auditors, Cost Auditors, Manager Accounts attend meetings of the Committee as invitees.

4.2 Power of Audit Committee

The "Audit Committee" shall have the following powers:

1. To investigate any activity within its terms of reference;
 2. To seek information from any employee;
 3. To obtain outside legal or other professional advice;
- And
4. To secure attendance of outsiders with reasonable expertise, if considered necessary.

4.3 Role/Terms of Reference of Audit Committee

The Terms of Reference of the Audit Committee are as

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under:

1. Overseeing the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
2. Recommending for appointment, remuneration and terms of appointment of auditors of the company.
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
4. Reviewing, with the management, the annual financial statements and auditors' report thereon before submission to the Board for approval, with particular reference to:
 - Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of Sub-section 3 of Section 134 of the Companies Act 2013;
 - Changes, if any, in accounting policies and practices and reasons for the same;
 - Major accounting entries involving estimates based on the exercise of judgment by management;
 - Significant adjustments made in the financial statements arising out of audit findings;
 - Compliance with listing and other legal requirements relating to the financial statements;
 - Disclosure of any related party transactions;
 - Qualifications in the draft audit report.
5. Reviewing, with the Management, the quarterly financial statements before submission to the Board for approval.
6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
7. Reviewing and monitor the auditor's independence and performance, and effectiveness of audit process;
8. Approval or any subsequent modification of transactions of the company with related parties;
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the company, wherever it is necessary;
11. Evaluation of internal financial controls and risk management systems;
12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
14. Discussion with internal auditors of any significant findings and follow up there on;
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
18. To review the functioning of the Whistle Blower mechanism;
19. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
20. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
21. The Audit Committee may call for the comments of the auditors about internal control systems, the scope of audit, including the observations of the auditors and review of financial statement before their submission to the Board and may also discuss any related issues with the internal and statutory auditors and the management of the Company.
22. The Audit Committee to review utilisation of loans and/or advances from investment by holding company in subsidiary company exceeding INR 100

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crores or 10% of asset size of subsidiary, whichever is low.

23. The Audit Committee of the Board shall review compliance with the provisions of the SEBI (Prohibition of Insider Trading) Regulations, 2015 at least once in a financial year and shall verify that the systems for internal control are adequate and are operating effectively.
24. Reviewing the utilisation of loans and/or advances from/investment by the holding company in the subsidiary exceeding ₹ 100 cores or 10% of the asset size of the subsidiary, whichever is lower including existing loans/advances/investments existing as on the date of coming into force of this provision.
25. Consider and comment on rationale, cost benefits and impact of schemes involving merger, demerger, amalgamation, etc. on the listed entity and its shareholders.

Review of information by Audit Committee

The Audit Committee shall mandatorily review the following information:

1. Management discussion and analysis of financial condition and results of operations;
2. Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;
3. Management letters / letters of internal control weaknesses issued by the statutory auditors;
4. Internal audit reports relating to internal control weaknesses; and
5. The appointment, removal and terms of remuneration of the Chief internal auditor shall be subject to review

by the Audit Committee.

6. Statement of Deviations:

- a) Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange (s) in terms of Regulation 32(1) of SEBI LODR Regulations, 2015.
- b) Annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7) of SEBI LODR Regulations, 2015.

The Audit Committee also looks into the matters as are specifically referred to it by the Board of Directors besides looking into the mandatory requirements of the Listing Regulations and provisions of Section 177 of the Companies Act, 2013.

The minutes of each Audit Committee are placed and discussed at the meeting of the Board. The Audit Committee role, powers, function etc. of the Audit Committee has been reconstituted in accordance with Section 177 of the Companies Act, 2013 and Listing Regulations. The recommendations of the Audit Committee are placed before the Board for its consideration and approval. All the recommendations made by the Audit Committee were accepted by the Board.

4.4 Meetings and Attendance

A total of Seven (7) Audit Committee Meetings were held in the financial year 2020–21. The meetings were held on 25.05.2020, 29.06.2020, 28.07.2020, 04.11.2020, 30.11.2020, 12.02.2021 and 31.03.2021.

The composition of the Committee and details of attendance at the Meetings are as follows:

Names	Designation	Category	Committee Meeting Attended
Mrs. Smita Modi	Chairperson	Independent	7
Mr. Prem Prakash Agrawal	Member	Independent	7
Mrs. Sangeeta Upadhyay	Member	Independent	7

Audit Committee has powers prescribed under Regulation 18(3) of the Listing Regulations and the scope of activities of the Audit Committee is prescribed in Part C of Schedule II of this Regulation. Audit Committee also mandatorily reviews the information prescribed under Part C of Schedule III.

Cases of non-acceptance by the Board of Directors, of any recommendation of the Audit Committee during the year

under review, pursuant to Schedule V, Part C of SEBI LODR Regulations 2015 read with Amendments thereof: NIL

5. STAKEHOLDERS RELATIONSHIP COMMITTEE

In terms of Section 178 (5) of the Act, read with Regulation 20 of the Listing Regulations the Board has constituted Stakeholders' Relationship Committee ("SRC"). As per the Listing Regulations, the Committee shall specifically

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look into the mechanism of Redressal of grievances of shareholders, debenture holders and other security holders of the listed entity including complaints related to transfer of shares, non-receipt of annual report and nonreceipt of declared dividends etc.

5.1 Composition

During the year ended 31st March, 2021, the Stakeholders Relationship Committee comprised of Mrs. Sangeeta Upadhyay, an Independent Director, as the Chairperson and Mrs. Smita Modi (Independent Director) and Mr. Prem Prakash Agrawal (Executive Director) as Members. Mr. Nitesh Kumar, Company Secretary acts as the Secretary to the Committee and also as the Compliance Officer.

The Committee, inter alia, approves issue of duplicate certificates and oversees and reviews all matters connected with transfer of securities of the Company. The Committee also looks into redressal of shareholders'/ investors' complaints related to transfer of shares, nonreceipt of balance sheet, non-receipt of declared dividend etc.

A status report of shareholder complaints and redressal thereof is prepared and placed before the Stakeholders Relationship Committee. The shareholders/ investors can register shares related complaints, if any, in the e-mail Id nitesh@gallantt.com designated exclusively for the purpose.

5.2 Terms of Reference

- specifically look into the redressal of grievances of shareholders, debenture holders and other security holders.
- consider and resolve the grievances of the security holders of the company including complaints related to transfer of shares, non-receipt of balance sheet, non-receipt of declared dividends.
- to look in to various aspects of interest of shareholders and other security holders.
- Review of measures taken for effective exercise of voting rights by shareholders.

- Review of adherence to the service standards services being rendered by the Registrar & Share Transfer Agent.
- Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders

5.3 Meetings and Attendance

One Meeting of Stakeholders Relationship Committee held on March 27, 2021 during the financial year 2020-21. One meeting of the Stakeholders Relationship Committee held on June 27, 2020 pertaining to the Financial Year 2019-20 in compliance with at least one mandatory Stakeholders Relationship Committee meeting every year.

Hence, Two (2) meetings of the Stakeholders Relationship Committee Meeting were held on June 27, 2020 and March 27, 2021 in the financial year 2020-21. In the last financial year 2019-20, the Stakeholders Relationship Committee wanted to hold meeting in the last week of March, 2020 but it could not meet owing to the lockdown and restrictions on the public as well as the Corporate Sector across the Country because of the pandemic Covid-19 outbreak. Employees were (and also "are") working remotely, but due to difficulties faced in coordination and lack of office facilities, companies are likely to face difficulties in undertaking timely compliances of various applicable laws. Keeping in mind the aforesaid, the Securities and Exchange Board of India (SEBI) has temporarily relaxed a number of compliance requirements for the corporate sector. One of the relaxations is-SEBI has extended the last date for conduct of at least one meeting of the Stakeholders Relationship Committee in the Financial Year 2019-20 till June 30, 2020 (in place of March 31, 2020). Hence, the Stakeholders Relationship Committee met on June 27, 2020.

The composition of the Committee as on March 31, 2021 and details of attendance at the Meetings are as follows:

Names	Designation	Category	Committee Meeting Attended
Mrs. Sangeeta Upadhyay	Chairperson	Independent	2*
Mrs. Smita Modi	Member	Independent	2*
Mr. Prem Prakash Agrawal	Member	Executive	2*

*One Stakeholders Relationship Committee Meeting held on June 27, 2020, relates to the FY 2019-20 as stated hereinabove

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5.4 Status of Complaints

Sl. No.	Particulars	Numbers
1.	Complaints pending as on 1 April, 2020	NIL
2.	Complaints received during the year ended 31 March, 2021	NIL
3.	Complaints disposed of during the year ended 31 March, 2021	NIL
4.	Complaints pending as on 31 March, 2021	NIL

As required under Regulation 40(10) of the Listing Regulations entered into by Gallantt Ispat with stock exchanges, a certificate is obtained every six months from a practising Company Secretary that all transfers have been completed within the stipulated time. The certificates are forwarded to BSE and NSE.

The equity shares of the Company are traded in dematerialized form.

As per Rule 6 of Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ('Rules') read with Section 124 of the Act, intimations have been sent to shareholders concerned, requesting them to encash their unclaimed dividends failing which the unclaimed dividends and the corresponding shares held by them be transferred to IEPF Authority.

As required under Section 124 of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ('IEPF Rules') as amended to date, all shares on which dividend has not been paid or claimed for seven consecutive years or more shall be transferred to IEPF Authority as notified by the Ministry of Corporate Affairs. The Company has transferred 881 equity shares, in respect of which dividend has not been claimed by the shareholders for seven consecutive years or more pertaining to the financial year ended 31st March 2013, to the Investor Education and Protection Fund Authority (IEPF) during the financial year 2020-21. Details of shares transferred have been uploaded on the website of IEPF as well as the Company's website i.e., www.gallantt.com.

Cases of non-acceptance by the Board of Directors, of any recommendation of the Stakeholders Relationship Committee during the year under review, pursuant to Schedule V, Part C of SEBI LODR Regulations 2015 read with Amendments thereof: NIL

6. NOMINATION AND REMUNERATION COMMITTEE

Pursuant to Section 178 of Companies Act, 2013 and Regulation 19 of the Listing Regulations, the Nomination

and Remuneration Committee (NRC) of the Board of Directors was formed by the Board of Directors to oversee the Company's nomination process for the senior management and to decide their salary, perquisites and commission / performance linked remuneration etc., to be paid to them and other employees within the broad frame-work of the Policy, merit and Company's performance. Presently NRC consists of three Non-Executive Independent Directors.

6.1 Role of Nomination and Remuneration Committee

The role of the Remuneration and Nomination Committee in brief, inter alia, includes:

a) Terms of Reference –

- Identify persons who are qualified to become directors;
- Identify persons who may be appointed as Key Managerial Personnel and in Senior Management positions;
- Recommended to the Board for re-appointment of directors based on performance evaluation of the retiring director;
- Annual evaluation of every director's performance;
- Formulating a remuneration policy of the Company;
- To propose remuneration packages for the Directors and Key Managerial Personnel including Senior management;
- Recommending re-constitution of the Board or senior management as may be required from time to time under the prevailing laws and for operational effectiveness of the Company.

b) Responsibilities and Duties:

The responsibility and duties of Nomination and Remuneration Committee are defined below covering their scope of work:

- Reviewing the structure, size and composition

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(including the skills, knowledge and experience) of the Board at least annually and making recommendations on any proposed changes to the Board to compliment the Company's corporate strategy, with the objective to diversify the Board;

- Devising a policy on diversity of board of directors;
- Identifying individuals suitably qualified to be appointed as the KMPs or in the senior management of the Company;
- Formulating framework and/or policy for remuneration, terms of employment and any changes, including service contracts, remuneration, policy for and scope of pension arrangements, etc for Executives and reviewing it on a periodic basis;
- Formulating terms for cessation of employment and ensure that any payments made are fair to the individual and the company, that failure is not rewarded and that the duty to mitigate loss is fully recognized;
- Ensure that level and composition of remuneration is reasonable and sufficient, relationship of remuneration to performance is clear and meets appropriate performance benchmarks.
- To approve the remuneration of the Senior Management including Key Managerial Personnel of the Company maintaining a balance between fixed and incentive pay reflecting short and long-term

performance objectives appropriate to the working of the Company.

The Committee also co-ordinates and oversees the annual self-evaluation of the performance of the Board, Committees and of individual Directors.

Besides, the Nomination and Remuneration Committee periodically reviews the composition of the Board to ensure that there is an appropriate mix of abilities, experience and diversity to serve the interests of all shareholders and the Company.

The process of appointing a director/KMPs/Senior Management Personnel is, that when a vacancy arises or is expected the Committee will identify, ascertain the integrity, qualification, appropriate expertise and experience, having regard to the skills that the candidate bring to the Board/Company and the balance of skills added to that of which the existing members hold.

6.2 Meetings and Attendance

During the year ended 31st March, 2021, the NRC comprised of Mrs. Sangeeta Upadhyay, an Independent Director, as the Chairperson and Mrs. Smita Modi and Mr. Ashtbhuja Prasad Srivastava all Independent Directors as Members. Mr. Nitesh Kumar, Company Secretary acts as the Secretary to the Committee.

A total of two Nomination and Remuneration Committee Meeting was held in the financial year 2020-21. The meetings were held on 27.06.2020 and 27.03.2021.

The composition of the Committee and details of attendance at the Meetings are as follows:

Names	Designation	Category	Committee Meeting Attended
Mrs. Sangeeta Upadhyay	Chairperson	Independent	2
Mr. Ashtbhuja Prasad Srivastava	Member	Independent	2
Mrs. Smita Modi	Member	Independent	2

Cases of non-acceptance by the Board of Directors, of any recommendation of the Nomination and Remuneration Committee during the year under review, pursuant to Schedule V, Part C of SEBI LODR Regulations 2015 read with Amendments thereof: NIL

6.3 Nomination and Remuneration Policy of the Company

The Remuneration Policy of the Company is designed to attract, motivate and retain manpower. This Policy applies to directors and senior management including its Key Managerial Personnel (KMP) and other employees of the Company.

The remuneration of the Managing Director, Executive Director and KMPs of the Company is recommended by the Nomination and Remuneration Committee based on established criteria.

Summary of Remuneration Policy of the Company

The Board has adopted the Remuneration Policy on the recommendation of the Nomination and Remuneration Committee in compliance with Section 178 of the Act, 2013 and Regulation 19 read with Part D of Schedule II of the SEBI Listing Regulations. In keeping with the provisions of Section 178, the remuneration structure of

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the Company comprises of fixed remuneration (including fixed supplements), performance-based remuneration (variable salary), pension scheme, where applicable, other benefits in kind and severance payment, where applicable. Further, the Policy states that the Non-Executive Directors and Independent Directors of the Company may receive remuneration only by way of sitting fee and reimbursement of expenses for participation in meetings of the Board or Committee thereof, as may be permissible by the applicable law. Additionally, the Policy also lays down the overall selection criteria for the executives of the Company which is based on broad heads such as competencies, capabilities, compatibility, strong interpersonal skills, commitment among others. The Remuneration Policy of the Company has been disclosed on the website of the Company. The web link to the Remuneration Policy is as under: <https://www.gallantt.com>.

com/Investors Corner/ Gallantt Ispat Limited/Nomination and Remuneration Policy/Remuneration Criteria Non-Executive Director w.e.f. 01.04.2019

Board Diversity

In order to ensure a balance composition of the Board, the Company shall consider candidates from a wide variety of backgrounds, shall not discriminate on the basis of gender, ethnicity and/or physical disability and shall ensure an appropriate mix of educational qualification, skills, competency and experience as required in the context of the business of the Company and sector for it, to function effectively.

6.4 Remuneration of Directors

(a) Executive Directors (Managing / Whole-time Directors)

The aggregate value of salary and perquisites paid for the year ended 31st March, 2021 to Managing/Whole-time Directors are as follows:

Name	Designation	Aggregate Value of Salary & Perquisites (Rs. In Lacs)
Mr. Chandra Prakash Agrawal	Chairman and Managing Director	36.00
Mr. Prem Prakash Agrawal	Whole time Director	36.00
Mr. Nitin Mahavir Prasad Kandoi	Director-Plant Operation	36.00
Mr. Santosh Kumar Agrawal	Director – Sales & Marketing	36.00

The Remuneration to the Executive Directors is determined by the Nomination and Remuneration Committee within the statutory limit subject to the approval of shareholders of the Company. As per the agreement entered into with the Executive Directors there is no provision for severance fees to the Directors. The Company has adopted an Evaluation policy to evaluate performance of each director, the Board as a whole and its committees.

Evaluation is also carried out by the Nomination and Remuneration Committee in accordance with Section 178 of the Companies Act 2013 and Code for Independent Directors' as outlined under Schedule IV of the Companies Act, 2013. Such evaluation factors various criteria including contribution, domain expertise, strategic vision, industry knowledge, participation in discussions etc.

7. CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE

Pursuant to Section 135 of Companies Act, 2013, the Corporate Social Responsibility Committee of the Board of Directors was formed by the Board of Directors. The

composition of the CSR Committee is in line with provisions of Section 135 of the Companies Act, 2013.

7.1 Terms of reference

The CSR Committee is empowered pursuant to its terms of reference, inter alia, to:

1. Recommend the amount of expenditure to be incurred on the CSR activities;
2. Monitor implementation and adherence to the CSR Policy of the Company from time to time;
3. Prepare a transparent monitoring mechanism for ensuring implementation of the projects/ programmes/ activities proposed to be undertaken by the Company; and
4. Such other activities as the Board of Directors may determine from time to time.

7.2 Meetings and Attendance

The Committee met two (2) times during the financial year ended 31st March, 2021 on 27.06.2020 and 27.03.2021.

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The constitution of the CSR Committee of the Board of Directors of the Company along with the details of

the meetings held and attended by the members of the Committee during the financial year ended 31st March, 2021 is detailed below:

Names	Designation	Category	Committee Meeting Attended
Mr. Prem Prakash Agrawal	Chairperson	Executive	2
Mr. Chandra Prakash Agrawal	Member	Executive	2
Mrs. Smita Modi	Member	Independent	2

The Board of Directors of the Company has approved the CSR Policy of the Company on the recommendations of the CSR Committee. The details of the CSR initiatives of the Company form part of the CSR Section in the Annual Report. The CSR Policy has been placed on the website of the Company www.gallantt.com.

8. COMMITTEE OF DIRECTORS

Pursuant to Section 179 of Companies Act, 2013, the Board of Directors has constituted a new Committee of the Board by giving nomenclature "Committee of Directors" to consider, discuss and decide the businesses of routine urgent nature.

"Committee of Directors" is comprised of following Directors:

- Mr. Chandra Prakash Agrawal, Executive (Chairman)
- Mr. Prem Prakash Agrawal, Executive Director (Member)
- Mr. Nitin Mahavir Prasad Kandoi, Executive Director (Member)

Mr. Nitesh Kumar, Company Secretary of the Company acts as the Secretary for the "Committee of Directors".

"Committee of Directors" meets as and when required to consider matters assigned to it by the Board of Directors from time to time and the broad terms of reference of the "Committee of Directors" are as under:

The broad terms of reference includes the following:

- (1) To avail loan up to the maximum limit of ₹ 2,500 lacs in a single transaction from any Bank/financial institutions/lenders and to hypothecate/mortgage the assets of our Company accordingly subject to overall borrowing limit up to ₹ 25,000 lacs and subject to yearly review;
- (2) To enter into forward contracts for hedging/ derivatives (in US Dollar or other currency as may be decided) with various banks from time to time as

may be required in the ordinary course of business for purchase of raw materials, spares or other goods;

- (3) To avail vehicles loan from any Bank/Institutions/ Lenders for the business of our Company;
- (4) To give power/authorization to any Director or Company Secretary of our Company to sign and file any Forms and/or application required to be filed with Registrar of Companies from time to time;
- (5) To open and close the Banking accounts of our Company;
- (6) To change the Signatories of the Bank accounts whenever required;
- (7) To give power/authorization/duties through resolution or otherwise whenever required to a person on behalf of our Company in relation to business operations of our Company including but not limited to:
 - Government Subsidy and benefits related;
 - Application with Governmental, Semi-Governmental and other authorities including railways, mining;
 - Application to the Government or autonomous bodies;
 - Judicial or quasi-judicial matters;
 - Environmental and safety issues;
 - Issues of importance and strategic significance relating to the operations of the Company;
 - Other operational matters of the Company as may be assigned from time to time by the Board.
- (8) To affix or authorise fixation of the Common seal of our Company to such documents/ papers in connection with above powers as may be necessary; and
- (9) To do all such acts, things or deeds as may be necessary or incidental to exercise of the above powers.

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9. SUBSIDIARY COMPANIES

As on March 31, 2021, the Company has two Wholly Owned Subsidiaries viz., Gallantt Industry Private Limited and Gallantt Udhyog Private Limited. Gallantt Metal Limited is an 'Associate' of the Company.

Your Company does not have any material unlisted Indian subsidiary, and hence, is not required to nominate an Independent Director of the Company on the Board of any material unlisted subsidiary.

The Policy on Material Subsidiaries can be accessed on the Company's website www.gallantt.com

10. RISK MANAGEMENT COMMITTEE

Risk Management Committee of the Board has been constituted in accordance with the requirements of the SEBI (LODR) Regulations, 2015 and the Companies Act, 2013. The terms of reference of the Risk Management Committee are in conformity with the provisions of Regulation 21 of the SEBI Listing Regulations. The Risk Management Committee looks into the monitoring and reviewing of the risk management plan and such other functions, as it may deem fit and such function specifically covers cyber security. Pursuant to the provisions of the Act, a statement indicating development and implementation of a risk management policy for the Company including identification therein of elements of risk, if any, which in the opinion of the Board may threaten the existence of the Company have also been dealt with in the Board's Report.

Composition of the Risk Management Committee as on 31st March, 2021:-

Risk Management Committee has been reconstituted on June 29, 2021. The Risk Management Committee comprises 3 Directors, out of which 1 Director is an Executive Director and the other 2 Directors are the Non-Executive Independent Directors. This composition is in line with the requirement of Regulation 21 of the SEBI Listing Regulations. The Members of the Risk Management Committee are Mr. Udit Agrawal, Mr. Ashtbhuja Prasad Srivastava and Mr. Nitin Mahavir Prasad Kandoi. Under the Chairmanship of Mr. Udit Agarwal, the Non-Executive Independent Director, the Risk Management Committee of the Board of Directors meets at least twice in a financial year to inform the Board Members about the risk assessment and minimization procedures and adoption of requisite risk mitigation measures and their

implementation thereof.

The Board has constituted Risk Management Committee and the terms of reference of the Committee is as follows:

- (1) To formulate a detailed risk management policy which shall include:
 - (a) A framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee.
 - (b) Measures for risk mitigation including systems and processes for internal control of identified risks.
 - (c) Business continuity plan.
- (2) To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
- (3) To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;
- (4) To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;
- (5) To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken
- (6) The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee.

The Company has developed and implemented a Risk Management Policy for identifying the risk associated with business of the Company and measures to be taken to mitigate the same. The Audit Committee has additional oversight in the area of financial risks and controls. All risks are well integrated with functional and business plans and are reviewed on a regular basis by the senior leadership. There are no risks which in the opinion of the Board threaten the existence of the Company.

In today's economic environment, Risk Management is a very important part of business. The main aim of risk management is to identify, monitor and take precautionary

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measures in respect of the events that may pose risks for the business. Your Company's risk management is embedded in the business processes.

Your Company laid down procedures to inform Board members about risk assessment and minimisation and has implemented the Risk Management plan and continuously monitors it. Details of Key Risks and Mitigation Plan are given in the Directors Report forming part of the Annual Report.

11. RELATED PARTY TRANSACTIONS

In terms of the Indian Accounting Standard "Related Party Disclosures", as prescribed under Section 133 of the Companies Act, 2013 read with rule 7 of the Companies (Accounts) Rules, 2014, the Company has identified the related parties covered therein and details of transactions with such related parties have been disclosed in Note to the Accounts forming part of this Annual Report.

Transactions with related parties entered into by the Company are in the ordinary course of business and on arm's length basis and do not have potential conflicts with the Company. Further, these transactions are also placed

in the Audit Committee Meeting(s) for its prior approval or omnibus approval. There is no materially significant related party transaction during the financial year ended March 31, 2021.

None of the related party transactions entered into by the Company were in conflict with the Company's interest. There are no materially significant Related Party Transactions made by the Company with Promoters, Directors or Key Managerial Personnel etc. which may have potential conflict with the interest of the Company at large.

All Related Party Transactions are placed before the Audit Committee for their approval. Omnibus approvals are taken for the transactions which are repetitive in nature. In compliance with Listing Regulations, the necessary statements/disclosures with respect to the Related Party Transactions are tabled before the Audit Committee and the Board of Directors on quarterly basis. In line with requirement of the Companies Act, 2013 and Regulation 23 of the Listing Regulations, your Company has adopted a Policy on Related Party Transactions which is available at Company's website www.gallantt.com

12. GENERAL BODY MEETINGS

12.1 Location and time of last 3 Annual General Meetings are as under:

Year	Venue	Date	Time
2019-20	Through video conferencing (VC) / / Other Audio Visual Means (OAVM)	10.09.2020	11.30 A.M.
2018-19	Geeta Bhawan, 16, Block C, Jangpura Extension, Jangpura, New Delhi – 110014. India	26.09.2019	11.00 A.M.
2017-18	Bharatiya Bhasha Parishad, 36A, Shakespeare Sarani, 4th Floor, Kolkata - 700 017	27.09.2018	2.00 P.M.

12.2 Special resolutions passed at the previous three Annual General Meetings are as below:

General Body Meeting	Financial Year	Date	Venue	Special Resolutions
16th Annual General Meeting	2019-20	10.09.2020	Through video conferencing (VC) / / Other Audio Visual Means (OAVM)	1. Alteration of Main Objects to be Pursued by the Company – Main Objects Clause of Memorandum of Association of the Company by addition in new clause in the Main Object Clause and if thought fit, to pass the following resolution as a Special Resolution.

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General Body Meeting	Financial Year	Date	Venue	Special Resolutions
15th Annual General Meeting	2018-19	26.09.2019	Geeta Bhawan, 16, Block C, Jangpura Extension, Jangpura, New Delhi -110014. India	<ol style="list-style-type: none"> 1. Re-appointment of Mr. Chandra Prakash Agrawal (DIN:01814318) as Managing Director of the Company. 2. Re-appointment of Mr. Santosh Kumar Agrawal (DIN:01045228) as a Whole-time Director designated as Director (Sales & Marketing). 3. Re-appointment of Mr. Prem Prakash Agrawal (DIN: 01397585) as a Whole-time Director. 4. Re-appointment of Mr. Nitin Mahavir Prasad Kandoi (DIN: 01979952) as a Whole-time Director designated as Director (Plant - Operation)
14th Annual General Meeting	2017-18	27.09.2018	Bharatiya Bhasha Parishad, 36A, Shakespeare Sarani, 4th Floor, Kolkata - 700 017	<ol style="list-style-type: none"> 1. To reappoint Mr. Jyotirindra Nath Dey (DIN:00180925) as an Independent Director for Second Term of five years. 2. To reappoint Mr. Piyush Kankrania (DIN: 05241962) as an Independent Director for Second Term of five years. 3. To reappoint Mrs. Sangeeta Upadhyay (DIN:06920195) as an Independent Director for Second Term of five years. 4. Granting of Loan under Section 185 of the Companies Act, 2013 to M/s. Gallantt Metal Limited

12.3 The Details of Special Resolutions passed through postal ballot during the financial year 2020-21: No special resolution was passed through postal ballot in the last year.

12.4 Person who conducted the postal ballot exercise - Not Applicable.

12.5 Whether any special resolution is proposed to be conducted through postal ballot – At present, there is no proposal to pass any special resolution through Postal Ballot.

12.6 Procedure for Postal Ballot: Not Applicable.

12.7 Extraordinary General Meeting: No Extra-Ordinary General Meeting held during the Financial Year 2020-21.

12.8 Court Convened Meeting of Shareholders

During the year no Court Convened Meeting convened and held.

13. MEANS OF COMMUNICATION

In accordance with Regulation 46 of the Listing Regulations, the Company has maintained a functional website at

www.gallantt.com containing basic information about the Company viz., details of its business, financial information, shareholding pattern, compliance with corporate governance, contact information of the designated officials of the Company who are responsible for assisting and handling investor grievances, etc. The contents of the said website are updated from time to time.

Information like quarterly / half yearly / annual financial results of the Company are sent to the Stock Exchanges immediately after they are approved by the Board to enable them to put them on their websites and communicate to their members. In terms of Regulation 47 of the Listing Regulations the quarterly / half-yearly / annual financial results are also published in the prescribed format within 48 hours of the conclusion of the meetings of the Board in which they are considered and approved, in one English newspaper circulating in the whole or substantially the whole of India and in one vernacular (Hindi) newspaper. These results are simultaneously posted on the website of the Company at www.gallantt.com.

After shifting of the Registered Office from Kolkata to New Delhi, Company publishes all information in newspapers

Report on Corporate Governance (Contd.)

viz. Business Standard (All editions) and Naya India (Vernacular-Hindi). No presentations were made to institutional investors or to the analysts during the year.

Details about the means of communication:

1. Quarterly Results:

The quarterly and year to date financial results of the

Company are published in leading newspapers in India which include, Business Standard and Ek Din (before shifting of Registered Office from Kolkata to New Delhi) and in Business Standard and Naya India (after shifting of Registered Office from Kolkata to New Delhi). The results are also displayed on the Company's website under <https://www.gallantt.com>

14. GENERAL SHAREHOLDERS INFORMATION

14.1	Date, time and time of the Annual General Meeting	Tuesday, August 31, 2021 at 11.30 A.M.
14.2	Venue	The Company is conducting AGM through Video Conferencing (VC) /Other Audio Visual Means (OAVM), pursuant to circulars issued by the Ministry of Corporate Affairs ("MCA"), dated January 13, 2021 and as such there is no requirement to have a venue for the AGM.
14.3	Financial Year	April 01, 2020 to March 31, 2021
14.4	Cut-off date for determining the names of shareholders eligible to vote	Tuesday, August 24, 2021
14.5	Cut-off date for determining the names of shareholders eligible to get Notice of Annual General Meeting	Friday, July 30, 2021
14.6	Publication of results for the financial year 2021-22 (tentative and subject to change)	a) First quarter results: On or before August 14, 2021. b) Second quarter and half year results: On or before November 14, 2021. c) Third quarter results: On or before February 14, 2022. d) Fourth quarter results and results for the year ending March 31, 2021: On or before May 30, 2022.
14.7	Dates of book closure	August 25, 2021 to August 31, 2021 (both days inclusive)
14.8	Dividend Payment Date	During the Financial Year 2020-21, the Board of Directors has not proposed Final Dividend for the Financial Year 2020-21.
14.9	Listing on Stock Exchanges and Stock Code	1. BSE Ltd., Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai- 400001 Phones : (022) 22721233/4, 91-22-66545695 Fax : (022) 22721919 Stock Code: 533265 2. National Stock Exchange of India Ltd., Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (E) Mumbai – 400 051 Tel No: (022) 26598100 – 8114 Fax No: (022) 26598120 Stock Code: GALLISPAT
14.10	Payment of Listing Fees	Annual Listing Fees for both the stock exchanges for the financial year 2021-22 has been duly paid by the Company.

14.11 Market Price Data- High, Low During Each Month in Last Financial Year

Monthly high and low quotations of shares traded on

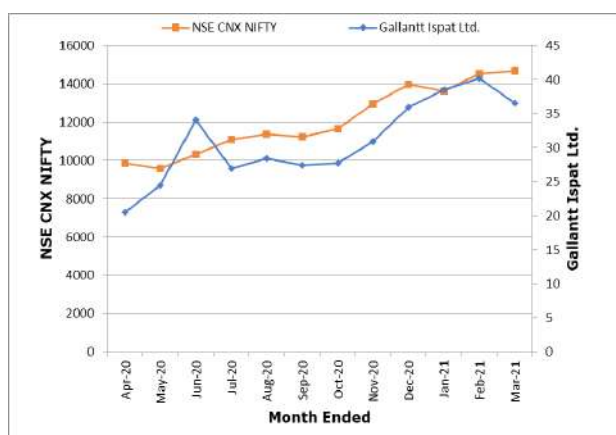
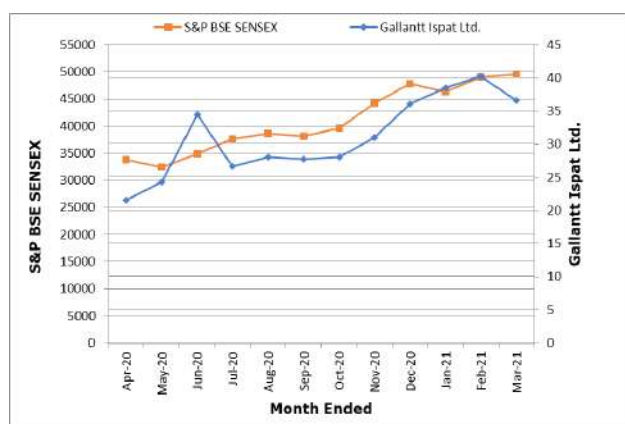
Bombay Stock Exchange Ltd. and National Stock Exchange of India Limited for the Year 2020-21.

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(Amount in ₹)

Month	BSE		NSE	
	High Price	Low Price	High Price	Low Price
Apr-20	21.90	15.55	22.95	17.60
May-20	25.00	19.20	24.50	19.30
Jun-20	35.10	24.05	35.80	22.80
Jul-20	33.65	26.25	32.25	26.45
Aug-20	30.90	26.00	30.95	25.30
Sep-20	32.00	26.50	29.60	26.25
Oct-20	28.85	26.80	28.95	26.40
Nov-20	35.00	26.25	36.25	26.15
Dec-20	37.65	29.65	37.75	30.00
Jan-21	49.95	34.70	50.40	35.15
Feb-21	44.50	36.50	42.40	35.70
Mar-21	41.35	34.45	41.80	34.25

14.12 Performance of the Company's equity shares (closing share price) in comparison to BSE Sensex and NSE Nifty during the financial year 2020-21:



14.13 Suspension of Securities during the financial year 2020-21

During the financial year 2020-21, the securities of the Company were not suspended from trading.

14.14 Registrar and Share Transfer Agents

Niche Technologies Pvt. Ltd.

7th Floor, Room, No. 7A & 7B, 3A, Auckland Rd, Elgin, Kolkata, West Bengal – 700017

Tel.: (033) 2280 6616 / 17 / 18 Email id: nichetechpl@nichetechpl.com Website: www.nichetechpl.com

14.15 Share Transfer System

The Company has a Committee of the Board of Directors called Stakeholders' Relationship Committee, which

meets as and when required. The formalities for transfer of shares in the physical form are completed and share certificates are dispatched to the transferee within 15 days of receipt of the transfer documents, provided the documents are complete and the shares under transfer are not under dispute.

Share transfers, dividend payments and all other investor related activities are attended to and processed at the Office of the Company's Registrar and Share Transfer Agent. For lodgement of transfer deeds and any other documents or for any grievances/complaints, kindly contact any of the offices of Niche Technologies Private Limited.

14.16 Distribution of equity shareholding as on March 31, 2021

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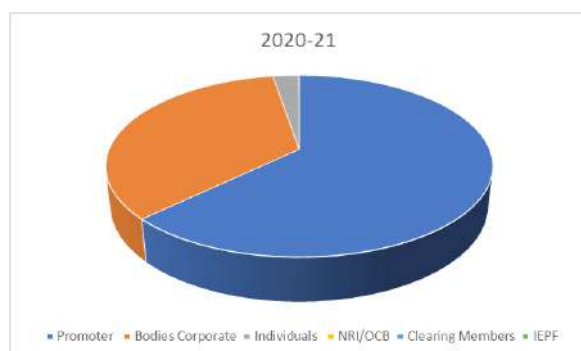
Distribution of shareholding by size is as given below:

No. of Shares held	Shareholders		Shares	
	Number	% to total	Number	% to total
Upto 500	3,250	79.618	3,66,649	0.130
501-1,000	334	8.182	2,86,028	0.101
1,001-5,000	355	8.697	7,84,655	0.278
5,001-10,000	54	1.323	4,01,337	0.142
10,001-50,000	61	1.494	14,26,056	0.505
50,001-1,00,000	6	0.147	4,98,330	0.177
1,00,001 and Above	22	0.539	27,85,97,665	98.667
TOTAL	4,082	100.000	28,23,60,720	100.000

14.17 Categories of shareholding as on 31st March, 2021

Category (as Gallantt reports to stock exchanges)	Shares Holdings	% of Total
PROMOTERS' HOLDING:		
Promoters	17,81,55,230	63.09
Total Promoters' Holding	17,81,55,230	63.09
PUBLIC SHAREHOLDING:		
Institutional Investors		
Financial Institution/Bank	0	0.00
Financial Institution Investor	0	0.00
Foreign Portfolio Investor	0	0.00
Others		
Bodies Corporate	9,80,61,939	34.73
Individuals	73,84,163	9.08
NRI/OCBs	52,717	0.02
Clearing Members/Clearing Corporation (Demat shares in transit)	27,635	0.01
IEPF	7,281	0.00
Total Public Shareholding	10,42,05,490	36.91
GRAND TOTAL	2,82,36,0720	100

Category-wise shareholding



14.18 Dematerialization of Shares and Liquidity

The process of conversion of shares from physical form to electronic form is known as dematerialization. For dematerializing the shares, the Shareholder has to open a demat account with a Depository Participant (DP). The Shareholder is required to fill in a Demat Request Form

and submit the same along with the Share Certificate(s) to the DP. The DP will allocate a demat request number and shall forward the request physically and electronically, through NSDL/CDSL to the R&T Agent. On receipt of the demat request, both physically and electronically and after verification, the Shares are dematerialized, and an electronic credit of shares is given in the account of the Shareholder.

The Company's equity shares are tradable compulsorily in electronic form and are available for trading in the depository systems of both National Securities Depository Ltd (NSDL) and the Central Depository Services (India) Ltd (CDSL). The International Securities Identification Number (ISIN) of the Company, as allotted by NSDL and CDSL, is INE528K01029. Nearly 100.00% of total listed equity shares have been dematerialised as on March 31, 2021.

14.19 Outstanding ADRs/GDRs/Warrants or any other

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convertible instruments, conversion date and likely impact on equity: Nil

14.20 Commodity Price Risk or Foreign Exchange Risk and Hedging Activities:

The Company has insignificant foreign exchange exposure towards imports. Commodities form a major part of business of the Company and hence Commodity price risk is one of the important risks for the Company. Your Company has a robust framework in place to protect the Company's interests from risks arising out of market volatility.

14.23 Address for correspondence

Registrar and Share Transfer Agents

Mr. S. Abbas, Senior System Manager

Niche Technologies Pvt. Ltd.

7th Floor, Room, No. 7A & 7B, 3A, Auckland Rd, Elgin, Kolkata, West Bengal – 700017.

Tel.:(033) 2280 6616 / 17 / 18

Email id: nichetechpl@nichetechpl.com

Website: www.nichetechpl.com

The Company does not undertake any commodity hedging activities. The Company actively monitors the foreign exchange movements and takes forward covers as appropriate to reduce the risks associated with transactions in foreign currencies.

14.21 Corporate Identity Number (CIN):

L27109DL2005PLC350523

14.22 Plant locations

Plot No. AL-5, Sector – 23, Gorakhpur Industrial Development Authority (GIDA), Sahjanwa, Gorakhpur, U.P.

Unit: Gallantt Ispat Limited

Contact Person: Mr. Nitesh Kumar, Company Secretary and Compliance Officer

Corporate Office:

1, Crooked Lane, Second Floor, Room Nos. 222 & 223, Kolkata – 700069.W.B.

Telefax: 033-46004831

Registered Office:

"GALLANTT HOUSE", I-7, Jangpura Extension, New Delhi – 110014

Telefax: 011-41645392

Email-Id : nitesh@gallantt.com

Website : www.gallantt.com

Depositories:

National Securities Depository Limited

Trade World, 'A' Wing, 4th & 5th Floors, Kamala Mills Compound, Lower Parel, Mumbai – 013 400

Tel. No.: (022) 4200 2499

Fax No.: (022) 6351 2497

Email: info@nsdl.co.in

Website: www.nsdl.co.in

Central Depository Services (India) Limited

Marathon Futurex, A-Wing, 25th floor, N M Joshi Marg, Lower Parel, Mumbai – 013 400

Toll free No.: 5533-22-1800

Email: complaints@cdslindia.com

Website: www.cdslindia.com

Shareholders are requested to quote their Folio No./DP ID & Client ID, e-mail address, telephone number and its RTA.

14.24 List of all credit ratings obtained by the Company along with any revisions thereto, for all debt instruments of the Company or any fixed deposit programme or any scheme or proposal of the Company involving mobilization of funds, whether in India or abroad:

During the financial year 2020-21, the Company does

not have any debt instruments or any Fixed Deposit Programme or any scheme or the proposal of the Company involving mobilization of funds in India or in abroad.

During the year under report, vide its rating letter dated September 04, 2020, the Rating agency M/s. Brickwork Ratings India Private Limited has upgraded and assigned BWR A- rating for the Company's Fund Based Long Term facilities (long term) and BWR A2+ for Non-Fund based Short Term facilities. Rating is assigned under watch with developing implications.

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14.25 Unpaid and Unclaimed Amount of Dividend and Share Application Money

Following amount of Unpaid Dividend has not been claimed and paid till 31.03.2021:

Nature of Money	Relevant Financial Year	Bank Account Details	Amount lying (In Rs.)
Final Dividend for 2014	2013-14	IDBI Bank Account No. 0135103000007900	3,282.50
Final Dividend for 2015	2014-15	IDBI Bank Account No. 0135103000008587	3,427.00
Interim Dividend 2016	2015-16	ICICI Bank Account No. 001105026007	3,929.00
Final Dividend for 2017	2016-17	IDBI Bank Account No. 1526103000000347	12,765.50
Final Dividend for 2018	2017-18	IDBI Bank Account No. 1526103000000569	21,063.00
Final Dividend for 2018-19 (Interim Dividend)	2018-19	IDBI Bank Account No. 1526103000000666	23,761.75

Unclaimed and unpaid amount of Dividend for the Financial Year 2012-13 to the tune of Rs. 17,666 were transferred to the Investors' Education and Protection Fund. Members who have not so far encashed their Dividend Warrants for the financial years ended 31st March 2014, 2015, 2016 (Interim), 2017, 2018 and 2019 (Interim) are requested to approach immediately the Registrars for revalidation of unclaimed Dividend Warrants. The details of unclaimed dividend are available on the Company's corporate website www.gallantt.com and also uploaded on the website of IEPF viz. www.iepf.gov.in

14.26 Transfer of shares to IEPF

As required under Section 124 of the Companies Act, 2013, 881 Equity Shares, in respect of which dividend has not been claimed by the members for seven consecutive years or more have been transferred by the Company to the Investor Education and Protection Fund Authority (IEPF) during the financial year 2020-21. Details of shares transferred have been uploaded on the website of IEPF as well as the Company.

15. OTHER DISCLOSURE

15.1 Disclosures on materially significant related party transactions that may have potential conflict with the interests of listed entity at large;

All transactions entered into by the Company with related parties as defined under the Act and the Listing Regulations, during the financial year 2020-21 were in the ordinary course of business and on arm's length pricing basis and do not attract the provisions of Section 188 of the Act. There were no materially significant

transactions with the related parties during the financial year which were in conflict with the interest of Company. Necessary disclosures as required under the Accounting Standards have been made in the Financial Statements. The Board has approved a policy on materiality of related party transactions and on dealing with related party transactions and the same is disclosed on the website of the Company at the web link to the Materiality of Related Party Transactions is as under: [https://www.gallantt.com/Investors Corner/ Gallantt Ispat Limited/ Related Party Transaction Policy-w.e.f. 01.04.2019](https://www.gallantt.com/Investors%20Corner/Gallantt%20Ispat%20Limited/Related%20Party%20Transaction%20Policy-w.e.f.%2001.04.2019).

15.2 Details of non-compliance by the listed entity, penalties, strictures imposed on the listed entity by stock exchange(s) or the board or any statutory authority, on any matter related to capital markets, during the last three years;

The Company has complied with the requirements of the Stock Exchanges / SEBI and Statutory Authorities on all matters related to the capital markets during the last three years. No penalty or strictures were imposed on the Company by any of these authorities.

15.3 Accounting Standards

The Company has followed all relevant Accounting Standards notified by the Companies (Indian Accounting Standards) Rules, 2015 while preparing Financial Statements for 2020-21.

Your Company has not adopted any alternative accounting treatment prescribed differently from the Accounting Standards.

15.4 Details of establishment of vigil mechanism, whistle

Report on Corporate Governance (Contd.)

blower policy, and affirmation that no personnel has been denied access to the audit committee;

The Company has adopted a Whistle Blower Policy and has established necessary Vigil Mechanism as required under Regulation 22 of the Listing Regulations for Directors and employees to report concerns about any unethical behaviour. No person has been denied access to the Chairman of the Audit Committee. The said policy has also been disclosed on the website of the Company at the link [https://www.gallantt.com/Investors Corner/ Gallantt Ispat Limited/ Whistle Blower Policy - w.e.f. 01.04.2019](https://www.gallantt.com/Investors%20Corner/Gallantt%20Ispat%20Limited/Whistle%20Blower%20Policy-w.e.f.01.04.2019).

15.5 Details of compliance with mandatory requirements and adoption of the non-mandatory requirements;

The Company has complied with all the mandatory requirements of the Listing Regulations. The Company has also fulfilled the following discretionary requirements as provided in the Listing Regulations:

- i. The Internal Auditor reports to the Audit Committee.
- ii. The financial statements of the Company are with unmodified audit opinion.

15.6 Web link where policy for determining 'material' subsidiaries is disclosed;

The policy to determine a material subsidiary has been framed and the same is disclosed on the Company's website at the link [https:// www.gallantt.com/Investors Corner/Policy On Material Subsidiary-w.e.f. 01.04.2019](https://www.gallantt.com/Investors%20Corner/Policy%20On%20Material%20Subsidiary-w.e.f.01.04.2019).

15.7 Web link where policy on dealing with related party transactions;

The Related Party Transaction Policy is also posted on the Company's website and can be accessed at [https://www.gallantt.com/Investors Corner/ Gallantt Ispat Limited/ Related Party Transaction Policy-w.e.f. 01.04.2019](https://www.gallantt.com/Investors%20Corner/Gallantt%20Ispat%20Limited/Related%20Party%20Transaction%20Policy-w.e.f.01.04.2019).

15.8 Disclosure of commodity price risks and commodity hedging activities

The Company does not undertake any commodity hedging activities. The Company actively monitors the foreign exchange movements and takes forward covers as appropriate to reduce the risks associated with transactions in foreign currencies.

15.9 Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32(7A)

During the period under Report Company has not raised funds through preferential allotment of qualified institutional placement as specified under Regulation 32(7A).

15.10 A certificate from a company secretary in practice that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/ Ministry of Corporate Affairs or any such statutory authority

Certificate as required under Part C of Schedule V of Listing Regulations, received from Mr. Anurag Fatehpuria (Membership No. 34471, CP No. 12855), Practicing Company Secretary, that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of the Company by the Securities and Exchange Board of India/ Ministry of Corporate Affairs or any such statutory authority was placed before the Board of Directors at their meeting held on 29th June, 2021. The certificate given by Mr. Anurag Fatehpuria is published in this Report as **Annexure-D** of this Corporate Governance Report.

15.11 Recommendations of Committees of the Board

There were no instances during the financial year 2020-21, wherein the Board had not accepted recommendations made by any committee of the Board.

15.12 Total fees paid to Statutory Auditors of the Company

Total fees of Rs. 4,50,000 (Rupees Four Lacs Fifty Thousand only) for financial year 2020-21, for all services, was paid by the Company to the statutory auditor.

15.13 Disclosure relating to Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The Company has in place an effective mechanism for dealing with complaints relating to sexual harassment at workplace.

The details relating to the number of complaints received and disposed of during the financial year 2020-21 are as under:

- a. Number of complaints filed during the financial year:
NIL

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b. Number of complaints disposed of during the financial year: NIL

c. Number of complaints pending as on end of the financial year: NIL

15.14 Non-compliance of any requirement of corporate governance report of sub-paras (2) to (10) above, with reasons thereof shall be disclosed

There is no case of non-compliance of any requirement of Corporate Governance.

15.15 Discretionary requirements as specified in Part E of Schedule II of the SEBI Listing Regulations

The Company has complied with the discretionary requirements with regard to reporting of Internal Auditor directly to Audit Committee, moving towards a regime of unqualified Financial Statements and unmodified audit opinion.

15.16 Disclosures with respect to demat suspense account/unclaimed suspense account

Disclosure with respect to demat suspense account/unclaimed suspense account: Not applicable.

15.17 The Company has duly complied with the requirements specified in Regulations 17 to 27 and Clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the Listing Regulations.

15.18 Particulars of Directors seeking appointment / reappointment at the ensuing Annual General Meeting have been provided in the Notice of the Annual General Meeting.

15.19 In addition to Directors' Report, a Management Discussion and Analysis Report form part of the Annual Report to the shareholders. All key managerial personnel and senior management have confirmed that they do not have any material, financial and commercial interest in transactions with the Company that may have a potential conflict with the interest of the Company at large.

15.20 All details relating to financial and commercial transactions where Directors may have a pecuniary interest are provided to the Board and the interested Directors neither participate in the discussion nor vote on such matters.

15.21 In order to prevent misuse of any unpublished price sensitive information (UPSI), maintain confidentiality of all UPSI and prohibit any insider trading activity and

abusive self-dealing of securities, in the interest of the shareholders at large, the Company has framed a Code of Conduct for Prohibition of Insider Trading. The said Code prohibits the Designated Persons of the Company from dealing in the securities of the Company on the basis of any unpublished price sensitive information, available to them by virtue of their position in the Company.

The details of dealing in Company's shares by Designated Employees/Designated Persons are quarterly placed before the Audit Committee. The Code also prescribes sanction framework and any instance of breach of code is dealt in accordance with the same. A copy of the said Code is made available to all employees of the Company and compliance of the same is ensured.

Further the Company has framed a Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information and the same is available on the website of the Company at www.gallantt.com

15.22 The Company as required under Clause 46 of the SEBI (Listing Obligations and Disclosure Requirements), Regulation 2015, has designated the following email IDs namely nitesh@gallantt.com for the purpose of registering complaints if any by the investors and expeditious redressal of their grievances.

15.23 Nomination

Individual shareholders holding shares singly or jointly in physical form can nominate a person in whose name the shares shall be transferable in case of death of the registered shareholder(s). Nomination facility in respect of shares held in electronic form is also available with the Depository Participants as per the bye-laws and business rules applicable to NSDL and CDSL. Nomination forms can be obtained from the Company's Registrar and Share Transfer Agent.

15.24 Policy pertaining to determination and disclosure of the material events/information

The Board of Directors has approved the policy pertaining to determination and disclosure of the material events/information. Accordingly any such material events/information will be disclosed to the concerned either by Managing Director or Chief Financial Officer or Company Secretary. The policy on determination and disclosure of material events/information is posted in the website of the company with the following link <https://www.gallantt.com>

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15.25 Reconciliation of share capital audit

A qualified practicing Company Secretary carried out a share capital audit to reconcile the total admitted equity share capital with the National Securities Depository Limited ("NSDL") and the Central Depository Services (India) Limited ("CDSL") and the total issued and listed equity share capital.

The audit report confirms that the total issued / paid-up capital is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL.

15.26 Code of Conduct

The members of the Board and senior management personnel have affirmed the compliance with Code of Conduct applicable to them during the year ended March 31, 2021. The **Annexure-A** of the Corporate Governance Report contains a certificate by the Managing Director in terms of SEBI LODR Regulations, 2015 on the compliance declarations received from Independent Directors, Non-executive Directors and Senior Management.

15.27 Trading window

Trading window closure for financial results is from the beginning of the quarter till 48 hours after the Unpublished Price Sensitive Information (UPSI) becomes generally available.

15.28 Conflict of Interests

Each Director informs the Company on an annual basis about the Board and the Committee positions he occupies in other companies including Chairmanships and notifies changes during the year. The Members of the Board while discharging their duties, avoid conflict of interest in the decision making process. The Members of Board restrict themselves from any discussions and voting in transactions in which they have concern or interest.

15.29 CEO/CFO Certification

The Chief Executive Officer (CEO) and Chief Financial Officer (CFO) of the Company have furnished to the Board, the requisite Compliance Certificate under Regulation 17(8) of SEBI LODR Regulations, 2015 for the financial year ended March 31, 2021.

The CEO and CFO have also given quarterly certification on financial results while placing the financial results before the Board in terms of Regulation 33 of SEBI LODR

Regulations, 2015.

The annual certificate given by the CEO and the CFO is published in this Report as **Annexure-B** of this Corporate Governance Report.

15.30 Uday Kotak Committee Recommendations

In June 2017, SEBI set up a committee under the chairmanship of Shri Uday Kotak to advise on issues relating to corporate governance in India. In October 2017, the committee submitted a report containing its recommendations, which were considered by SEBI in its Board Meeting held in March 2018. On May 9, 2018, SEBI notified SEBI LODR (Amendment) Regulations, 2018 implementing majority of these recommendations effective from April 1, 2019 or such other date as specified therein.

The Company substantially complies with the amendments notified and wherever there are new requirements, it will take necessary steps to ensure compliance by the effective date.

Pursuant to Regulation 33 (8) of SEBI LODR Amendment Regulations 2018, the Statutory Auditor of the Company shall undertake a Limited Review of the audit of all the Subsidiaries, Joint Ventures and Associates whose accounts are to be consolidated with the Company as per Accounting Standard 21 with effect from April, 01, 2019 in accordance with guidelines issued by SEBI on this matter.

15.31 Policy for Preservation of Documents

Pursuant to the requirements under Regulation 9 of the Listing Regulations, the Board has formulated and approved a Document Retention Policy prescribing the manner of retaining the Company's documents and the time period up to certain documents are to be retained. The policy percolates to all levels of the organization who handle the prescribed categories of documents.

15.32 Policy for Determination of Legitimate Purposes

The Company has formulated a comprehensive Policy for Determination of Legitimate Purposes. This Policy is formulated pursuant to Regulation 3 (2A) of SEBI (Prohibition of Insider Trading) Regulations, 2015 as inserted by SEBI [Prohibition of Insider Trading] (Amendment)] Regulations, 2018 for determination of legitimate purpose of for performance of duties or discharge of legal obligations, which will be considered as exception for the purpose of procuring Unpublished Price

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Sensitive Information (UPSI) relating to the Company or its listed securities or proposed to be listed securities, if any. The Policy is also hosted on the website of the Company at <https://www.gallantt.com>

15.33 Policy on enquiry of leak of Unpublished Price Sensitive Information

The Company has formulated a comprehensive Policy for enquiry of leak Unpublished Price Sensitive Information. This Policy is formulated as per requirement of Regulation 9A(5) of SEBI (Prohibition of Insider Trading) Regulations, 2015 as inserted by SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018 for enquiry procedure in case of leak of Unpublished Price Sensitive Information or suspected leak of Unpublished Price Sensitive Information. The Policy is also hosted on the website of the Company at <https://www.gallantt.com>

15.34 Shareholder voting

Shareholders are requested to cast their votes on the Resolutions mentioned in the Notice of the Sixteenth Annual General Meeting of the Company by using any one of the following options:

- 1) Vote in advance of the Annual General Meeting through remote e-voting process.
- 2) Vote in person at the Annual General Meeting through electronic voting facilities.

15.35 Green Initiative in Corporate Governance

Rule 11 of the Companies (Accounts) Rules, 2014 permits circulation of Annual Report through electronic means to such of the shareholders whose e-mail addresses are registered with NSDL or CDSL or the shareholders who have registered their e-mail IDs with the Company to receive the documents in electronic form and physical copies to those shareholders whose e-mail IDs have not been registered either with the company or with the depositories.

To support this green initiative of the Government, shareholders are requested to register their e-mail addresses, with the DPs, in case shares are held in dematerialized form and with the R & T Agents, in case the share are held in physical form and also intimate changes, if any in their registered e-mail addresses to the company/ DPs, from time to time.

15.36 Compliance Certificate on Corporate Governance

Certificate received from M/s. Maroti & Associates, Chartered Accountants, Statutory Auditors of the Company having their office at 1209, Ansal Tower, Nehru Place, New Delhi – 110019 confirming compliance with the conditions of Corporate Governance as stipulated under Regulation 34 (3) and Regulation 53(f) read with Schedule V(E) of the SEBI LODR Regulations, 2015 is annexed to this Corporate Governance Report as **Annexure-C**.

15.37 Secretarial Audit

The Company's Board of Directors appointed Mr. Anurag Fatehpuria (Membership No. 34471, CP No. 12855), Practicing Company Secretary to conduct the secretarial audit of its records and documents for the Financial Year 2020-21. The secretarial audit report confirms that the Company has complied with all applicable provisions of the Companies Act, 2013, Secretarial Standards, Depositories Act 1996, SEBI LODR Regulations, 2015, SEBI (Prohibition of Insider Trading) Regulations, 2015 and all other regulations and guidelines of SEBI as applicable to the Company. The Secretarial Audit Report forms part of the Directors' Report.

15.38 Remuneration of Directors Criteria for making payments to Non-Executive Directors (including Independent Directors)

The Non-Executive Directors (including Independent Directors) of the Company are paid remuneration by way of sitting fees for attending meeting of Board and Committee thereof.

Details of payment of Sitting Fee for the year 2020-21 are as follows:

Name of Director	Sitting Fees (₹)
Mrs. Sangeeta Upadhyay	90,000
Mrs. Smita Modi	1,40,000
Mr. Dindayal Jalan	65,000
Mr. Ashtbhuja Prasad Srivastava	75,000
TOTAL	3,70,000

15.39 Dividend History for the last 10 financial years

The Table below highlights the history of Dividend declared by the Company in the last 10 financial years:

Report on Corporate Governance (Contd.)

Sr. No	F.Y. of Declaration of Dividend	Date of Declaration of Dividend	Amount declared per share	Dividend Amount
1	2018-19	28.11.2018 (Interim)	₹ 0.05/- (Five Paise only)	₹ 1,46,33,252.50
2	2017-18	27.09.2018	₹ 0.50/- (Paise Fifty only)	₹ 1,46,33,252.50
3	2016-17	26.09.2017	₹ 0.50/- (Paise Fifty only)	₹ 1,46,33,252.50
4	2015-16	17.03.2016 (Interim)	₹ 1/- (Rupee One only)	₹ 2,82,36,072.00
5	2014-15	28.09.2015	₹ 1/- (Rupee One only)	₹ 2,82,36,072.00
6	2013-14	09.09.2014	₹ 0.50/- (Paise Fifty only)	₹ 1,46,33,252.50
7	2012-13	19.09.2013	₹ 0.50/- (Paise Fifty only)	₹ 1,46,33,252.50
8	2011-12	25.09.2012	₹ 0.50/- (Paise Fifty only)	₹ 1,33,83,252.50
9	2010-11	28.09.2011	₹ 0.50/- (Paise Fifty only)	₹ 1,33,83,252.50
10	2009-10	No Dividend Declared	Nil	Nil

15.40 Mandatory Transfer of Shares to Demat Account of Investors Education and Protection Fund Authority (IEPFA) in case of unpaid/unclaimed dividend on shares for a consecutive period of 7 (Seven) years

In terms of Section 124(6) of the Companies Act, 2013 read with Rule 6 of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, (as amended from time to time) shares on which dividend has not been paid or claimed by a Shareholder for a period of 7 (Seven) consecutive years or more shall be credited to the Demat Account of Investor Education and Protection Fund Authority (IEPFA) within a period of 30 (Thirty) days of such shares becoming due to be so transferred. Upon transfer of such shares, all benefits (like bonus, etc.), if any, accruing on such shares shall also be credited to such Demat Account and the voting rights

on such shares shall remain frozen till the rightful owner claims the shares.

In pursuance of the foregoing your Company has 3,100 outstanding no. of equity shares on which dividend was unclaimed / unpaid for the consecutive 7 (Seven) years and liable to be transferred to IEPF Authority on or after October 10, 2021. Details of such shares are available on website of Company under Investors Section. Shares which will be transferred to the Demat Account of IEPFA can be claimed back by the Shareholder from IEPFA by following the procedure prescribed under the aforesaid rules. Therefore, it is in the interest of Shareholders to regularly claim the dividends declared by the Company.

15.41 None of the Non-Executive Directors hold any shares in the company

Particulars Website Details/Links:

Policy/Code	Weblink
Dividend Distribution Policy	https://www.gallantt.com/Investors Corner/ Gallantt Ispat Limited/Policies and Codes
Composition and Profile of the Board of Directors	https://www.gallantt.com/Investors Corner/ Gallantt Ispat Limited/Policies and Codes
Terms and conditions of appointment of Independent Directors	https://www.gallantt.com/Investors Corner/ Gallantt Ispat Limited/Policies and Codes
Familiarisation Programme hours FY 2019-20 for Independent Directors	https://www.gallantt.com/Investors Corner/ Gallantt Ispat Limited/Policies and Codes
Remuneration Policy of Directors, KMPs & Other Employees	https://www.gallantt.com/Investors Corner/ Gallantt Ispat Limited/Policies and Codes
Code of Conduct	https://www.gallantt.com/Investors Corner/ Gallantt Ispat Limited/Policies and Codes
Criteria of Making Payments to Non-Executive Directors	https://www.gallantt.com/Investors Corner/ Gallantt Ispat Limited/Policies and Codes

Report on Corporate Governance (Contd.)

Policy/Code	Weblink
Corporate Social Responsibility Policy	https://www.gallantt.com/Investors Corner/ Gallantt Ispat Limited/Policies and Codes
Policy on Related Party Transactions	https://www.gallantt.com/Investors Corner/ Gallantt Ispat Limited/Policies and Codes
Policy on Determining Material Subsidiary	https://www.gallantt.com/Investors Corner/ Gallantt Ispat Limited/Policies and Codes
Whistle Blower Policy	https://www.gallantt.com/Investors Corner/ Gallantt Ispat Limited/Policies and Codes
Document Retention and Archival Policy	https://www.gallantt.com/Investors Corner/ Gallantt Ispat Limited/Policies and Codes
Prevention of Sexual Harassment (POSH) at Workplace	https://www.gallantt.com/Investors Corner/ Gallantt Ispat Limited/Policies and Codes
Code of Conduct for Prevention of Insider Trading	https://www.gallantt.com/Investors Corner/ Gallantt Ispat Limited/Policies and Codes
Legitimate Purpose policy	https://www.gallantt.com/Investors Corner/ Gallantt Ispat Limited/Policies and Codes
Policy on enquiry of leak of Unpublished Price Sensitive Information	https://www.gallantt.com/Investors Corner/ Gallantt Ispat Limited/Policies and Codes
Risk Management Policy	https://www.gallantt.com/Investors Corner/ Gallantt Ispat Limited/Policies and Codes

For and on Behalf of the Board

Place: Gorakhpur
Date: June 29, 2021

C. P. Agrawal
Chairman

Report on Corporate Governance (Contd.)

Annexure – A

DECLARATION

In accordance with Regulation 26(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we hereby confirm that, all the Directors and Senior Management Personnel of the Company have affirmed compliance with the Code of Conduct, as applicable to them, for the financial year ended on March 31, 2021..

Gorakhpur
June 29, 2021

C. P. Agrawal
Chairman and Managing Director

Mayank Agrawal
Chief Executive Officer

Annexure – B

CEO/CFO CERTIFICATION

The Board of Director
Gallantt Ispat Limited
"GALLANTT HOUSE",
I-7, Jangpura Extension,
New Delhi – 110014

Re: Financial Statements for the Financial year 2020-21 – Certificate by CEO and CFO

- a) We have reviewed the Financial Statements and the Cash Flow Statement for the financial year ended on March 31, 2021 and that to the best of our knowledge and belief:
 - i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - ii. these statements together present a true and fair view of the Company's affairs and are in compliance with existing Accounting Standards, applicable laws and regulations.
- b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
- c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- d) We have indicated to the Auditors and the Audit Committee that there are no:
 - i. Significant changes in internal control over financial reporting during the year;
 - ii. Significant changes in accounting policies during the year and the same have been disclosed in the notes to the financial statements; and
 - iii. Instances of significant fraud of which we have become aware and the involvement therein of the management or an employee having a significant role in the Company's internal control system over financial reporting.

For and on Behalf of the Board

Place: Gorakhpur
Date: : June 29, 2021

Mayank Agrawal
Chief Executive Officer

Amit Jalan
Chief Financial Officer

Report on Corporate Governance (Contd.)

Annexure – C

INDEPENDENT AUDITOR'S CERTIFICATE TO THE MEMBERS OF GALLANTT ISPAT LIMITED

To the Members of
Gallantt Ispat Limited

1. We, Maroti & Associates, Chartered Accountants, the Statutory Auditors of Gallantt Ispat Limited ("the Company"), have examined the compliance of conditions of Corporate Governance by the Company, for the year ended on 31st March, 2021, as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the Listing Regulations).

2. Managements' Responsibility

The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in Listing Regulations.

3. Auditor's Responsibility

Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

4. We have examined the books of account and other relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.

5. We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of the Chartered Accountants of India (the ICAI), the Standards on Auditing specified under Section 143(10) of the Companies Act 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

6. 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.

7. Opinion

Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the Listing Regulations during the year ended 31st March, 2021. We state that in respect of investor grievances received during the year ended March 31, 2021, no investor grievance is pending against the Company, as per the records maintained by the Company and presented to the Stakeholders' Relationship Committee.

8. We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For **Maroti & Associates**
Chartered Accountants
Firm's Registration No: 322770E
CA Radhika Patodia
Partner
Membership No. 309219
UDIN: 21309219AAACP8718

Date : June 29, 2021
Place: Kolkata

Report on Corporate Governance (Contd.)

Annexure – D

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

[Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,
The Board of Directors,
GALLANTT ISPAT LIMITED
"GALLANTT HOUSE",
I-7, Jangpura Extension,
New Delhi – 110014

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Gallantt Ispat Limited having CIN: L27109DL2005PLC350523 and having Registered Office at "GALLANTT HOUSE", I-7, Jangpura Extension, New Delhi – 110014 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications [including Directors Identification Number (DIN) status at the portal www.mca.gov.in] as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on March 31, 2021 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

S.N.	Name of the Directors	DIN	Date of Appointment in the Company
1	Mr. Chandra Prakash Agrawal	01814318	01.08.2006
2	Mr. Santosh Kumar Agrawal	01045228	10.07.2014
3	Mr. Prem Prakash Agrawal	01397585	11.02.2005
4	Mr. Nitin Mahavir Prasad Kandoi	01979952	15.09.2007
8	Mrs. Sangeeta Upadhyay	06920195	10.07.2014
9	Mr. Ashtbhuja Prasad Srivastava	08434115	29.04.2019
10	Mr. Dindayal Jalan	00006882	23.06.2019 <i>Resigned w.e.f April 12, 2021</i>
11	Mrs. Smita Modi	01141396	23.06.2019

Ensuring the eligibility for the appointment/continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Place: Kolkata
Date: June 29, 2021

(Anurag Fatehpuria)
Practicing Company Secretary
Membership No. 34471
CP No. 12855
UDIN: A034471C000533860

Independent Auditor's Report

TO THE MEMBERS OF GALLANTT ISPAT LIMITED

Report on the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statement of GALLANTT ISPAT LIMITED ('The Company') which comprises the Balance Sheet as at March 31, 2021, the Standalone Statement of Profit and Loss (including other comprehensive income), the Standalone Statement of changes in equity and Standalone Statement of Cash Flows for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements"), which we have signed under reference to this report.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone 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 principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statement in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the standalone 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 standalone financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the standalone financial statements.

Emphasis of Matter

We draw your attention to Note No. 51 to the statement which explains the uncertainties and the management's assessment of the financial impact due to the lockdown and other restrictions and conditions related to the COVID-19 pandemic situation, for which a definitive assessment of the impact is highly dependent upon circumstances/

developments as they evolve in subsequent periods.

Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements for the financial year ended 31st March, 2021. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and informing our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined that there are no key audit matters to communicate in our report.

Information other than the Standalone Financial Statement and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information include in the Management Discussions and Analysis, Board's Report including Annexure to Board's Report, Business Responsibility Report, Corporate Governance and shareholder's Information, but does not include the standalone financial statement and our auditor's report thereon.

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

In connection with our audit of standalone financial statement, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statement or our knowledge obtained during the course of our 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 other information; we are required to report that fact. We have nothing to report in this regard.

Responsibility of Management and those charged with governance for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with accounting principles generally accepted in India. This responsibility also includes responsible the maintenance of the adequate accounting records in accordance with the provisions of

Independent Auditor's Report (Contd.)

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 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 standalone financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is 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 management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Standalone 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 financial controls 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 ability of the Company's 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 financial statements, including the disclosures, and whether the 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, makes 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.

Independent Auditor's Report (Contd.)

Other Matters

1. Due to COVID-19 pandemic and consequential nationwide lockdown announced by the Central and various State Government including travel restriction, maintenance of social distancing, etc, the audit team has performed audit from Head Office, Branch Office and remote location on the basis of data, scanned copies, documents, management estimates, assumptions, certificates and other information supplied electronically by the management on online platform. We have relied on Management's assurances of the authenticity, completeness and accuracy of these records electronically submitted to us. Further, our attendance at the physical inventory verification done by the Management was impracticable under the current lockdown restrictions imposed by the Government and we have therefore, relied on the related alternative audit procedures to audit the existence of inventory as per the guidance provide in SA-501 "Audit Evidences- Specific Consideration for Selected Items" and have obtained sufficient appropriate audit evidence to issue our unmodified opinion on this statement.

Our opinion is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and the cash flows are dealt with by this Report are in agreement with the relevant books of account.
 - d) In our opinion, the aforesaid standalone financial statements comply with the specified under Section 133 of the Act, read with companies (Indian Accounting Standards) Rules, 2015, as amended.
 - e) On the basis of the written representations received from the directors of the Company as on March 31, 2021 taken on record by the Board of Directors, none of the directors is disqualified

as on March 31, 2021 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". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position of the financial statements.
 - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund.
2. The Companies (Auditor's Report) order, 2016 ("the order") issued by the Central Government of India in terms of subsection (11) of section 143 of the Act, we give in the Annexure B, a statement on the matters specified in the paragraph 3 and 4 of the order, to the extent applicable.

For **MAROTI & ASSOCIATES**
Chartered Accountants
Firm Registration No. 322770E

CA Radhika Patodia
Partner

Place – Kolkata
Date- 29.06.2021

Membership No.:309219
UDIN:21309219AAAACS7551

Annexure - A to the Independent Auditor's Report

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of GALLANTT ISPAT LIMITED ("the Company") as of 31st March 2021 in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

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 ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

AUDITORS' RESPONSIBILITY

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

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

Our audit involves performing procedures to obtain audit

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

We believe that the audit evidences we have obtained are 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

Annexure - A to the Independent Auditor's Report (Contd.)

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

OPINION

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls

over financial reporting were operating effectively as at 31st March 2021, 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.

For **MAROTI & ASSOCIATES**

Chartered Accountants

Firm Registration No. 322770E

CA Radhika Patodia

Partner

Place – Kolkata

Date- 29.06.2021

Membership No.:309219

UDIN:21309219AAAACS7551

Annexure - B to the Independent Auditor's Report

The Annexure referred to in Independent Auditor's Report to the members of the Company on the financial statements for the year ended 31st March 2021 we report that:

1. a) The Company has maintained proper records showing full particulars, including quantitative details and situation of its fixed assets.
- b) The Company has a regular programme for physical verification in phased periodic manner, which, in our opinion, is reasonable having regards to the size of the Company and the nature of its assets. According to the information and explanations given to us, no material discrepancies were noticed on such physical verification.
- c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, title deeds of the immovable properties are held in the name of the Company.
2. The Management has conducted physical verification of inventory at reasonable intervals during the year and no material discrepancies were noticed on such physical verification.
3. According to the information and explanation given to us, the Company has granted unsecured loan, with interest, to 1 (one) body corporate, who is covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act').

According to the information and explanations given to us and on the basis of our examination of the records of the Company, the terms and condition of such loan is not prejudicial to the interest of the company and the payments were regular.

4. In our opinion and according to the information and explanations provided to us, the Company has complied with the provisions of section 185 and 186

of the Act, with respect to the loans, investments guarantees and security.

5. The Company has not accepted any deposits from the public during the year. Accordingly, the Directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed thereunder are not applicable to the company for the year under audit.
6. As per information and explanation given by the management, maintenance of cost records has been prescribed by the Central Government under sub-section (1) of section 148 of the Act and we are of the opinion that prima facie the prescribed accounts and records have been made and maintained. We have not, however made a detailed examination of the records.
7. a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of accounts in respect of undisputed statutory including provident fund, employees state insurance, income tax, duty of customs, GST, cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities.

According to the information and explanation given to us, no undisputed amounts payable in respect of provident fund, employees state insurance, income tax, duty of customs, GST, cess and other material statutory dues were in arrears as at 31st March 2021, for a period of more than six months from the date they became payable.

- b) According to the information and explanations given to us, the following dues of UP VAT as at 31st March 2021, have not been deposited by the Company on account of disputes given below:

Statute	Nature of dues	Amount involved (₹ in lacs)	Period to which the amount relates	Forum where dispute is Pending
UP VAT ACT 2008	VAT	9,255.64	August 2011 to June 2017	Government of Uttar Pradesh

8. According to the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowing to a financial institution, bank or government. There were no debenture holders at any time during the year.
9. In our opinion and according to the information and explanation given to us, the Company has not raised moneys by way of Initial Public offer or further public offer or new terms loans during the year.
10. To the best of our knowledge and belief and according to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees during the year was noticed or reported, nor we have been informed of such case by the management.

Annexure - B to the Independent Auditor's Report (Contd.)

11. According to the information and explanations provided by the management, the managerial remuneration has been paid/provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
12. According to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable and hence not commented upon.
13. According to the information and explanations provided by the Management, transaction with the related parties are in compliance with section 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
14. According to the information and explanations provided to us and on an overall examination of balance sheet, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence reporting requirements under clause 3(xiv) of the Order are not applicable to the Company and, not commented upon.
15. According to the information and explanations provided by the management, the Company has not entered into non-cash transactions with directors or persons connected with him as referred to in Section 192 of the Act. Accordingly, paragraph 3(xv) of the Order is not applicable.
16. According to the information and explanation provided to us, the company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and accordingly, the provision of clause 3(xvi) of the Order are not applicable to the Company.

For **MAROTI & ASSOCIATES**

Chartered Accountants

Firm Registration No. 322770E

CA Radhika Patodia

Partner

Place – Kolkata

Date- 29.06.2021

Membership No.:309219

UDIN:21309219AAAACS7551

Standalone Balance Sheet as at 31st March, 2021

(₹ in lacs)

Particulars	Note No.	As At 31.03.2021	As At 31.03.2020
(I) ASSETS			
(1) Non-current assets			
(a) Property, plant and equipment	3	39,834.01	42,102.18
(b) Intangible assets	4	29.13	37.60
(c) Capital work in progress		27,120.72	17,808.47
		66,983.86	59,948.26
(d) Financial assets			
(i) Investments	5		
(a) Investments in subsidiaries		6,002.00	-
(b) Investments in associates		4,267.98	4,267.98
(c) Other investments		-	-
(ii) Other financial assets	6	2.80	2.50
(e) Other non-current assets	7	45.51	62.31
(f) Deferred tax assets (Net)	8	760.12	1,617.13
(g) Advance Income tax assets (Net)		231.28	222.01
		78,293.55	66,120.18
(2) Current Assets			
(a) Inventories	9	10,427.02	12,737.16
(b) Financial assets			
(i) Trade receivables	10	5,082.68	4,026.41
(ii) Cash and cash equivalent	11	85.48	135.72
(iii) Other balances with Bank	11	328.61	593.63
(iv) Other financial assets	12	29,363.58	24,363.58
(c) Other current assets	13	7,795.27	3,783.08
		53,082.65	45,639.59
TOTAL ASSETS		1,31,376.20	1,11,759.77
(II) EQUITY AND LIABILITIES			
(1) Equity			
(a) Equity share capital	14	2,823.61	2,823.61
(b) Other equity	15	89,861.15	79,401.83
		92,684.75	82,225.43
(2) Non-current liabilities			
(a) Borrowings	16	9,867.19	11,258.59
(b) Provisions	17	102.63	110.39
(c) Other non-current liabilities	18	1,040.94	1,139.86
		11,010.76	12,508.84
(3) Current liabilities			
(a) Financial liabilities			
(i) Borrowings	19	22,381.32	12,408.22
(ii) Trade payables	20	655.56	2,435.90
(iii) Other financial liabilities	21	1.23	1.23
(b) Other current liabilities	22	4,642.57	2,180.15
(c) Current Income tax liabilities (Net)		-	-
		27,680.68	17,025.51
TOTAL EQUITY AND LIABILITIES		1,31,376.20	1,11,759.77

See accompanying notes forming part of the financial statements

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As per our report of even date

For **Maroti & Associates**

Chartered Accountants

Firm Regn. No. 322770E

(CA Radhika Patodia)

Partner

Membership No. 309219

Place : Kolkata

Date : 29th June, 2021

(C.P. Agrawal)

Chairman & Managing Director

(Amit Jalan)

Chief Financial Officer

(S.K. Agrawal)

Whole time Director

(Nitesh Kumar)

Company Secretary

Standalone Statement of Profit & Loss for the year ended 31st March, 2021

(₹ in lacs)

Particulars	Note No.	For the year ended 31.03.2021	For the year ended 31.03.2020
(1) Revenue from operations	23	1,09,714.34	1,02,010.15
(2) Other income	24	1,262.31	3,609.14
(3) Total Revenue (1) + (2)		1,10,976.65	1,05,619.29
(4) EXPENSES			
Cost of Materials consumed	25	81,893.09	85,519.75
Changes in Inventories of Finished Goods	26	804.71	(1,175.78)
Employee Benefit Expenses	27	3,048.43	3,190.51
Financial Costs	28	1,190.49	1,166.17
Depreciation Expenses	29	2,255.98	2,395.23
Other Expenses	30	8,214.83	8,035.22
Total Expenses (4)		97,407.53	99,131.10
(5) Profit before exceptional items (3) - (4)		13,569.13	6,488.19
(6) Exceptional Items			
Exceptional Items		-	-
(7) Profit before tax (5) - (6)		13,569.13	6,488.19
(8) Tax Expense			
- Current Tax	32	2,800.55	1,136.85
- Deferred Tax	32	402.27	(461.08)
Total tax expense (8)		3,202.83	675.78
(9) Profit for the period (7) - (8)		10,366.30	5,812.42
(10) Other comprehensive income			
Items that will not be reclassified to statement of profit and loss			
(i) Remeasurement of the employees defined benefit plans		142.98	18.51
(ii) Income tax relating to items that will not be reclassified to profit and loss		(49.96)	(6.47)
Total other comprehensive income (10)		93.02	12.05
(11) Total comprehensive income for the period (9) + (10)		10,459.32	5,824.46
(12) Earnings per equity share: (Face value of share of ₹ 1 each) (Previously it was ₹ 10 Per Share)			
Basic & Diluted (₹)		3.67	2.06

See accompanying notes forming part of the financial statements

1-52

As per our report of even date

For **Maroti & Associates**

Chartered Accountants

Firm Regn. No. 322770E

(CA Radhika Patodia)

Partner

Membership No. 309219

Place : Kolkata

Date : 29th June, 2021

(C.P. Agrawal)

Chairman & Managing Director

(Amit Jalan)

Chief Financial Officer

(S.K. Agrawal)

Whole time Director

(Nitesh Kumar)

Company Secretary

Standalone Statement of changes in Equity for the year ended 31st March, 2021

(₹ in lacs)

A. Equity Share Capital

Particulars	Amount
Balance as at 1 April 2019	2,823.61
Changes in equity share capital during the year ended March 31, 2020	-
Balance as at 31 March 2020	2,823.61
Changes in equity share capital during the year ended March 31, 2021	-
Balance as at 31 March 2021	2,823.61

B. Other Equity

Statement of changes in Equity	Reserves and surplus			Retained earnings		Total Equity
	Security Premium	Amalgamation Reserve	Statutory Reserve	General Reserve	Retained Earnings	
Balance at April 1, 2019	36,898.77	364.69	0.46	4,998.82	31,314.63	73,577.37
Profit for the year	-	-	-	-	5,812.42	5,812.42
Add: Reserves and surplus of amalgamated entity	-	-	-	-	-	-
Less: Dividend and tax thereon	-	-	-	-	-	-
Other Comprehensive Income	-	-	-	-	18.51	18.51
Less: Tax on items taken to equity	-	-	-	-	(6.47)	(6.47)
Balance at March 31, 2020	36,898.77	364.69	0.46	4,998.82	37,139.09	79,401.83
Profit for the period	-	-	-	-	10,366.30	10,366.30
Add: Reserves and surplus of amalgamated entity	-	-	-	-	-	-
Less: Dividend and tax thereon	-	-	-	-	-	-
Other Comprehensive Income	-	-	-	-	142.98	142.98
Less: Tax on items taken to equity	-	-	-	-	(49.96)	(49.96)
Balance at March 31, 2021	36,898.77	364.69	0.46	4,998.82	47,598.41	89,861.15

As per our report of even date

For **Maroti & Associates**

Chartered Accountants

Firm Regn. No. 322770E

(CA Radhika Patodia)

Partner

Membership No. 309219

Place : Kolkata

Date : 29th June, 2021

(C.P. Agrawal)

Chairman & Managing Director

(Amit Jalan)

Chief Financial Officer

(S.K. Agrawal)

Whole time Director

(Nitesh Kumar)

Company Secretary

Standalone Cash Flow Statement for the year ended 31st March, 2021

(₹ in lacs)

	For the year ended 31.03.2021	For the year ended 31.03.2020
A. Cash Flow from Operating activities:		
Profit for the period	10,366.30	5,812.42
<i>Adjustments for:</i>		
Income tax expenses recognised in the statement of profit and loss	3,202.83	675.78
Depreciation expense	2,255.98	2,395.23
Interest income	(214.98)	(112.38)
Interest expenses	1,117.85	1,093.97
Remeasurement Gain / (Loss) on defined benefit plan	142.98	12.05
(Profit)/loss on sale of property, plant & equipments	-	16.42
Operating profit before working capital changes	16,870.96	9,893.48
<i>Adjustments for (increase)/decrease in operating assets</i>		
Inventories	2,310.14	371.96
Trade receivables	(1,056.27)	3,836.84
Non-current financial assets	(0.30)	(1.82)
Other non-current assets	16.62	(4.93)
Current financial assets	(5,000.00)	154.44
Other current assets	(3,913.27)	(749.65)
<i>Adjustments for increase/(decrease) in operating liabilities</i>		
Non-current liabilities		
Trade Payables	(1,780.34)	1,835.06
Current financial liabilities	-	(0.06)
Other non-current liabilities	(98.92)	(102.10)
Other current liabilities	2,462.42	(112.37)
Provisions	(7.76)	39.37
Amalgamation Adjustments	-	-
Cash generated from operations	9,803.28	15,160.22
Direct taxes paid	(2,404.86)	(1,153.11)
Net cash generated from operating activities	7,398.41	14,007.11
B. Cash Flow from Investing activities:		
Purchase of property, plant & equipment	(9,492.60)	(12,217.03)
Sale of property, plant & equipment	102.09	69.40
Sale/(Purchase) of investment in subsidiary	(6,002.00)	-
Movement in fixed deposit held as margin	265.01	(347.08)
Movement in bank balance on account of unpaid dividend	-	0.06
Interest received	214.98	112.38
Net cash from/ (used in) investing activities	(14,912.52)	(12,382.27)

Standalone Cash Flow Statement for the year ended 31st March, 2021

(₹ in lacs)

	For the year ended 31.03.2021	For the year ended 31.03.2020
C. Cash Flow from Financing activities:		
Proceeds from long-term loans	(1,391.40)	(326.07)
Proceeds from /(Repayment against) working capital borrowings (net)	9,973.10	(157.36)
Dividend & DDT Paid	-	-
Interest paid	(1,117.85)	(1,093.97)
Net cash from/ (used in) financing activities	7,463.86	(1,577.40)
Net increase/(decrease) in cash and cash equivalents	(50.25)	47.44
Cash and cash equivalents as at beginning of the Period	135.72	88.28
Cash and cash equivalents as at end beginning of the Period	85.48	135.72

As per our report of even date

For **Maroti & Associates**

Chartered Accountants

Firm Regn. No. 322770E

(CA Radhika Patodia)

Partner

Membership No. 309219

Place : Kolkata

Date : 29th June, 2021

(C.P. Agrawal)

Chairman & Managing Director

(S.K. Agrawal)

Whole time Director

(Amit Jalan)

Chief Financial Officer

(Nitesh Kumar)

Company Secretary

Notes to the Standalone Financial Statements at at and for the year ended 31st March, 2021 (₹ in lacs)

Note -01 Corporate information

Gallantt Ispat Limited ('the Company' / 'GIL'), incorporated in the year 2005, is engaged in the business of Iron & Steel, Agro, Power and Real Estate. The Company was promoted by M/s. Gallantt Metal Limited, Mr. Chandra Prakash Agrawal, Mr. Prem Prakash Agrawal, Mr. Nitin M Kandoi and M/s. Chandra Prakash Agrawal & Sons (HUF). Company floated its capital base by coming out with Initial Public Offerings of Equity Shares in the year 2010. Company is listed on both the premier stock exchanges viz. Bombay Stock Exchange Limited and National Stock Exchange of India Limited. The Company is engaged in manufacturing of Steel and Steel products and having its manufacturing unit at GIDA, Sahajanwa, District: Gorakhpur in the State of Uttar Pradesh.

Authorization of financial statements

The Standalone Financial Statements were authorized for issue in accordance with a resolution passed in Board of Directors meeting held on 29th June 2021.

Note -02 Significant Accounting Policies

1 Basis of measurement

The standalone financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) read with Companies (Indian Accounting Standards) Rules, 2015 and relevant provisions of the Act (as amended from time to time).

These financial statement have been prepared on accrual basis of accounting using historical cost convention except certain financial assets, financial liabilities and share based payment measured at fair value.

2 Functional and presentation currency

The functional currency and presentation currency of the Company is Indian Rupee ("₹") which is the currency of the primary economic environment in which the Company operate. All amounts have been rounded to the nearest lakhs, unless otherwise indicated.

3 Key estimates and assumptions

The preparation of separate financial statements is in conformity with the recognition and measurement principles of Ind AS requires the management of the Company to make estimates and assumptions that affect the reported balances of assets and liabilities, disclosures relating to contingent liabilities as at the date of the separate financial statements and the

reported amounts of income and expense for the periods presented.

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 future periods are 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 recognized in the financial statements are included in the notes.

4 Measurement of fair values

The Company's accounting policies and disclosures require the measurement of fair values for financial instruments.

The Company has an established control framework with respect to the measurement of fair values. The management regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the management assesses the evidence obtained from the third parties to support the conclusion that such valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which such valuations should be classified.

When measuring the fair value of a financial asset or a financial liability, the Company uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs)

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

Notes to the Standalone Financial Statements at and for the year ended 31st March, 2021 (*Contd.*)

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

5 Property, Plant and Equipment (PPE)

Land, Buildings, Plant and Equipment, Furniture and Fixtures and Vehicles held for use in the production or supply of goods or services, or for administrative purposes are stated at cost less accumulated depreciation and accumulated impairment losses. Freehold land is not depreciated. Cost includes purchase cost of materials, including import duties and non-refundable taxes, any directly attributable costs of bringing an asset to the location and condition of its intended use and borrowing costs capitalised in accordance with the Company's accounting policy.

Properties in the course of construction for production or supply of goods or services or for administrative purposes are carried at cost, less any recognised impairment losses.

Depreciation is recognised so as to write off the cost of assets (other than freehold land and properties under construction) less their residual values over the useful lives, using the straight-line method. Depreciation of assets commences when the assets are ready for their intended use. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes is accounted as change in estimate on a prospective basis.

Estimated useful lives of the assets are as follows:

Buildings :	: 15 to 60 years
Plant and equipment :	: 10 to 40 years
Furniture and Fixtures :	: 10 years
Office Equipments :	: 5 years
Electrical Installations :	: 10 Years
Computers :	: 3 years
Two Wheelers :	: 10 years
Motor Vehicles & Commercial Vehicles :	: 8 years

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is recognised in profit and loss.

The Company has elected to continue with the

carrying value of all of its property, plant and equipment recognised as of April 1, 2016 measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date. Further the company has regrouped the classifications of assets wherever required.

6 Intangible Assets

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment (if any) losses. Amortisation is recognised at straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

An intangible asset is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of intangible assets is recognised in profit and loss.

The Company has elected to continue with the carrying value of all of its intangible assets recognised as of April 1, 2016 measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

7 Impairment of tangible and intangible assets other than goodwill

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets (other than goodwill) to determined whether there is any indication that those assets have suffered any impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash generating unit to which the asset belongs.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate

Notes to the Standalone Financial Statements at at and for the year ended 31st March, 2021 (Contd.)

that reflects current market assessments of the time value of money and risks specific to the asset for which the estimates of future cash flows have not be adjusted.

If the recoverable amount of an asset or cash generating unit is estimated to be less than the carrying amount, the carrying amount of the asset or cash generating unit is reduced to its recoverable amount. An impairment loss is recognised immediately in profit and loss.

When an impairment loss subsequently reverses, the carrying value of the asset or cash generating unit is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset or cash generating unit in prior years. Any reversal of an impairment loss is recognised immediately in profit and loss.

8 Investments in Subsidiaries and Associates

Investments in subsidiaries and associates are carried at cost less accumulated impairment losses, if any. Cost includes the purchase price and other costs directly attributable to the acquisition of investments. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in subsidiaries and associates, the difference between net disposal proceeds and the carrying amounts are recognized in the Statement of Profit and Loss.

Upon first-time adoption of Ind AS, the Company has elected to measure its investments in subsidiaries and associates at the Previous GAAP carrying amount as its deemed cost on the date of transition to Ind AS i.e., April 01, 2016.

9 Inventories

Raw materials, work-in-progress and finished products are valued at lower of cost and net realisable value after providing for obsolescence and other losses, where considered necessary. Cost includes purchase price, non refundable taxes and duties and other directly attributable costs incurred in bringing the goods to the point of sale. Work-in-progress and finished goods include appropriate proportion of overheads and, where applicable, excise duty.

Stores and spares are valued at cost comprising of purchase price, non refundable taxes and duties and

other directly attributable costs after providing for obsolescence and other losses, where considered necessary.

Value of inventories are generally ascertained on the "FIFO (First in First out)" basis.

10 Cash and Cash equivalents

Cash and cash equivalents in the balance sheet comprise cash on hand, bank balances and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the Statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

11 Financial Assets**i Initial recognition and measurement**

Financial assets are recognised when the Company becomes a party to the contractual provisions of the instrument.

On initial recognition, a financial asset is recognised at fair value, in case of Financial assets which are recognised at fair value through profit and loss (FVTPL), its transaction cost is recognised in the statement of profit and loss. In other cases, the transaction cost is attributed to the acquisition value of the financial asset.

ii Subsequent Measurement

Financial assets are subsequently / classified and measured at

a- amortised cost

b- fair value through profit and loss (FVTPL)

c- fair value through other comprehensive income (FVOCI)

Financial assets are not reclassified subsequent to their recognition, except if and in the period the Company changes its business model for managing financial assets.

iii Trade Receivables and Loans

Trade receivables are initially recognised at fair value. Subsequently, these assets are held at amortised cost, using the effective interest rate (EIR) method net of any expected credit losses. The EIR is the rate that discounts estimated

Notes to the Standalone Financial Statements at at and for the year ended 31st March, 2021 (Contd.)

future cash income through the expected life of financial instrument.

iv Debt Instruments

(a) Debt instruments are initially measured at amortised cost, fair value through other comprehensive income ('FVOCI') or fair value through profit or loss ('FVTPL') till derecognition on the basis of (i) the Company's business model for managing the financial assets and (ii) the contractual cash flow characteristics of the financial asset.

(b) Measured at amortised cost: Financial assets that are held within a business model whose objective is to hold financial assets in order to collect contractual cash flows that are solely payments of principal and interest, are subsequently measured at amortised cost using the effective interest rate ('EIR') method less impairment, if any. The amortisation of EIR and loss arising from impairment, if any is recognised in the Statement of Profit and Loss.

(c) Measured at fair value through profit or loss: A financial asset not classified as either amortised cost or FVOCI, is classified as FVTPL. Such financial assets are measured at fair value with all changes in fair value, including interest income and dividend income if any, recognised as 'Other Income' in the Statement of Profit and Loss.

v Equity Instruments

All investments in equity instruments classified under financial assets are initially measured at fair value, the Company may, on initial recognition, irrevocably elect to measure the same either at FVOCI or FVTPL.

The Company makes such election on an instrument-by-instrument basis. Fair value changes on an equity instrument is recognised as other income in the Statement of Profit and Loss unless the Company has elected to measure such instrument at FVOCI. Fair value changes excluding dividends, on an equity instrument measured at FVOCI are recognized in OCI. Amounts recognised in OCI are not subsequently reclassified to the Statement of Profit and Loss. Dividend income on the investments in equity instruments are recognised as 'other income' in

the Statement of Profit and Loss.

vi Derecognition

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the contractual rights to receive the cash flows from the asset.

vii Impairment of Financial asset

Expected credit losses are recognized for all financial assets subsequent to initial recognition other than financials assets in FVTPL category.

For financial assets other than trade receivables, as per Ind AS 109, the Company recognises 12 month expected credit losses for all originated or acquired financial assets if at the reporting date the credit risk of the financial asset has not increased significantly since its initial recognition. The expected credit losses are measured as lifetime expected credit losses if the credit risk on financial asset increases significantly since its initial recognition. The Company's trade receivables do not contain significant financing component and loss allowance on trade receivables is measured at an amount equal to life time expected losses i.e. expected cash shortfall.

The impairment losses and reversals are recognised in Statement of Profit and Loss.

12 Financial Liabilities**i Initial recognition and measurement**

Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities are initially measured at the amortised cost unless at initial recognition, they are classified as fair value through profit and loss. In case of trade payables, they are initially recognised at fair value and subsequently, these liabilities are held at amortised cost, using the effective interest method.

ii Subsequent Measurement

Financial liabilities are subsequently measured at amortised cost using the EIR method. Financial liabilities carried at fair value through profit or loss are measured at fair value with all changes in fair value recognised in the Statement of Profit and Loss.

Notes to the Standalone Financial Statements at at and for the year ended 31st March, 2021 (Contd.)**iii Derecognition**

A financial liability is derecognised when the obligation specified in the contract is discharged, cancelled or expires.

13 Offsetting of Financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

14 Derivative financial instruments

The Company uses derivative financial instruments, such as forward currency contracts and interest rate swaps, to hedge its foreign currency risks and interest rate risks respectively. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value at the end of each reporting period. The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument, and if so, the nature of item being hedged and the type of hedge relationship designated.

Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

15 Provisions and Contingent Liabilities

Provisions are recognized when the Company has a present obligation as a result of a past event; it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and when a reliable estimate of the amount of the obligation can be made. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance Sheet date. The expenses relating to a provision is presented in the Statement of Profit and Loss net of any reimbursement.

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows specific to the liability. The unwinding of the discount is recognised as finance cost.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by

the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

A contingent asset is not recognised but disclosed in the financial statements where an inflow of economic benefit is probable.

Commitments includes the amount of purchase orders (net of advance) issued to parties for acquisition of assets.

Provisions, contingent assets, contingent liabilities and commitments are reviewed at each balance sheet date.

16 Revenue recognition**i) Revenue from contracts with customer:**

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer. The Company assesses promises in the contract to identify separate performance obligations to which a portion of transaction price is allocated.

Revenue is measured based on the amount of consideration to which the Company expects to be entitled in exchange of goods. The transaction price includes Excise Duty, however it excludes amount collected on behalf of third parties such as Goods and Service Tax (GST), Value Added Tax (VAT) etc. which the Company collects on behalf of the government.

In determining the transaction price, the Company estimates the variable consideration to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur when the uncertainty associated with the variable consideration is subsequently resolved.

The Company recognises revenue from each distinct good or service over time if the customer simultaneously receives and consumes the benefits provided by the Company's performance as it performs. Revenue from transmission of gas through pipeline is recognized over the period in which the related services are performed. Customers are billed on fortnightly basis.

Notes to the Standalone Financial Statements at at and for the year ended 31st March, 2021 (*Contd.*)**Sale of goods**

Sales are recognised when goods are supplied and significant risks and rewards of ownership in the goods are transferred to the buyer as per the terms of contract and no significant uncertainty exists regarding the amount of the consideration that will be derived from the sale of the goods.

ii) Dividend and Interest income

Dividend income is recognised when the shareholder's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Company and amount of income can be measured reliably).

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the asset's net carrying amount on initial recognition.

iii) Insurance Claims

Insurance claims are accounted for on acceptance and when there is a reasonable certainty of receiving the same, on ground of prudence.

17 Foreign Currencies Transactions

The financial statements of the Company are presented in Indian Rupee (INR), which is Company's functional and presentation currency.

Transactions in currencies other than entity's functional currency (foreign currency) are recorded at the rates of exchange prevailing on the date of the transaction. Monetary assets and liabilities denominated in foreign currencies (other than derivative contracts) remaining unsettled at the end of the each reporting period are remeasured at the rates of exchange prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currency are retranslated at the rate prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated. Exchange difference on monetary items are recognised in profit and loss in the period.

18 Borrowing costs

Borrowing costs are interest and other costs that the Company incurs in connection with the borrowing of funds and is measured with reference to the effective interest rate applicable to the respective borrowing. Borrowing costs that are directly attributable to the acquisition of an asset that necessarily takes a substantial period of time to get ready for its intended use are capitalised as part of the cost of that asset till the date it is put to use. Other borrowing costs are recognised as an expense in the period in which they are incurred.

19 Employee Benefits**i) Short-term benefits**

All employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits. Benefits such as salaries, performance incentives, etc., are recognized as an expense at the undiscounted amount in the Statement of Profit and Loss of the year in which the employee renders the related service.

ii) Post Employment Benefit**(a) Defined Contribution Plans**

Payments made to a defined contribution plan such as Provident Fund and Family Pension maintained with Regional Provident Fund Office are charged as an expense in the Statement of Profit and Loss as they fall due.

(b) Defined Benefit Plans

The Company's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, after discounting the same. The calculation of defined benefit obligations is performed annually by a qualified actuary using the projected unit credit method. Remeasurement of the net defined benefit liability, which comprise actuarial gains and losses are recognized immediately in Other Comprehensive Income (OCI). Net interest expense (income) on the net defined liability (assets) is computed by applying the discount rate, used to measure the net defined liability (asset). Net interest

Notes to the Standalone Financial Statements at at and for the year ended 31st March, 2021 (Contd.)

expense and other expenses related to defined benefit plans are recognized in Statement of Profit and Loss.

20 Taxes on Income**i) Current tax**

Current tax is payable based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the Standalone statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

ii) Deferred tax

Deferred tax is the tax expected to be payable or recoverable on temporary differences between the carrying value of assets and liabilities in the Standalone financial statements and the corresponding tax bases used in the computation of taxable profits and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are only recognised on deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the

period in which the liability is settled or the asset is realised, based on tax rates (and tax laws) that have been enacted or substantially enacted by the end of the reporting period.

Deferred tax assets and liabilities are offset to the extent that they relate to taxes levied by the same tax authority and there are legally enforceable rights too set off current tax assets and current tax liabilities within that jurisdiction.

iii) Minimum alternate tax

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is recognised as a deferred tax asset in the balance sheet when the asset can be measured reliably and it is probable that the Company will pay normal income tax during the specified period and it is probable that future economic benefit associated with it will flow to the Company.

iv) Current and deferred tax are recognised in profit and loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.**21 Earning Per Share**

Basic Earnings per share is calculated by dividing the net profit / (loss) for the period attributable to the equity shareholders by the weighted average number of equity shares outstanding during the period. For the purpose of calculating diluted earnings per share, the net profit / (loss) for the period attributable to the equity shareholders and the weighted average number of equity shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

Notes to the Standalone Financial Statements at at and for the year ended 31st March, 2021 (Contd.)

(₹ in lacs)

Note 03 - Tangible assets											
As at 31.03.2021	Freehold Land	Freehold Buildings	Plant and Machinery	Electrical Installations and Equipments	Furniture and fixtures	Office Equipments	Vehicles	Computers	Railway sidings	Other assets	Total Tangible Assets
Cost at beginning of period	2,372.04	7,823.03	44,838.59	1,036.28	23.05	135.89	530.30	63.42	900.91	2,097.72	59,821.23
Additions relating to acquisitions	-	-	-	-	-	-	-	-	-	-	-
Additions	114.30	-	-	-	-	2.69	61.47	0.92	-	-	179.38
Disposals	(19.51)	(76.36)	-	-	-	-	(26.59)	-	-	-	(122.46)
Disposal of group undertakings	-	-	-	-	-	-	-	-	-	-	-
Transfers between group companies	-	-	-	-	-	-	-	-	-	-	-
Other re-classifications (Transfers in / out)	-	-	-	-	-	-	-	-	-	-	-
Cost at end of period	2,466.83	7,746.67	44,838.59	1,036.28	23.05	138.58	565.18	64.34	900.91	2,097.72	59,878.15
Depreciation at beginning of period	-	1,876.09	13,512.12	855.12	20.03	76.76	251.06	54.12	466.19	607.56	17,719.05
Additions relating to acquisitions	-	-	-	-	-	-	-	-	-	-	-
Charge for the period	-	220.83	1,851.87	6.86	1.04	18.08	48.13	2.16	59.94	136.54	2,345.45
Disposals	-	-	-	-	-	-	(20.37)	-	-	-	(20.37)
Disposal of group undertakings	-	-	-	-	-	-	-	-	-	-	-
Transfers between group companies	-	-	-	-	-	-	-	-	-	-	-
Other re-classifications (Transfers in / out)	-	-	-	-	-	-	-	-	-	-	-
Depreciation at end of period	-	2,096.92	15,363.99	861.98	21.07	94.84	278.82	56.29	526.13	744.10	20,044.14
Net book value at beginning of period	2,372.04	5,946.94	31,326.47	181.16	3.02	59.13	279.24	9.29	434.72	1,490.16	42,102.18
Net book value at end of period	2,466.83	5,649.75	29,474.60	174.30	1.98	43.74	286.36	8.05	374.78	1,353.62	39,834.01
											29.13

Notes to the Standalone Financial Statements at and for the year ended 31st March, 2021 (Contd.) (₹ in lacs)

Note 03 - Tangible assets												
As at 31.03.2021	Freehold Land	Freehold Buildings	Plant and Machinery	Electrical Installations and Equipments	Furniture and fixtures	Office Equipments	Vehicles	Computers	Railway sidings	Other assets	Total Tangible Assets	Total Intangible Assets
Cost at beginning of period	2,073.28	7,823.03	44,838.59	1,036.28	23.05	121.67	557.52	57.07	900.91	2,097.15	59,528.54	57.69
Additions relating to acquisitions	-	-	-	-	-	-	-	-	-	-	-	-
Additions	298.76	-	-	-	-	14.22	95.95	6.35	-	0.57	415.86	-
Disposals	-	-	-	-	-	-	(123.17)	-	-	-	(123.17)	-
Disposal of group undertakings	-	-	-	-	-	-	-	-	-	-	-	-
Transfers between group companies	-	-	-	-	-	-	-	-	-	-	-	-
Other re-classifications (Transfers in / out)	-	-	-	-	-	-	-	-	-	-	-	-
Cost at end of period	2,372.04	7,823.03	44,838.59	1,036.28	23.05	135.89	530.30	63.42	900.91	2,097.72	59,821.23	57.69
Depreciation at beginning of period	-	1,652.20	11,540.45	829.82	17.72	58.32	255.04	53.94	406.28	471.09	15,284.88	10.68
Additions relating to acquisitions	-	-	-	-	-	-	-	-	-	-	-	-
Charge for the period	-	223.89	1,971.67	25.30	2.31	18.44	49.78	0.18	59.91	136.47	2,487.93	9.40
Disposals	-	-	-	-	-	-	(53.76)	-	-	-	(53.76)	-
Disposal of group undertakings	-	-	-	-	-	-	-	-	-	-	-	-
Transfers between group companies	-	-	-	-	-	-	-	-	-	-	-	-
Other re-classifications (Transfers in / out)	-	-	-	-	-	-	-	-	-	-	-	-
Depreciation at end of period	-	1,876.09	13,512.12	855.12	20.03	76.76	251.06	54.12	466.19	607.56	17,719.05	20.08
Net book value at beginning of period	2,073.28	6,170.83	33,298.14	206.45	5.32	63.35	302.47	3.12	494.63	1,626.06	44,243.66	47.01
Net book value at end of period	2,372.04	5,946.94	31,326.47	181.16	3.02	59.13	279.24	9.29	434.72	1,490.16	42,102.18	37.61

Notes to the Standalone Financial Statements at at and for the year ended 31st March, 2021 (Contd.)

(₹ in lacs)

	As at 31.03.2021	As at 31.03.2020
03. Property, plant and equipment		
Carrying amount of		
Land	2,466.83	2,372.04
Buildings	5,649.75	5,946.94
Plant and machinery	29,474.60	31,326.47
Electrical installation and Equipments	174.30	181.16
Furniture and fixtures	1.98	3.02
Office equipments	43.74	59.13
Motor vehicles	286.36	279.24
Computers	8.05	9.29
Railway sidings	374.78	434.72
Other Assets	1,353.62	1,490.16
Total	39,834.01	42,102.18
04. Intangible assets (Acquired)		
Computer software	29.13	37.60
	29.13	37.60
05. Non-current investments		
A. Investments in subsidiaries (carried at cost)		
Unquoted Investments (all fully paid)	6,002.00	-
	6,002.00	-
B. Investments in associates (carried at cost)		
Quoted Investments (all fully paid)		
Investments in Equity Instruments of		
Gallantt Metal Limited at face value of ₹ 10 each (3,94,62,895)	4,267.98	4,267.98
C. Other Investments		
Total Investments carrying value		
Unquoted Investments (all fully paid)		
Investments in Equity Instruments	-	-
Total aggregate quoted investments	10,269.98	4,267.98
Aggregate book value of quoted investments	4,267.98	4,267.98
Aggregate book value of unquoted investments	6,002.00	-
Aggregate market value of quoted investments	17,186.09	7,734.73
06. Other non-current financial assets		
(Unsecured Considered good)		
Security deposits	2.80	2.50
	2.80	2.50
07. Other non-current assets		
Advance with public bodies		
Excise	3.74	13.74
Sales tax/Value added tax	-	6.80
ESIC	41.77	41.77
Others / Capital Advance	-	-
	45.51	62.31

Notes to the Standalone Financial Statements at at and for the year ended 31st March, 2021 (Contd.)

(₹ in lacs)

	As at 31.03.2021	As at 31.03.2020
08. Deferred tax balances		
The following is the analysis of deferred tax assets/(liabilities) presented in the balance sheet:		
Deferred tax assets	5,055.74	5,460.51
Deferred tax liabilities	(4,295.62)	(3,843.38)
	760.12	1,617.13
09. Inventories (At lower of cost and net realisable value)		
Raw materials (At lower of cost and net realisable value)	5,497.83	6,794.92
Finished products (At lower of cost and net realisable value)	1,869.43	2,674.14
Stores and spare parts (At cost)	3,059.76	3,268.11
	10,427.02	12,737.16
Total inventories	10,427.02	12,737.16
10. Trade receivables		
Outstanding for a period of exceeding six months (from the date they were due for payment)		
Considered good	327.75	228.30
Considered doubtful	-	-
Less: Provision for doubtful debts	-	-
	327.75	228.30
Others		
Considered good	4,754.93	3,798.11
Considered doubtful	-	-
Less: Provision for doubtful debts	-	-
	4,754.93	3,798.11
Total Trade Receivable	5,082.68	4,026.41
11. Cash and bank balances		
(a) Cash and cash equivalents		
(i) Cash on hand	84.46	134.14
(ii) Balances with banks	1.02	1.59
In current accounts		
Total cash and cash equivalents	85.48	135.72
(b) Other bank balances		
In current accounts (held for unpaid dividend)	1.23	1.23
In deposit account (held as margin)	327.38	592.40
Total Other bank balances	328.61	593.63
Total cash and bank balances	414.09	729.35
Included above		
(i) Earmarked balance for unpaid dividend	1.23	1.23
(ii) Earmarked balance for margin against letters of credit	324.57	592.40

Notes to the Standalone Financial Statements at at and for the year ended 31st March, 2021 (Contd.)

(₹ in lacs)

	As at 31.03.2021	As at 31.03.2020
12. Other financial assets		
Incentive receivable from government (PICUP)	24,352.58	24,352.58
(Refer Note No.- 45)		
Loans & Advances	5,011.00	11.00
	29,363.58	24,363.58
13. Other current assets		
Advance with public bodies	-	-
Other loans and advances	-	-
Advance to suppliers	7,001.82	3,711.60
Other advances and prepayments		
Prepayments	59.36	43.89
Others	734.10	27.60
	793.45	71.48
	7,795.27	3,783.08
14. Share capital		
Authorised:		
49,88,50,000 Equity Shares of ₹ 1 each	4,988.50	4,988.50
(Previous year 49,88,50,000 Equity Shares of ₹ 1 each)		
	4,988.50	4,988.50
Issued, Subscribed and fully paid up:		
28,23,60,720 Equity Shares of ₹ 1 each	2,823.61	2,823.61
	2,823.61	2,823.61

Reconciliation of Number of shares and amount outstanding at the beginning and end of the reporting period

	As at 31.03.2021		As at 31.03.2020	
	No. of Shares	Amount ₹ Lacs	No. of Shares	Amount ₹ Lacs
Equity shares				
Issued, subscribed and fully paid up:				
At beginning & end of the year	28,23,60,720	2,823.61	28,23,60,720	2,823.61
Issued during the year	-	-	-	-
At end of the year	28,23,60,720	2,823.61	28,23,60,720	2,823.61

Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company

	As at 31.03.2021		As at 31.03.2020	
Name of Shareholders	No. of Shares	%	No. of Shares	%
Gallantt Metal Limited	7,25,19,920	25.68%	7,25,19,920	25.68%
Chandra Prakash Agrawal	6,48,40,040	22.96%	5,23,40,040	18.54%
AAR Commercial Co. Ltd.	4,97,48,760	17.62%	4,97,48,760	17.62%
Wallstreet Distributor Private Limited	1,92,58,290	6.82%	1,92,58,290	6.82%

Notes to the Standalone Financial Statements at at and for the year ended 31st March, 2021 (Contd.)

(₹ in lacs)

		As at 31.03.2021	As at 31.03.2020
15. Other Equity			
a) Securities premium		36,898.77	36,898.77
b) Amalgamation reserve		364.69	364.69
c) General reserve		4,998.82	4,998.82
d) Statutory reserve		0.46	0.46
e) Retained Earnings		47,598.41	37,139.09
		89,861.15	79,401.83
Securities premium			
Opening and closing balance		36,898.77	36,898.77
Add: Security Premium of merged entity		-	-
Closing balance		36,898.77	36,898.77
Amalgamation reserve			
Opening balance		364.69	364.69
Add: Amalgamation reserve of merged entity		-	-
Closing balance		364.69	364.69
General reserve			
Opening and closing balance		4,998.82	4,998.82
Statutory reserve			
Opening and closing balance		0.46	0.46
Retained Earnings			
Opening balance		37,139.09	31,314.63
Profit for the period		10,366.30	5,812.42
Add: Reserves and surplus of amalgamated entity		-	-
Less: Dividend and tax thereon		-	-
Other Comprehensive Income		142.98	18.51
Tax impact on above		(49.96)	(6.47)
Closing balance		47,598.41	37,139.09
16. Long-term Borrowings			
Deferred VAT/CST Payable (Interest free Loan)		9,867.19	9,718.00
Term Loan			
From Banks (HDFC Bank Ltd)		-	2,028.56
Less Current Maturities of Term Loan		-	(487.97)
		-	1,540.59
		9,867.19	11,258.59

Term loan of Rs. 3000.00 lacs availed by the company from HDFC Bank Ltd was fully repaid during the year which was due to be paid in 2022-23

		As at 31.03.2021	As at 31.03.2020
17. Provisions			
Non-current			
Provision for employee benefits			
Retirement gratuity		102.63	110.39
		102.63	110.39

Notes to the Standalone Financial Statements at at and for the year ended 31st March, 2021 (Contd.)

(₹ in lacs)

	As at 31.03.2021	As at 31.03.2020
18. Other Non-current Liabilities		
Deferred income (Capital subsidy)	1,040.94	1,139.86
	1,040.94	1,139.86
19. Current Borrowings		
A. Secured - at amortised cost		
Repayable on demand		
From banks		
Cash credit	3,709.83	2,362.18
Other loans - Current Maturity of Term Loan from HDFC		
Current Maturity of Term Loan from HDFC	-	487.97
Total secured borrowings	3,709.83	2,850.16
B. Unsecured - at amortised cost		
Unsecured loans	18,671.49	9,558.07
Total unsecured borrowings	18,671.49	9,558.07
Total borrowings	22,381.32	12,408.22

- The above working capital loan from HDFC Bank is secured by first charge by hypothecation over all the current assets including stocks of raw materials, Stock in process, Finished Goods and book debts- present and future. The loan is further secured by way of hypothecation of plant & machineries and equipment of the company.
- The above working capital loan is further secured by the personal guarantee of Sri C. P. Agrawal, Sri P.P Agrawal, Shri S.K. Agrawal and Shri Nitin M. Kandoi.
- The Company is enjoying Cash credit facilities(CC) from two Banks namely SBI & HDFC Bank Ltd. with sanction limit of ₹ 6,000.00 lacs each.

	As at 31.03.2021	As at 31.03.2020
20. Trade Payables		
Total outstanding dues of creditors (Refer Note no 44)	655.56	2,435.90
Total trade payables	655.56	2,435.90

21. Other Current Financial Liabilities		
Unpaid dividends	1.23	1.23
Total other current financial liabilities	1.23	1.23

	As at 31.03.2021	As at 31.03.2020
22. Other Current Liabilities		
Advance received from customers	3,030.41	833.91
Advance against property	-	98.00
Employee recoveries and employer's contributions	18.06	16.10
Statutory dues	1,163.94	652.72
Other credit balances	430.16	579.42
Total other liabilities	4,642.57	2,180.15

Notes to the Standalone Financial Statements at at and for the year ended 31st March, 2021 (Contd.)

(₹ in lacs)

	For the year ended 31.03.2021	For the year ended 31.03.2020
23. Revenue from operations		
Sale of Products		
Sale of finished goods	1,08,502.66	1,00,257.95
Sale of other products	1,211.69	1,028.79
Total Sale of Products	1,09,714.34	1,01,286.74
Income from Real Estate Division	-	723.41
Revenue from Operations (Net)	1,09,714.34	1,02,010.15
24. Other Income		
Interest income	214.98	112.38
Gain on foreign currency transactions (net)	-	51.06
Miscellaneous income	1,047.33	41.04
Govt Incentives	-	3,306.00
Dividend Income	-	98.66
Total other income	1,262.31	3,609.14
25. Cost of materials consumed		
Raw materials consumed		
Opening stock	6,739.72	8,668.95
Add: Purchases	80,596.01	83,539.37
	87,335.73	92,208.33
Less: Closing stock	5,486.81	6,750.75
	81,848.92	85,457.58
Cost of land sold	44.17	62.17
Total cost of materials consumed	81,893.09	85,519.75
26. CHANGES IN INVENTORIES OF FINISHED GOODS		
Inventories at the beginning of the year:		
Finished Goods	2,674.14	1,498.36
Work-in-progress	-	-
	2,674.14	1,498.36
Inventories at the end of the year:		
Finished Goods	1,869.43	2,674.14
Work-in-progress	-	-
	1,869.43	2,674.14
Net (increase)/decrease	804.71	(1,175.78)
27. Employee Benefit Expenses		
Salaries and wages, including bonus	2,757.55	2,978.94
Contribution to Provident and other Fund	253.17	177.44
Workmen and staff welfare expenses	37.70	34.13
Total Employee Benefits Expenses	3,048.43	3,190.51

Notes to the Standalone Financial Statements at at and for the year ended 31st March, 2021 (Contd.)

(₹ in lacs)

		For the year ended 31.03.2021	For the year ended 31.03.2020
28. Financial costs			
Interest expense		1,117.85	1,093.97
Bank charges		72.64	72.20
Total financial costs		1,190.49	1,166.17
29. Depreciation and Amortization Expenses			
Depreciation on tangible assets		2,354.90	2,497.33
Less: Release from capital subsidy		(98.92)	(102.10)
Total		2,255.98	2,395.23
30. Excise duty			
Excise duty on sale of finished products		-	-
Total Excise duty		-	-
31. Other expenses			
Manufacturing Expenses:			
Consumption of stores and spare parts		2,315.56	1,973.15
Repairs to Plant & Machinery		578.89	493.29
Repairs to others		140.91	132.81
Handling Expenses		1,198.81	1,162.81
Power & Fuel		1,274.10	1,513.22
Packing Material Consumed		240.04	216.18
Selling & Administration Expenses:			
Rates, taxes and licenses		166.49	58.19
Electricity expenses		24.43	26.11
Insurance charges		85.80	72.14
Environment expenses		325.53	366.67
Selling and distribution expenses		1,184.16	1,323.22
Legal and professional fee		41.81	66.36
Travelling and conveyance expenses		67.31	109.70
Telephone expenses		12.32	14.19
Directors' remuneration		144.00	144.00
Corporate social responsibility expenses		232.21	195.62
Printing and stationery		5.03	8.42
Loss on sale of fixed assets		-	16.42
Audit Fees		4.50	5.00
Other general expenses		172.93	137.72
Total Other Expenses		8,214.83	8,035.22
32. Income tax recognised in profit and loss			
Current tax			
In respect of the current year		2,800.55	1,136.85
In respect of prior years		-	-
		2,800.55	1,136.85

Notes to the Standalone Financial Statements at at and for the year ended 31st March, 2021 (Contd.)

(₹ in lacs)

	For the year ended 31.03.2021	For the year ended 31.03.2020
Deferred tax		
Deferred Tax Liabilities pursuant to timing difference in respect of the current year	402.27	483.03
Deferred Tax Assets pursuant to MAT Credit in respect of the current year	-	(944.10)
	402.27	(461.08)
Total tax expense	402.27	(461.08)

33. Earnings per share		
Basic and diluted earnings per share		
The earnings and weighted average number of equity shares used in the calculation of basic earnings per share are as follows:		
Profit for the year	10,366	5,812
Weighted average number of equity shres for the purpose of basic earnings per share	28,23,60,720	28,23,60,720
Basic & Diluted Earning per Share (₹)	3.67	2.06
The Company is not having any potential ordinary shares which are dilutive in nature. Hence diluted earnings per share is not calculated separately.		

34 Segment information**34.01 Products and services from which reportable segment derives their revenues****34.02**

	Segment Revenue		Segment Profit	
	For the year ended 31.03.2021	For the year ended 31.03.2020	For the year ended 31.03.2021	For the year ended 31.03.2020
Agro	10,252.93	9,933.13	241.94	542.79
Steel	99,461.41	91,353.61	8,285.56	635.31
Power	10,709.20	16,661.54	5,313.75	5,831.13
Real Estate	-	723.41	-	661.25
Un-allocated income	1,262.31	3,609.14	-	-
	1,21,685.85	1,22,280.83	13,841.26	7,670.48
Inter-segment reveue	10,709.20	16,661.54	-	-
Total Revenue	1,10,976.65	1,05,619.29	13,841.26	7,670.48

	For the year ended 31.03.2021	For the year ended 31.03.2020
Interest costs	1,190.49	1,166.17
Unallocated expenses/(income)	(918.36)	16.12
Profit before exceptional items and tax	13,569.13	6,488.19
Exceptional items	-	-
Profit before tax	13,569.13	6,488.19
Tax expenses	3,202.83	675.78
Profit after tax	10,366.30	5,812.42

Notes to the Standalone Financial Statements at at and for the year ended 31st March, 2021 (Contd.)

(₹ in lacs)

34.03 Capital Employed

	As at 31.03.2021	As at 31.03.2020
Agro	1,932.46	1,901.47
Steel	45,457.30	43,338.42
Power	17,686.50	17,686.54
Real Estate	421.28	939.34
Un-allocated income	27,187.22	18,359.67
	92,684.75	82,225.43

35 Employee Benefit Plans**35.01 Defined Contribution Plans**

Employee benefits in the form of Provident Fund is considered as defined contribution plan and the contributions to Employees provident Fund organisation established under the Employee's Provident fund and Misc. Provision Act 1952 charges to the statement of Profit and Loss when the contribution to the respective funds are due.

35.02 Defined Benefit Plans**Gratuity**

The Company participates in the Employees' Group Gratuity-cum-Life Assurance Scheme of SBI Life Insurance Co. Ltd., a funded defined benefit plan for qualifying employees. Gratuity is payable to all eligible employees on death or on separation / termination in terms of the provisions of the Payment of Gratuity Act, 1972 (as amended from time to time), or as per the Company's scheme whichever is more beneficial to the employees.

The liability for the Defined Benefit Plan is provided on the basis of a valuation, using the Projected Unit Credit Method, as at the Balance Sheet date, carried out by an independent actuary.

Assumed discount rates are used in the measurement of the present value of the obligation.

The amount recognised in the Company's financial statements as at the year end as under:

	For the year ended 31.03.2021	For the year ended 31.03.2020
Movement in the fair value of the plan assets		
Opening fair value of plan assets	260.45	178.97
Acquisition adjustment	-	58.86
Interest income on plan assets	18.56	18.38
Employer's contribution	-	4.84
Return on plan assets greater / (lesser) than discount rate	-	(0.54)
Benefits paid	(0.44)	(0.05)
Closing fair value of plan assets	278.57	260.45
Movement in the present value of the defined benefit obligation		
Opening defined benefit obligation	370.85	249.99
Current service cost	128.54	120.83
Interest cost	25.24	19.12
Plan Amendments: Vested portion at end of period(Past Service)	-	-
Remeasurement gain(loss)		
Actuarial (gains)/loss arising from changes in demographic assumptions		
Actuarial (gains)/loss arising from changes in financial assumptions	(6.92)	51.01
Actuarial (gains)/loss arising from experience adjustments	(136.07)	(70.06)
Benefits paid	(0.44)	(0.05)
Exchange difference on foreign plans	-	-
Closing defined benefit obligation	381.20	370.85

Notes to the Standalone Financial Statements at at and for the year ended 31st March, 2021 (Contd.)

(₹ in lacs)

	For the year ended 31.03.2021	For the year ended 31.03.2020
Components of defined benefit costs recognised:		
I. Components of defined benefit costs recognised in profit and loss		
Service Costs:		
- Current service cost	128.54	120.83
- Past service cost and (gain)/loss from settlements	-	-
Net interest expenses	6.68	0.75
Subtotal	135.22	121.58
II. Components of defined benefit costs recognised in other comprehensive income		
Remeasurement on the net defined benefit liability:		
-Return on plan assets (excluding amounts included in net interest expense)	-	0.54
- Actuarial (gains)/loss arising from changes in demographic assumptions	-	-
- Actuarial (gains)/loss arising from changes in financial assumptions	(6.92)	51.01
- Actuarial (gains)/loss arising from experience adjustments	(136.07)	(70.06)
Adjustments for restrictions on the defined benefit asset	-	-
Subtotal	(142.99)	(18.51)
III. Total defined benefit cost recognised	(7.77)	103.07

	As at 31.03.2021	As at 31.03.2020
Amount included in the standalone balance sheet arising from defined benefit plan obligation		
Present value of funded defined benefit obligation	381.20	370.85
Fair value of plan assets	(278.57)	(260.45)
Funded status	102.63	110.40
Net liability arising from defined benefit obligation	102.63	110.40
Principal assumption used for the purpose of the actuarial valuation		
Mortality Table	IALM. (2014-14) Ultimate	IALM. (2012-14) Ultimate
Discount rate	6.92%	6.81%
Expected rate(s) of salary income	9.00%	9.00%

Sensitivity Analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

	For the year ended 31.03.2021	
	(Increase)	(Decrease)
Discount Rate (1% movement)	325.11	450.53
Salary escalation rate (1% movement)	422.30	340.33
Withdrawal Rate (1% movement)	376.57	384.80

36 Capital management

The Company manages its capital to ensure that entities will be able to continue as going concerns while maximising the return to stakeholders through the optimisation of the debt and equity balance. The Capital structure of the Company consists of net debt (borrowings as detailed in notes [16] and [19] offset by cash and bank balances) and the total equity of the Company.

Notes to the Standalone Financial Statements at at and for the year ended 31st March, 2021 (Contd.)

(₹ in lacs)

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company includes within net debt, long term-term borrowings, short-term borrowings, less cash and short-term deposits.

Gearing Ratio

The gearing ratio at end of the reporting period was as follows

	As at 31.03.2021	As at 31.03.2020
Debt		
Current borrowings	22,381.32	12,408.22
Cash and bank balances	85.48	135.72
Net debt	22,295.84	12,272.50
Total equity	2,823.61	2,823.61
Equity share capital	89,861.15	79,401.83
Other equity	92,684.75	82,225.43
Net debt to equity ratio	0.24	0.15

37 Financial risk management objectives and policies

The Company's principal financial liabilities, other than derivatives, comprise loans and borrowings and trade and other payables. The Company's principal financial assets include loans, trade and other receivables, and cash and short-term deposits that derive directly from its operations. The Company also holds FVTOCI investments and enter into derivative transactions. The Company is exposed to market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk.

The Company seeks to minimise the effects of these risks by using derivative financial instruments to hedge risk exposures. The use of financial derivatives is governed by the Company's policies approved by the board of directors, which provide written principles on foreign exchange risks, interest rate risk, credit risk, the use of financial derivatives and non-derivative financial instruments. The Company does not enter into or trade financial instruments including derivative financial instruments, for speculative purposes.

37.01 Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. The Company's activities expose it primarily to the financial risks of changes in foreign currency exchange rates and interest rates. The Company enters into derivative financial instruments to manage its exposure to foreign currency risk and interest rate risk.

Foreign currency risk management

The Company is exposed to currency risk on account of its borrowings, Receivables for Exports and Payables for Imports in foreign currency. The functional currency of the Company is Indian Rupee. The Company manages currency exposures within prescribed limits, through use of forward exchange contracts. Foreign exchange transactions are covered with strict limits placed on the amount of uncovered exposure, if any, at any point in time.

Exposure to currency Risk

The currency profile of financial liabilities as at Balance Sheet dates are as below:

	Currency	As at 31.03.2021	As at 31.03.2020
Financial Liabilities			
Hedged			
Trade Payable	USD	-	-
	INR	-	-
Unhedged			
Trade Payable	USD	-	-
	INR	-	-

Notes to the Standalone Financial Statements at at and for the year ended 31st March, 2021 (Contd.)

(₹ in lacs)

Interest rate risk management

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of change in market interest rates. The company's exposure to the risk of changes in market interest rates relates primarily to the company's short-term debt obligations with floating interest rates.

Interest rate sensitivity analysis

The Company does not account for any fixed-rate financial assets or financial liabilities at fair value through profit or loss. Therefore, a change in interest rates at the reporting date would not affect profit or loss.

37.02 Credit Risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and loans and advances.

The carrying amount of following financial assets represents the maximum credit exposure:

Trade receivables and loans and advances

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer and the geography in which it operates. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business.

The Company monitors each loans and advances given and makes any specific provision wherever required.

Based on prior experience and an assessment of the current economic environment, Management believes there is no credit risk provision required. Also Company does not have any significant concentration of credit risk.

The ageing of trade receivables that were not impaired was as follows:

Particulars	As at 31.03.2021	As at 31.03.2020
More than Six months	327.75	228.30
Others	4,754.93	3,798.11
	5,082.68	4,026.41

37.03 Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Management monitors rolling forecasts of the Company's liquidity position on the basis of expected cash flows. This monitoring includes financial ratios and takes into account the accessibility of cash and cash equivalents.

The Company has access to funds from debt markets through loan from banks and other Debt instrument. The Company invests its surplus funds in bank fixed deposits.

38 RELATED PARTY DISCLOSURE AS PER AS- 24 (AS IDENTIFIED BY THE MANAGEMENT)**Name of Related Party and Description of Relationship:**

I.	Associate or Subsidiary Company / Entity under common Control	Gallantt Metal Ltd
		Gallantt Industry Private Limited
		Gallantt Udhog Private Limited
		Chandra Prakash Agrawal & Sons (HUF)
		Prem Prakash Agrawal HUF
		Santosh Kumar Agrawal HUF
		Gallantt Foundation

Notes to the Standalone Financial Statements at at and for the year ended 31st March, 2021 (Contd.)

(₹ in lacs)

II.	Key Managerial Personnel	Mr. Chandra Prakash Agrawal, Chairman & Managing Director
		Mr. Prem Prakash Agrawal, Whole Time Director
		Mr. Nitin Mahavir Prasad Kandoi, Whole Time Director
		Mr. Santosh Kumar Agrawal, Whole Time Director
		Mr. Mayank Agrawal, Chief Executive Officer
		Mr. Amit Jalan, Chief Financial Officer
		Mr. Nitesh Kumar, Company Secretary
III.	Relatives of Key Managerial Personnel	Mrs. Madhu Agarwal (Wife of Mr. Chandra Prakash Agrawal)
		Mr. Ashutosh Agrawal (Son of Mr. Santosh Kumar Agrawal)
		Mrs. Smriti Agrawal (Daughter in Law of Mr. Santosh Kumar Agrawal)
		Mrs. Shyama Agrawal (Wife of Mr. Prem Prakash)
		Mrs. Shruti Kandoi (Wife of Mr. Nitin Mahavir Prasad Kandoi)
		Mrs. Pallavi Agrawal (Wife of Mr. Mayank Agrawal)
		Mrs. Uma Agrawal (Wife of Mr. Santosh Kumar Agrawal)
		Mrs. Jyoti Jalan (Wife of Mr Amit Jalan)
		Mrs. Savita Kumari (Wife of Mr. Nitesh Kumar)

Related Party Transaction

Nature of Transaction	Associate or Subsidiary Co. & Firm	Key Managerial Personnel	Relatives of Key Managerial Personnel	Total
Salary/ Remuneration	-	192.98	25.28	218.26
	-	(192.23)	(85.13)	(277.36)
Purchase	14.03	-	-	14.03
	(51.33)	-	-	(51.33)
Sale	1,527.34	-	-	1,527.34
	(278.68)	-	-	(278.68)
Loan Taken	1,700.00	-	-	1,700.00
	(1,500.00)	-	-	(1,500.00)
Loan Repaid	1,700.00	-	-	1,700.00
Loan Given	8,210.00	-	-	8,210.00
	(500.00)	-	-	(500.00)
Loan Given, Received Back	3,210.00	-	-	3,210.00
Interest Paid	5.79	-	-	5.79
	(0.25)	-	-	(0.25)
Interest Received	100.70	-	-	100.70
Investment in Subsidiaries	6,002.00	-	-	6,002.00

The Amount Shown in Bracket () Denotes Previous year figure

39 Fair value measurements

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair values:

Fair value of cash and short term deposits, trade and other short term receivables, trade payables, other current liabilities, working capital loan from banks approximate their carrying amounts largely due to the short term maturities of these instruments.

Notes to the Standalone Financial Statements at at and for the year ended 31st March, 2021 (Contd.)

(₹ in lacs)

Financial instruments other than above are carried at amortised cost except certain assets which are carried at fair value.

The company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique.

Level -1 : Quoted prices in active markets for identical assets or liabilities

Level -2 : Other techniques for which all inputs which have a significant effects on the recorded fair value are observable

Level -3 : Techniques using inputs having significant effect on the recorded fair value that are not based on observable market data.

	As at 31.03.2021	As at 31.03.2020
Financial Assets:		
Investment - Non-current	10,269.98	4,267.98
Security deposits - Non -current	2.80	2.50
Trade receivables	5,082.68	4,026.41
Cash and cash equivalents	85.48	135.72
Other bank balances	328.61	593.63
Loan - Current	5,011.00	11.00
Other Financial assets - Current	24,352.58	24,352.58
Total	45,133.13	33,389.82
Financial Liabilities		
Borrowings - Current	22,381.32	12,408.22
Trade payable	655.56	2,435.90
Derivative financial liabilities	-	-
Other financial liabilities	1.23	1.23
Total	23,038.11	14,845.35

40 Contingent liabilities

	As at 31.03.2021
(i) Guarantee given by the bank on behalf of the Company to Purvanchal Vidyut Vitran Nigam for Electricity connection.	220.00
(ii) Guarantee given by the bank on behalf of the Company to FA & CAO Paradeep Port Trust	39.36
(iii) Guarantees given by the bank on behalf of the Company to Uttar Pradesh Pollution Control Board for NOCs.	2.00
(iv) Guarantees given by the bank on behalf of the Company to Northern Coal Fields Ltd	38.62
(v) Guarantees given by the bank on behalf of the Company to Northern Coal Fields Ltd	18.72
(vi) Guarantees given by the bank on behalf of the Company to Eastern Coal Fields Ltd	131.00
(vii) Guarantee given by the bank on behalf of the Company to Purvanchal Vidyut Vitran Nigam for Electricity connection.	66.00
(viii) Guarantee given by the bank on behalf of the Company to Linde India Limited.	10.00
(ix) Guarantee given by the bank on behalf of the Company to Chief Environmental Officer, Lucknow.	10.00
(x) Guarantee given by the bank on behalf of the Company to UP State Bridge Corporation, Lucknow	6.00

Sub Notes:

- The Company has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed as contingent liabilities where applicable, in its financial statements. The Company does not expect the outcome of these proceedings to have a materially adverse effect on its financial results.

Notes to the Standalone Financial Statements at at and for the year ended 31st March, 2021 (Contd.)

(₹ in lacs)

- 2 It is not practicable for the Company to estimate the timings of cash outflows, if any, in respect of the above pending resolution of the respective proceedings as it is determinable only on receipt of judgements/decisions pending with various forums/authorities.

41 Corporate Social Responsibility Contribution (CSR Expenses)

	As at 31.03.2021	As at 31.03.2020
a) Gross amount required to be spent by the company during the year	201.13	187.67
b) Amount spent during the year on		
(i) Amount has been contributed directly by the Company to Draupadi Devi Geeta Devi Saraswati Vidya Mandir, Sahjanwa, Gorakhpur, Uttar Pradesh paid for the development of School Building	-	10.00
(ii) Amount has been contributed directly by the Company to Hanuman Prasad Poddar Smarak Samiti Cancer Hospital Gorakhpur, Uttar Pradesh for medical equipments.	-	21.00
(iii) Amount has been contributed directly by the Company DM Gorakhpur/Sachiv Jila Rifle Club Society Gorakhpur, Uttar Pradesh for the distribution of Mask and Sanitiser to prevent and protect from Covid-19 Virus.	-	1.00
(iv) Amount has been contributed directly by the Company for the Rural Development Programme is undertaken at Village -Basiya, Sahjanwa, Gorakhpur, Uttar Pradesh by way of making RCC Roads, drainage, community toilet block, RO water plant, renovation and elevation of Govt School Building etc.	-	163.62
(v) Amount donated to Covid Care Fund	50.00	-
(vi) Amount spent on foods and other necessities to Covid affecteds.	12.11	-
(vii) Contribution to a trust Gyan Jyoti Education Foundation	140.00	-

42 Subsequent Events

There are no significant subsequent events that would require adjustments or disclosures in the financial statements as on the balance sheet date.

- 43 Balances under Trade receivables, Trade Payables, Loans and Advances payable or receivable are subject to confirmation to be received from some of the parties.

44 Disclosure as per Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

We have received few intimation from suppliers regarding the status under the Micro, Small and Medium Enterprises Development Act, 2006. As at March 31, 2021 and March 31, 2020, there are no outstanding dues to Micro, Small and Medium Enterprises. There is no interest due or outstanding on the same. During the year ended March 31, 2021 amount due to the Micro, Small and Medium Enterprises was paid within the appointed day as defined in the Micro, Small and Medium Enterprises Development Act, 2006.

- 45 Company has established this unit under attraction of financial incentives and other benefits of an scheme of State Government of Uttar Pradesh notified vide Government Order No. 1502/77-6-2006-10 tax/04 dated 1st June 2006 and which have been elaborated in Government Order No. 2941/77-6-2006-10 tax/04 dated 30th November 2006 and amended from time to time. The said scheme provides following financial incentives besides other benefits to the industries established in the State after 1st June, 2006. Company has complied with all the formalities required in this regard and has been declared an eligible unit under the scheme; as such the company is entitled to get following financial incentives:

- Capital investment subsidy, additional capital investment subsidy and infrastructure subsidy @ 35% on fixed capital investment.
- Reimbursement of freight paid on raw materials subject to maximum of 65% of the fixed capital investment.
- Amount of payable Commercial Taxes to State Government (VAT at that time presently GST) to be converted into interest free loan, repayable after a period of 15 years.

Notes to the Standalone Financial Statements at at and for the year ended 31st March, 2021 (Contd.)

(₹ in lacs)

State Government after declaring the unit as eligible unit disbursed an amount of ₹ 24.28 crores as part payment of the subsidies in the year 2010, but thereafter refused to pay the balance amount of financial incentives. Having no option, company moved to Hon'ble High Court of Allahabad Lucknow Bench in 2011 and after a long battle in court, finally Hon'ble High Court vide its order dated 22.03.2018 directed State Government to pay all the incentives within three months time. State Government instead complying with the order moved an special leave petition No.19796 before the Hon'ble Supreme Court which is pending for final disposal before the Hon'ble Supreme Court.

Financial Benefits to be received Under the Scheme are as under:

- a) Company is eligible for incentives i.e. Capital investment subsidy @ 20% of fixed capital investment, infrastructure subsidy @ 10% of total fixed capital investment and 5% additional capital subsidy being the first unit in Purvanchal region totalling subsidy @ 35% on fixed capital investment. Company has claimed for ₹ 12,262.00 lacs against the capital investment made upto 31st May 2012. The incentive received of ₹ 2,428.00 Lacs has been credited in fixed assets in the ratio of capital investment made. No provision has been made for the unrealized claim of ₹ 9,834.00 lacs in the books.

- b) Reimbursement of freight paid on raw materials subject to maximum of 65% of the fixed capital investment.

Company is eligible for reimbursement of freight paid on transportation of raw material as freight subsidy on Iron Ore equivalent to the Railway freight. The total amount of freight subsidy is restricted to 65% of the total capital investment under the scheme that comes ₹ 22,775.00 Lacs. Since company has already claimed ₹ 22,775.00 lacs till March 2018 as such no amount is available to be claimed as freight subsidy during the year and onward.

- c) Amount of payable Commercial Taxes to State Government (VAT at that time presently GST) to be converted into interest free loan, repayable after a period of 15 years.

Company is eligible for Interest free loan equivalent to the amount of VAT, CST & GST liability for 15 years and which shall be re-payable after 15 years. The company has claimed as interest free loan amounting to ₹ 10,828.03 lacs up to 30th June 2017 on account of VAT upto 30th June, 2017. Out of total claim of ₹ 10,828.03 lacs, ₹ 9,255.64 lacs has not been deposited to Commercial Tax department in accordance with order of Hon'ble High Court of Allahabad in writ petition no. 8886/2011, however, ₹ 1,572.39 Lacs have already been deposited before the said stay order.

Further as the GST act has replaced the VAT and CST w.e.f. 01.07.2017, Company has paid total amount of ₹ 29,408.68 Lacs as GST to the Government from 01.07.2017 to 31.03.2021. Out of this, deposited amount of ₹ 13,048.37 Lacs relates to old unit covered under this scheme which is eligible to be converted as interest free loan. Thus an amount of ₹ 13,048.37 Lacs is refundable as interest free loan.

46. Company has expanded capacities of its units under attraction of financial incentives and other benefits of a scheme of State Government of Uttar Pradesh notified vide Government Order No. 1457/77-6-12-08-(M)/12 T.C.VII dated 23.01.2013 as amended from time to time. The said scheme provides refund of 80% of the amount cash paid as SGST, as well as interest subsidy equivalent @ 5% per annum paid on term loan. This expansion has been declared eligible under this scheme, hence eligible for

- a) refund of 80% of the amount cash paid as SGST on account of sales from expanded capacities. Company has paid an amount of ₹ 15,097.50 Lacs in cash as SGST for the period from 1st December, 2017 to 31st March, 2021 and company has filed its claim for release of subsidy from time to time for ₹ 12,078.00 Lacs but disbursement and payment by State Government is subject to settlement and verification of claim as per their calculation, as such final effect of same is being given in accounts as and when they are settled. , however company has been sanctioned only an amount of ₹ 3,157.25 Lacs as SGST refund on 31st March 2020 against the said claim, which was accounted for in 2019-20.
- b) ₹ 334.21 Lacs claimed as interest subsidy, out of this ₹ 182.14 lacs has been refunded by State Government on 31 st March 2020 which was accounted for in 2019-20. Further as term loan has been repaid in full no further interest subsidy will be allowed in this account.

Notes to the Standalone Financial Statements at at and for the year ended 31st March, 2021 (*Contd.*)

(₹ in lacs)

- 47 The Company has only one class of Equity Shares having a par value of ₹ 1/- per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. During the year, no dividend is proposed. 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. This distribution will be in proportion to the number of equity shares held by the shareholders. The Company has not reserved any shares for issue under options and contracts/commitments for the sale of shares/disinvestment.
- 48 The Company for the period of five years immediately preceding the date of Balance Sheet has:
- Not allotted any shares without payment being received in cash.
 - Not allotted fully paid up shares by way of bonus shares.
 - Not bought back any class of shares.
- 49 There was no instance of fraud during the year under review, which required the Statutory Auditors to report to the Audit Committee and / or Board under Section 143(12) of the Act and the rules made thereunder. During the year under review, your Company has neither accepted nor renewed any deposits from the public within the meaning of Section 73 of the Act and the Companies (Acceptance of Deposits) Rules, 2014.

50 Amalgamation of Companies

“At their meeting held on January 18, 2020, Board of Directors of the Company has approved the Scheme of Amalgamation and Slump Sale providing for the Amalgamation of Gallantt Ispat Limited (Transferor Company No. 1 or GIL), AAR Commercial Company Limited (Transferor Company No. 2 or AAR), Hipoline Commerce Private Limited (Transferor Company No. 3 or HIPOLINE), Lexi Exports Private Limited (Transferor Company No. 4 or LEXI) and Richie Credit and Finance Private Limited (Transferor Company No. 5 or RICHIE)(together referred to as the “Transferor Companies”) with Gallantt Metal Limited (“Transferee Company” or “GML”) and for the Slump Sale of 18 MW Power Plant Undertakings of Gallantt Ispat Limited to the Transferee Company and their respective shareholders and Creditors (“Scheme”) under Section 230 to 232 and other applicable provisions of the Companies Act, 2013. In accordance with the Regulation 37 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as the “LODR”) Company had filed the draft Scheme of Amalgamation and Slump Sale with the BSE Limited (formerly Bombay Stock Exchange Limited) and the National Stock Exchange of India Limited (hereinafter together referred to as the “Stock Exchanges”) for obtaining an ‘observation letter’ or a ‘no-objection letter’, before filing such scheme. Further, Transferor Company No. 2 and the Transferee Company had also filed this application with the Stock Exchanges under Regulation 37 of LODR.

Brief details of the Scheme are as under:

- GIL, AAR, HIPOLINE, LEXI and RICHIE all are TRANSFEROR COMPANIES and GML is TRANSFEE COMPANY.
- The Transferee Company is a listed Company. GIL and AAR are also Listed Companies.
- Upon the Scheme becoming effective in lieu of the amalgamation no consideration will be due to the Transferor Companies and in consideration of the amalgamation of the Transferor Companies with the Transferee Company pursuant to the Scheme including the consequential extinguishment of the shareholding in Transferor Companies, the Transferee Company shall without further application, issue and allot as given below equity shares in the Transferee Company to the equity shareholders of the Transferor Companies whose names appear in the Register of Members of the Transferor Companies on the Record Date:
 - 13 (Thirteen) equity shares of the nominal value of ₹ 10/- fully paid up in the Transferee Company for every 14 (Fourteen) equity shares of ₹ 1/- each fully paid up held by such member in GIL.
 - 5 (Five) equity shares of the nominal value of ₹ 10/- fully paid up in the Transferee Company for every 1 (One) equity share of ₹ 10/- each fully paid up held by such member in AAR.
 - 9 (Nine) equity shares of the nominal value of ₹ 10/- fully paid up in the Transferee Company for every 2 (Two) equity shares of ₹ 10/- each fully paid up held by such member in HIPOLINE.
 - 84 (Eighty-Four) equity shares of the nominal value of ₹ 10/- fully paid up in the Transferee Company for every 1 (One) equity share of ₹ 10/- each fully paid up held by such member in LEXI.

Notes to the Standalone Financial Statements at at and for the year ended 31st March, 2021 (Contd.)

(₹ in lacs)

- 101 (One Hundred One) equity shares of the nominal value of ₹ 10/- fully paid up in the Transferee Company for every 2 (Two) equity shares of ₹ 10/- each fully paid up held by such member in RICHIE.
4. Transferor Companies GIL and AAR and Transferee Company GML are under the Jurisdiction of the Registrar of Companies, Delhi and Haryana and Transferor Companies, HIPOLINE, LEXI and RICHIE are under the jurisdiction of the Registrar of Companies, West Bengal.
 5. Pursuant to the Scheme 18 MW Power Plant Undertakings of GIL will be sold and transferred to the Transferee Company through Slump Sale at a consideration of ₹ 35 Crores payable in cash.
 6. Appointed Date of Slump Sale"" means the open of business hours on 1st April 2019
 7. "Appointed Date" means the open of business hours on 1st April 2019 after the completion of the slump sale. Company has appointed BSE Limited as designated Stock Exchange for coordinating with the SEBI in respect of the said Scheme and matters connected therewith.

Vide its letters dated November 12, 2020 and November 23, 2020, BSE Limited and National Stock Exchange of India Limited respectively have issued Observation letters (hereinafter referred to as the "Observation Letters").

Post getting the observation Letters as above, Companies filed application with the Honorable National Company Law Tribunal, Principal Bench, New Delhi (hereinafter referred to as the "NCLT Delhi") together with other petitioner Companies viz., AAR and GIL for directions to hold meetings of the Shareholders and Creditors of the Companies. Further, the Petitioner Companies Hipoline, LEXI and Richie, falling under the jurisdiction of Honorable Company Law Tribunal, Kolkata Bench (hereinafter referred to as the "NCLT Kolkata"), have filed application along with necessary enclosures for dispensation of the meeting of Shareholders and Creditors.

Pursuant to the application filed as above, NCLT Kolkata, vide its order dated January 19, 2021 has dispensed the meetings of shareholders and creditors. Further, NCLT Delhi, vide its order dated February 26, 2021, has directed to convene and hold meetings of shareholders and creditors of GML, GIL and AAR ON April 08, 2021. The Chairman has appointed Mr. Somnath Gangopadhyay and the Chairperson and Ms. Aisha Amin as Alternate Chairperson. Further, Mr. Tanmay Kumar Saha was appointed as the Scrutinizer of the meetings.

In accordance with the NCLT Delhi Order and provisions of (i) Section 230(4) read with Section 108 of the Act and read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended; (ii) Rule 6(3) (xi) of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016; (iii) Regulation 44 and other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended ("Listing Regulations"); and (iv) Secretarial Standards-2 on General Meetings issued by Institute of Company Secretaries of India, as applicable, the Company has engaged the services of National Securities Depository Limited ("NSDL") for the purpose of providing facility of remote e-voting prior to the Meeting and e-voting during the Meeting, so as to enable the equity shareholders, to consider and if thought fit, approve the Scheme by way of requisite majority. Accordingly, voting by equity shareholders, secured creditors and unsecured creditors of the Company were carried out through (a) remote e-voting prior to the Meeting, and (b) e-voting during the Meeting. Remote e-voting prior to the Meeting was opened during the period commencing from 9.00 a.m. (IST) on Monday, April 05, 2021 and ending at 5.00 p.m. (IST) on Wednesday, April 07, 2021, arranged by NSDL.

The members (including public shareholders), secured creditors and unsecured creditors passed the resolution for approval of the Scheme with the requisite majority. After approval of the resolution by the shareholders, secured and unsecured creditors, the Companies complied with the requisite formalities and filed petition with the NCLT Delhi for their approval and order of the Scheme. Similarly, Other Petitioner Companies viz., Hipoline, Lexi and Richie have also filed petition with the NCLT Kolkata Bench for approval of the Scheme by the NCLT Kolkata Bench.

- 51 "In view of the lockdown across the country due to the COVID-19 pandemic, manufacturing operations of the Company across all its locations were suspended temporarily during March and April-2020, in compliance with the directives/orders issued by the relevant authorities. The consolidated financial results for the year ended March 31, 2021 were impacted by disruptions owing to COVID 19. The Company has made an assessment of the recoverability and carrying values of its assets comprising property, plant and equipment, inventories, receivables and other current / non-current assets as of 31 March 2021 and on the basis of evaluation, has concluded that no material adjustments

Notes to the Standalone Financial Statements at at and for the year ended 31st March, 2021 (*Contd.*)

(₹ in lacs)

are required in the financial results. The Company is taking all the necessary steps and precautionary measures to ensure smooth functioning of its operations and to ensure the safety and well-being of all its employees. Given the criticalities associated with nature, condition and duration of COVID-19, the impact assessment on the Company's financial statements will be continuously made and provided for as required.

Your company stands by the society and community in times of despair. Apart from the above, the company has distributed wheat and other food items at the Gorakhpur (Head Office) and adjacent and nearby areas especially at villages nearby its plant. The company has also supplied face masks and sanitizers to these villages.

The company strictly follows all precautions and guidelines prescribed by the Government particularly towards adhering to safety measures in respect of its employees.

As per our report of even date

For **Maroti & Associates**

Chartered Accountants

Firm Regn. No. 322770E

(CA Radhika Patodia)

Partner

Membership No. 309219

Place : Kolkata

Date : 29th June, 2021

(C.P. Agrawal)

Chairman & Managing Director

(Amit Jalan)

Chief Financial Officer

(S.K. Agrawal)

Whole time Director

(Nitesh Kumar)

Company Secretary

Independent Auditor's Report

TO THE MEMBERS OF GALLANTT ISPAT LIMITED

Report on the consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statement of GALLANTT ISPAT LIMITED ('The Company') and its associates (together referred to as "the group") which comprises the Consolidated Balance Sheet as at March 31, 2021, the Consolidated Statement of Profit and Loss (including other comprehensive income), Consolidated Statement of changes in equity, Consolidated Statement of Cash Flows for the year ended, and summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements"), which we have signed under reference to this report.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated 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 principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2021, the consolidated profit, consolidated total comprehensive income consolidated changes in equity and its consolidated cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated financial statement in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. 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 Group 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 consolidated financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements.

Emphasis of Matter

We draw your attention to Note No. 51 to the statement which explains the uncertainties and the management's assessment of the financial impact due to the lockdown and

other restrictions and conditions related to the COVID-19 pandemic situation, for which a definitive assessment of the impact is highly dependent upon circumstances/developments as they evolve in subsequent periods.

Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the financial year ended 31st March, 2021. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined that there are no key audit matters to communicate in our report.

Information other than the Consolidated Financial Statement and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information include in the Management Discussions and Analysis, Board's Report including Annexure to Board's Report, Business Responsibility Report, Corporate Governance and shareholder's Information, but does not include the consolidated financial statement and our auditor's report thereon.

Our opinion on the consolidated financial statement does not cover the other information and we do express any form of assurance conclusion thereon

In connection with our audit of consolidated financial statement, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statement or our knowledge obtained during the course of our 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 other information; we are required to report that fact. We have nothing to report in this regard.

Responsibility of Management and those charged with governance for the Consolidated Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 with respect to the preparation of these consolidated financial statements that give a true and fair

Independent Auditor's Report (Contd.)

view of the consolidated financial position, consolidated financial performance, consolidated total comprehensive income, consolidated changes in equity and consolidated cash flows of the Group in accordance with accounting principles generally accepted in India including the Ind AS the specified under section 133 of the Act. The respective Board of Directors of the Companies included in the Group are responsible for maintenance of the 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 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 consolidated financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the respective Board of Directors of the Companies included in the Group are responsible for assessing the Group'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 management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the Companies included in the Group are responsible for overseeing the Company's financial reporting process of the Group.

Auditor's Responsibilities for the Audit of Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated 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 financial controls 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 ability of the Group 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 consolidated 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 Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes 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

Independent Auditor's Report (Contd.)

of any identified misstatements in the consolidated 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.

Other Matters

Due to COVID-19 pandemic and consequential nationwide lockdown announced by the Central and various State Government including travel restriction, maintenance of social distancing, etc, the audit team has performed audit from Head Office, Branch Office and remote location on the basis of data, scanned copies, documents, management estimates, assumptions, certificates and other information supplied electronically by the management on online platform. We have relied on Management's assurances of the authenticity, completeness and accuracy of these records electronically submitted to us. Further, our attendance at the physical inventory verification done by the Management was impracticable under the current lockdown restrictions imposed by the Government and we have therefore, relied on the related alternative audit procedures to audit the existence of inventory as per the guidance provide in SA-501 "Audit Evidences- Specific Consideration for Selected Items" and have obtained sufficient appropriate audit evidence to issue our unmodified opinion on this statement.

Our opinion is not modified in respect of this matter.

1. The consolidated financial results includes the financial information of the Wholly owned subsidiaries whose financial statements reflect following data for the year ended 31 March, 2021

Sl No.	Particulars	Gallantt Industry (P) Ltd (in ₹ Lacs)	Gallantt Udhog (P) Ltd (in ₹ Lacs)
1	Total Assets	4,008.06	2,007.09
2	Total Revenue	19.06	9.61
3	Total Net Profit After Tax	1.66	3.84

4	Total Comprehensive Income	-	-
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These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial results, in so far as it relates to the amounts and disclosures included in respect of its subsidiaries, is based solely on the reports of the other auditors and the procedures performed by us are as stated in paragraph above.

Our opinion on the Statement is not modified in respect of the above matter with respect to our reliance on the work done and the reports of the other auditors.

2. The consolidated financial results includes the financial information of the associate whose financial statements reflect Total Assets of ₹ 73,664.16 lacs as at 31 March, 2021, Total Revenue of ₹ 1,00,936.57 lacs, Total Net Profit After Tax of ₹ 5,678.61 lacs and Total Other Comprehensive Income of ₹ 24.32 lacs for the year ended 31 March, 2021 as considered in the Statement. These financial statements have been audited by other auditor whose reports have been furnished to us by the Management and our opinion on the consolidated financial results, in so far as it relates to the amounts and disclosures included in respect of its associate, is based solely on the reports of the other auditors and the procedures performed by us are as stated in paragraph above.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit 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 of the aforesaid consolidated financial statements.
 - 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 consolidated Balance Sheet, the consolidated Statement of Profit and Loss (including other comprehensive income), the consolidated Statement of Changes in Equity and the consolidated cash flows are dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of consolidated financial statements.
 - d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under

Independent Auditor's Report (Contd.)

Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended.

- e) On the basis of the written representations received from the directors of the Company as on March 31, 2021 taken on record by the Board of Directors of the Company and its subsidiaries incorporated in India and the reports of the statutory auditors of its subsidiary companies incorporated in India, none of the directors of the Group companies in India is disqualified as on March 31, 2021 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" which is based on the auditor's reports of the company and its subsidiary companies incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting of those companies, for reasons stated therein.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
- The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group in its financial statements.
 - The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
 - There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company and its associate incorporated in India.
2. The Companies (Auditor's Report) order, 2016 ("the order") issued by the Central Government of India in terms of subsection (11) of section 143 of the Act, is not applicable to the auditor's report on the Consolidated Financial Statement.

For **MAROTI & ASSOCIATES**
Chartered Accountants
Firm Registration No. 322770E

CA Radhika Patodia
Partner

Place: Kolkata
Date: 29.06.2021

Membership No.:309219
UDIN:21309219AAAACT1276

Annexure - A to the Independent Auditor's Report

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of GALLANTT ISPAT LIMITED ("the Company") and its associate companies which are companies incorporated in India as of that date, for the year ended 31st March 2021 in conjunction with our audit of the consolidated financial statements of the Company.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The Respective Board of Directors of the Company and its associate companies, which are companies incorporated in India are 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 ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

AUDITORS' RESPONSIBILITY

Our responsibility is to express an opinion on the Company's internal financial controls over financial

Annexure - A to the Independent Auditor's Report (Contd.)

reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India.

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

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

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

MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

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

1. pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
2. provide reasonable assurance that transactions are recorded as necessary to permit preparation of

financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and

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

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

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

OPINION

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2021, 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.

OTHER MATTERS

Our aforesaid reports under section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting in so far as it relates to one associate which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India.

For **MAROTI & ASSOCIATES**

Chartered Accountants

Firm Registration No. 322770E

CA Radhika Patodia

Partner

Place: Kolkata

Date: 29.06.2021

Membership No.: 309219

UDIN: 21309219AAACT1276

Consolidated Balance Sheet as at 31st March, 2021

(₹ in lacs)

Particulars	Note No.	As at 31.03.2021	As at 31.03.2020
(I) ASSETS			
(1) Non-current assets			
(a) Property, plant and equipment	3	39,910.96	42,102.18
(b) Intangible assets	4	29.13	37.60
(c) Capital work in progress		28,120.28	17,808.47
		68,060.37	59,948.26
(d) Financial assets			
(i) Investments	5		
(a) Investments in subsidiaries		-	-
(b) Investments in associates		26,375.37	23,607.94
(c) Other investments		-	-
(ii) Other financial assets	6	2.80	2.50
(e) Other non-current assets	7	49.18	62.31
(f) Deferred tax assets (Net)	8	962.72	1,617.13
(g) Advance Income tax assets (Net)		227.71	222.01
		95,678.14	85,460.14
(2) Current Assets			
Inventories	9	10,427.02	12,737.16
(b) Financial assets		-	-
(i) Trade receivables	10	5,082.68	4,026.41
(ii) Cash and cash equivalent	11	2,636.49	135.72
(iii) Other balances with Bank	11	1,295.30	593.63
(iv) Other financial assets	12	29,363.58	24,363.58
(c) Other current assets	13	8,224.73	3,783.08
		57,029.81	45,639.59
TOTAL ASSETS		1,52,707.95	1,31,099.73
(II) EQUITY AND LIABILITIES			
(1) Equity			
(a) Equity share capital	14	2,823.61	2,823.61
(b) Other equity	15	1,11,187.94	98,741.78
		1,14,011.54	1,01,565.39
(2) Non-current liabilities			
(a) Borrowings	16	9,867.19	11,258.59
(b) Provisions	17	102.63	110.39
(c) Other non-current liabilities	18	1,040.94	1,139.86
		11,010.76	12,508.84
(3) Current liabilities			
(a) Financial liabilities			
(i) Borrowings	19	22,381.32	12,408.22
(ii) Trade payables	20	659.64	2,435.90
(iii) Other financial liabilities	21	1.23	1.23
(b) Other current liabilities	22	4,643.45	2,180.15
(c) Current Income tax liabilities (net)		-	-
		27,685.65	17,025.50
TOTAL EQUITY AND LIABILITIES		1,52,707.95	1,31,099.73

See accompanying notes forming part of the financial statements

1-52

As per our report of even date

For **Maroti & Associates**

Chartered Accountants

Firm Regn. No. 322770E

(CA Radhika Patodia)

Partner

Membership No. 309219

Place : Kolkata

Date : 29th June, 2021

(C.P. Agrawal)

Chairman & Managing Director

(Amit Jalan)

Chief Financial Officer

(S.K. Agrawal)

Whole time Director

(Nitesh Kumar)

Company Secretary

Statement of Consolidated Profit & Loss for the year ended 31st March, 2021

(₹ in lacs)

Particulars	Note No.	For the year ended 31.03.2021	For the year ended 31.03.2020
(1) Revenue from operations	23	1,09,714.34	1,02,010.15
(2) Other income	24	305.26	3,609.14
(3) Total Revenue (1) + (2)		1,10,019.60	1,05,619.29
(4) EXPENSES			
Cost of Materials consumed	25	81,893.09	85,519.75
Changes in Inventories of Finished Goods	26	804.71	(1,175.78)
Employee Benefit Expenses	27	3,048.43	3,190.51
Financial Costs	28	1,195.62	1,166.17
Depreciation Expenses	29	2,255.99	2,395.23
Other Expenses	30	8,230.92	8,035.22
Total Expenses (4)		97,428.75	99,131.10
(5) Profit before exceptional items (3) - (4)		12,590.85	6,488.19
(6) Exceptional items			
Exceptional Items		-	-
(7) Profit before tax (5) - (6)		12,590.85	6,488.19
(8) Tax Expense			
- Current Tax		2,805.46	1,136.85
- Deferred Tax		199.68	(461.08)
Total tax expense (8)		3,005.14	675.78
(9) Profit for the period (7) - (8)		9,585.71	5,812.42
Share of Profit from Associates		2,755.63	244.15
Profit for the period		12,341.34	6,056.57
(10) Other comprehensive income			
Items that will not be reclassified to statement of profit and loss			
Remeasurement of the employees defined benefit plans		142.98	18.51
Income tax relating to items that will not be reclassified to profit and loss		(49.96)	(6.47)
Share of OCI from Associates		11.80	(0.50)
Total other comprehensive income (10)		104.82	11.55
(11) Total comprehensive income for the period (9) + (10)		12,446.15	6,068.11
(12) Earnings per equity share: (Face value of share of ₹ 1 each) (Previously it was ₹ 10 Per Share)			
Basic & Diluted (₹)		4.37	2.14

See accompanying notes forming part of the financial statements 1-52

As per our report of even date

For **Maroti & Associates**

Chartered Accountants

Firm Regn. No. 322770E

(CA Radhika Patodia)

Partner

Membership No. 309219

Place : Kolkata

Date : 29th June, 2021

(C.P. Agrawal)

Chairman & Managing Director

(Amit Jalan)

Chief Financial Officer

(S.K. Agrawal)

Whole time Director

(Nitesh Kumar)

Company Secretary

Consolidated Statement of changes in Equity for the year ended 31st March, 2021

(₹ in lacs)

A. Equity Share Capital

Particulars	Amount
Balance as at 1 April 2019	2,823.61
Changes in equity share capital during the year ended March 31, 2020	-
Balance as at 31 March 2020	2,823.61
Changes in equity share capital during the year ended March 31, 2021	-
Balance as at 31 March 2021	2,823.61

B. Other Equity

Statement of changes in Equity	Reserves and surplus				Retained earnings		Total Equity
	Security Premium	Amalgamation reserve	Statutory Reserve	Capital Reserve	General Reserve	Retained Earnings	
Balance at April 1, 2019	36,898.77	364.69	0.46	12,030.22	4,998.82	38,380.72	92,673.67
Profit for the year	-	-	-	-	-	6,056.57	6,056.57
Add: Reserves and surplus of amalgamated entity	-	-	-	-	-	-	-
Less: Dividend and tax thereon	-	-	-	-	-	-	-
Ind As Adjustment	-	-	-	-	-	-	-
Other Comprehensive Income	-	-	-	-	-	18.01	18.01
Less: Tax on items taken to equity	-	-	-	-	-	(6.47)	(6.47)
Balance at March 31, 2020	36,898.77	364.69	0.46	12,030.22	4,998.82	44,448.83	98,741.78
Profit for the period	-	-	-	-	-	12,341.34	12,341.34
Add: Reserves and surplus of amalgamated entity	-	-	-	-	-	-	-
Less: Dividend and tax thereon	-	-	-	-	-	-	-
Ind As Adjustment	-	-	-	-	-	-	-
Other Comprehensive Income	-	-	-	-	-	154.78	154.78
Less: Tax on items taken to equity	-	-	-	-	-	(49.96)	(49.96)
Balance at March 31, 2021	36,898.77	364.69	0.46	12,030.22	4,998.82	56,894.98	1,11,187.94

As per our report of even date

For **Maroti & Associates**

Chartered Accountants

Firm Regn. No. 322770E

(CA Radhika Patodia)

Partner

Membership No. 309219

Place : Kolkata

Date : 29th June, 2021

(C.P. Agrawal)

Chairman & Managing Director

(Amit Jalan)

Chief Financial Officer

(S.K. Agrawal)

Whole time Director

(Nitesh Kumar)

Company Secretary

Consolidated Cash Flow Statement for the year ended 31st March, 2021

(₹ in lacs)

Particulars	For the year ended 31.03.2021	For the year ended 31.03.2020
A. Cash Flow from Operating activities:		
Profit for the period	9,585.71	5,812.42
Adjustments for:		
Income tax expenses recognised in the statement of profit and loss	3,005.14	675.78
Depreciation expense	2,255.99	2,395.23
Interest income	(224.54)	(112.38)
Interest expenses	1,118.31	1,093.97
Remeasurement Gain / (Loss) on defined benefit plan	142.98	12.05
(Profit)/loss on sale of property, plant & equipments	-	16.42
Operating profit before working capital changes	15,883.59	9,893.48
Adjustments for (increase)/decrease in operating assets		
Inventories	2,310.14	371.96
Trade receivables	(1,056.27)	3,836.84
Non-current financial assets	(0.30)	(1.82)
Other non-current assets	12.94	(4.93)
Current financial assets	(5,000.00)	154.44
Other current assets	(4,342.73)	(749.65)
Adjustments for increase/(decrease) in operating liabilities		
Non-current liabilities		
Trade Payables	(1,776.26)	1,835.06
Current financial liabilities	-	(0.06)
Other non-current liabilities	(98.92)	(102.10)
Other current liabilities	2,463.30	(112.37)
Provisions	(7.76)	39.37
Amalgamation Adjustments	-	-
Cash generated from operations	8,387.74	15,160.22
Direct taxes paid	(2,406.20)	(1,153.11)
Net cash generated from operating activities	5,981.54	14,007.11
B. Cash Flow from Investing activities:		
Purchase of property, plant & equipment	(10,569.11)	(12,217.03)
Sale of property, plant & equipment	102.09	69.40
Sale/(Purchase) of investment in subsidiary	-	-
Movement in fixed deposit held as margin	(701.68)	(347.08)
Movement in bank balance on account of unpaid dividend	-	0.06
Interest received	224.54	112.38
Net cash from/ (used in) investing activities	(10,944.16)	(12,382.27)

Consolidated Cash Flow Statement for the year ended 31st March, 2021

(₹ in lacs)

Particulars	For the year ended 31.03.2021	For the year ended 31.03.2020
C. Cash Flow from Financing activities:		
Proceeds from long-term loans	(1,391.40)	(326.07)
Proceeds from /(Repayment against) working capital borrowings (net)	9,973.10	(157.36)
Dividend & DDT Paid	-	-
Interest paid	(1,118.31)	(1,093.97)
Net cash from/ (used in) financing activities	7,463.39	(1,577.40)
Net increase/(decrease) in cash and cash equivalents	2,500.77	47.44
Cash and cash equivalents as at beginning of the Period	135.72	88.28
Cash and cash equivalents as at end of the Period	2,636.49	135.72

As per our report of even date

For **Maroti & Associates**

Chartered Accountants

Firm Regn. No. 322770E

(CA Radhika Patodia)

Partner

Membership No. 309219

Place : Kolkata

Date : 29th June, 2021

(C.P. Agrawal)

Chairman & Managing Director

(Amit Jalan)

Chief Financial Officer

(S.K. Agrawal)

Whole time Director

(Nitesh Kumar)

Company Secretary

Notes to the Consolidated Financial Statements at at and for the year ended 31st March, 2021 (Contd.) (₹ in lacs)

Note -01 Corporate information

Gallantt Ispat Limited ('the Company' / 'GIL'), incorporated in the year 2005, is engaged in the business of Iron & Steel, Agro, Power and Real Estate. The Company was promoted by M/s. Gallantt Metal Limited, Mr. Chandra Prakash Agrawal, Mr. Prem Prakash Agrawal, Mr. Nitin M Kandoi and M/s. Chandra Prakash Agrawal & Sons (HUF). Company floated its capital base by coming out with Initial Public Offerings of Equity Shares in the year 2010. Company is listed on both the premier stock exchanges viz. Bombay Stock Exchange Limited and National Stock Exchange of India Limited. The Company is engaged in manufacturing of Steel and Steel products and having its manufacturing unit at GIDA, Sahajanwa, Dist Gorakhpur in the State of Uttar Pradesh.

Authorization of financial statements

The Standalone Financial Statements were authorized for issue in accordance with a resolution passed in Board of Directors meeting held on 29th June 2021.

Note -02 Significant Accounting Policies

1 Basis of measurement

The standalone financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) read with Companies (Indian Accounting Standards) Rules, 2015 and relevant provisions of the Act (as amended from time to time).

These financial statement have been prepared on accrual basis of accounting using historical cost convention except certain financial assets, financial liabilities and share based payment measured at fair value.

2 Functional and presentation currency

The functional currency and presentation currency of the Company is Indian Rupee ("₹") which is the currency of the primary economic environment in which the Company operate. All amounts have been rounded to the nearest lakhs, unless otherwise indicated.

3 Key estimates and assumptions

The preparation of separate financial statements in conformity with the recognition and measurement principles of Ind AS requires the management of the Company to make estimates and assumptions that affect the reported balances of assets and liabilities, disclosures relating to contingent liabilities as at the date of the separate financial statements and the

reported amounts of income and expense for the periods presented.

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 future periods are 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 recognized in the financial statements are included in the notes.

4 Measurement of fair values

The Company's accounting policies and disclosures require the measurement of fair values for financial instruments.

The Company has an established control framework with respect to the measurement of fair values. The management regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the management assesses the evidence obtained from the third parties to support the conclusion that such valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which such valuations should be classified.

When measuring the fair value of a financial asset or a financial liability, the Company uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs)

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

Notes to the Consolidated Financial Statements at at and for the year ended 31st March, 2021 (Contd.)

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

5 Property, Plant and Equipment (PPE)

Land, Buildings, Plant and Equipment, Furniture and Fixtures and Vehicles held for use in the production or supply of goods or services, or for administrative purposes are stated at cost less accumulated depreciation and accumulated impairment losses. Freehold land is not depreciated. Cost includes purchase cost of materials, including import duties and non-refundable taxes, any directly attributable costs of bringing an asset to the location and condition of its intended use and borrowing costs capitalised in accordance with the Company's accounting policy.

Properties in the course of construction for production or supply of goods or services or for administrative purposes are carried at cost, less any recognised impairment losses

Depreciation is recognised so as to write off the cost of assets (other than freehold land and properties under construction) less their residual values over the useful lives, using the straight-line method. Depreciation of assets commences when the assets are ready for their intended use. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes is accounted as change in estimate on a prospective basis.

Estimated useful lives of the assets are as follows:

Buildings	: 15 to 60 years
Plant and equipment	: 10 to 40 years
Furniture and Fixtures	: 10 years
Office Equipments	: 5 years
Electrical Installations	: 10 Years
Computers	: 3 years
Two Wheelers	: 10 years
Motor Vehicles & Commercial Vehicles	: 8 years

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is recognised in profit and loss.

The Company has elected to continue with the carrying value of all of its property, plant and equipment recognised as of April 1, 2016 measured

as per the previous GAAP and use that carrying value as its deemed cost as of the transition date. Further the company has regrouped the classifications of assets wherever required.

6 Intangible Assets

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment (if any) losses. Amortisation is recognised at straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

An intangible asset is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of intangible assets is recognised in profit and loss.

The Company has elected to continue with the carrying value of all of its intangible assets recognised as of April 1, 2016 measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

7 Impairment of tangible and intangible assets other than goodwill

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets (Other than goodwill) to determined whether there is any indication that those assets have suffered any impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash generating unit to which the asset belongs.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and risks specific to the asset for which the estimates of future cash flows have not be adjusted.

Notes to the Consolidated Financial Statements at at and for the year ended 31st March, 2021 (Contd.)

If the recoverable amount of an asset or cash generating unit is estimated to be less than the carrying amount, the carrying amount of the asset or cash generating unit is reduced to its recoverable amount. An impairment loss is recognised immediately in profit and loss.

When an impairment loss subsequently reverses, the carrying value of the asset or cash generating unit is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset or cash generating unit in prior years. Any reversal of an impairment loss is recognised immediately in profit and loss.

8 Investments in Subsidiaries and Associates

Investments in subsidiaries and associates are carried at cost less accumulated impairment losses, if any. Cost includes the purchase price and other costs directly attributable to the acquisition of investments. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in subsidiaries and associates, the difference between net disposal proceeds and the carrying amounts are recognized in the Statement of Profit and Loss.

Upon first-time adoption of Ind AS, the Company has elected to measure its investments in subsidiaries and associates at the Previous GAAP carrying amount as its deemed cost on the date of transition to Ind AS i.e., April 01, 2016.

9 Inventories

Raw materials, work-in-progress and finished products are valued at lower of cost and net realisable value after providing for obsolescence and other losses, where considered necessary. Cost includes purchase price, non refundable taxes and duties and other directly attributable costs incurred in bringing the goods to the point of sale. Work-in-progress and finished goods include appropriate proportion of overheads and, where applicable, excise duty.

Stores and spares are valued at cost comprising of purchase price, non refundable taxes and duties and other directly attributable costs after providing for obsolescence and other losses, where considered necessary.

Value of inventories are generally ascertained on the "FIFO (First in First out)" basis.

10 Cash and Cash equivalents

Cash and cash equivalents in the balance sheet comprise cash on hand, bank balances and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the Statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

11 Financial Assets**i Initial recognition and measurement**

Financial assets are recognised when the Company becomes a party to the contractual provisions of the instrument.

On initial recognition, a financial asset is recognised at fair value, in case of Financial assets which are recognised at fair value through profit and loss (FVTPL), its transaction cost is recognised in the statement of profit and loss. In other cases, the transaction cost is attributed to the acquisition value of the financial asset.

ii Subsequent Measurement

Financial assets are subsequently / classified and measured at

a- amortised cost

b- fair value through profit and loss (FVTPL)

c- fair value through other comprehensive income (FVOCI)

Financial assets are not reclassified subsequent to their recognition, except if and in the period the Company changes its business model for managing financial assets.

iii Trade Receivables and Loans

Trade receivables are initially recognised at fair value. Subsequently, these assets are held at amortised cost, using the effective interest rate (EIR) method net of any expected credit losses. The EIR is the rate that discounts estimated future cash income through the expected life of financial instrument.

iv Debt Instruments

(a) Debt instruments are initially measured at amortised cost, fair value through

Notes to the Consolidated Financial Statements at at and for the year ended 31st March, 2021 (Contd.)

other comprehensive income ('FVOCI') or fair value through profit or loss ('FVTPL') till derecognition on the basis of (i) the Company's business model for managing the financial assets and (ii) the contractual cash flow characteristics of the financial asset.

- (b) Measured at amortised cost: Financial assets that are held within a business model whose objective is to hold financial assets in order to collect contractual cash flows that are solely payments of principal and interest, are subsequently measured at amortised cost using the effective interest rate ('EIR') method less impairment, if any. The amortisation of EIR and loss arising from impairment, if any is recognised in the Statement of Profit and Loss.
- (c) Measured at fair value through profit or loss: A financial asset not classified as either amortised cost or FVOCI, is classified as FVTPL. Such financial assets are measured at fair value with all changes in fair value, including interest income and dividend income if any, recognised as 'Other Income' in the Statement of Profit and Loss.

v Equity Instruments

All investments in equity instruments classified under financial assets are initially measured at fair value, the Company may, on initial recognition, irrevocably elect to measure the same either at FVOCI or FVTPL.

The Company makes such election on an instrument-by-instrument basis. Fair value changes on an equity instrument is recognised as other income in the Statement of Profit and Loss unless the Company has elected to measure such instrument at FVOCI. Fair value changes excluding dividends, on an equity instrument measured at FVOCI are recognized in OCI. Amounts recognised in OCI are not subsequently reclassified to the Statement of Profit and Loss. Dividend income on the investments in equity instruments are recognised as 'other income' in the Statement of Profit and Loss.

vi Derecognition

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the

contractual rights to receive the cash flows from the asset.

vii Impairment of Financial asset

Expected credit losses are recognized for all financial assets subsequent to initial recognition other than financials assets in FVTPL category.

For financial assets other than trade receivables, as per Ind AS 109, the Company recognises 12 month expected credit losses for all originated or acquired financial assets if at the reporting date the credit risk of the financial asset has not increased significantly since its initial recognition. The expected credit losses are measured as lifetime expected credit losses if the credit risk on financial asset increases significantly since its initial recognition. The Company's trade receivables do not contain significant financing component and loss allowance on trade receivables is measured at an amount equal to life time expected losses i.e. expected cash shortfall.

The impairment losses and reversals are recognised in Statement of Profit and Loss.

12 Financial Liabilities

i Initial recognition and measurement

Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities are initially measured at the amortised cost unless at initial recognition, they are classified as fair value through profit and loss. In case of trade payables, they are initially recognised at fair value and subsequently, these liabilities are held at amortised cost, using the effective interest method.

ii Subsequent Measurement

Financial liabilities are subsequently measured at amortised cost using the EIR method. Financial liabilities carried at fair value through profit or loss are measured at fair value with all changes in fair value recognised in the Statement of Profit and Loss.

iii Derecognition

A financial liability is derecognised when the obligation specified in the contract is discharged, cancelled or expires.

Notes to the Consolidated Financial Statements at at and for the year ended 31st March, 2021 (Contd.)**13 Off-setting of Financial instruments**

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

14 Derivative financial instruments

The Company uses derivative financial instruments, such as forward currency contracts and interest rate swaps, to hedge its foreign currency risks and interest rate risks respectively. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value at the end of each reporting period. The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument, and if so, the nature of item being hedged and the type of hedge relationship designated.

Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

15 Provisions and Contingent Liabilities

Provisions are recognized when the Company has a present obligation as a result of a past event; it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and when a reliable estimate of the amount of the obligation can be made. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance Sheet date. The expenses relating to a provision is presented in the Statement of Profit and Loss net of any reimbursement.

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows specific to the liability. The unwinding of the discount is recognised as finance cost.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle

the obligation or a reliable estimate of the amount cannot be made.

A contingent asset is not recognised but disclosed in the financial statements where an inflow of economic benefit is probable.

Commitments includes the amount of purchase orders (net of advance) issued to parties for acquisition of assets.

Provisions, contingent assets, contingent liabilities and commitments are reviewed at each balance sheet date.

16 Revenue recognition**i) Revenue from contracts with customer:**

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer. The Company assesses promises in the contract to identify separate performance obligations to which a portion of transaction price is allocated.

Revenue is measured based on the amount of consideration to which the Company expects to be entitled in exchange of goods. The transaction price includes Excise Duty, however it excludes amount collected on behalf of third parties such as Goods and Service Tax (GST), Value Added Tax (VAT) etc. which the Company collects on behalf of the government.

In determining the transaction price, the Company estimates the variable consideration to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur when the uncertainty associated with the variable consideration is subsequently resolved.

The Company recognises revenue from each distinct good or service over time if the customer simultaneously receives and consumes the benefits provided by the Company's performance as it performs. Revenue from transmission of gas through pipeline is recognized over the period in which the related services are performed. Customers are billed on fortnightly basis.

Sale of goods

Sales are recognised when goods are supplied and significant risks and rewards of ownership in the goods are transferred to the buyer as per the terms of contract and no significant uncertainty

Notes to the Consolidated Financial Statements at at and for the year ended 31st March, 2021 (Contd.)

exists regarding the amount of the consideration that will be derived from the sale of the goods.

ii) Dividend and Interest income

Dividend income is recognised when the shareholder's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Company and amount of income can be measured reliably.

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the asset's net carrying amount on initial recognition.

iii) Insurance Claims

Insurance claims are accounted for on acceptance and when there is a reasonable certainty of receiving the same, on ground of prudence.

17 Foreign Currencies Transactions

The financial statements of the Company are presented in Indian Rupee (INR), which is Company's functional and presentation currency.

Transactions in currencies other than entity's functional currency (foreign currency) are recorded at the rates of exchange prevailing on the date of the transaction. Monetary assets and liabilities denominated in foreign currencies (other than derivative contracts) remaining unsettled at the end of the each reporting period are remeasured at the rates of exchange prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currency are retranslated at the rate prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated. Exchange difference on monetary items are recognised in profit and loss in the period.

18 Borrowing costs

Borrowing costs are interest and other costs that the Company incurs in connection with the borrowing of funds and is measured with reference to the effective

interest rate applicable to the respective borrowing. Borrowing costs that are directly attributable to the acquisition of an asset that necessarily takes a substantial period of time to get ready for its intended use are capitalised as part of the cost of that asset till the date it is put to use. Other borrowing costs are recognised as an expense in the period in which they are incurred.

19 Employee Benefits

i) Short-term benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits. Benefits such as salaries, performance incentives, etc., are recognized as an expense at the undiscounted amount in the Statement of Profit and Loss of the year in which the employee renders the related service.

ii) Post Employment Benefit

(a) Defined Contribution Plans

Payments made to a defined contribution plan such as Provident Fund and Family Pension maintained with Regional Provident Fund Office are charged as an expense in the Statement of Profit and Loss as they fall due.

(b) Defined Benefit Plans

The Company's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, after discounting the same. The calculation of defined benefit obligations is performed annually by a qualified actuary using the projected unit credit method. Re-measurement of the net defined benefit liability, which comprise actuarial gains and losses are recognized immediately in Other Comprehensive Income (OCI). Net interest expense (income) on the net defined liability (assets) is computed by applying the discount rate, used to measure the net defined liability (asset). Net interest expense and other expenses related to defined benefit plans are recognized in Statement of Profit and Loss.

20 Taxes on Income

i) Current tax

Current tax is payable based on taxable profit for

Notes to the Consolidated Financial Statements at at and for the year ended 31st March, 2021 (Contd.)

the year. Taxable profit differs from 'profit before tax' as reported in the Standalone statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

ii) Deferred tax

Deferred tax is the tax expected to be payable or recoverable on temporary differences between the carrying value of assets and liabilities in the Standalone financial statements and the corresponding tax bases used in the computation of taxable profits and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are only recognised on deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

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

Deferred tax assets and liabilities are offset to the extent that they relate to taxes levied by the same tax authority and there are legally enforceable rights too set off current tax assets and current tax liabilities within that jurisdiction.

iii) Minimum alternate tax

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is recognised as a deferred tax asset in the balance sheet when the asset can be measured reliably and it is probable that the Company will pay normal income tax during the specified period and it is probable that future economic benefit associated with it will flow to the Company.

- iv) Current and deferred tax are recognised in profit and loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

21 Earning Per Share

Basic Earnings per share is calculated by dividing the net profit / (loss) for the period attributable to the equity shareholders by the weighted average number of equity shares outstanding during the period. For the purpose of calculating diluted earnings per share, the net profit / (loss) for the period attributable to the equity shareholders and the weighted average number of equity shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

Notes to the Financial Statements at at and for the year ended 31st March, 2021 (Contd.)

(₹ in lacs)

Note 03 - Tangible assets												
As at 31.03.2021	Freehold Land	Freehold Buildings	Plant and Machinery	Electrical Installations and Equipments	Furniture and fixtures	Office Equipments	Vehicles	Computers	Railway sidings	Other assets	Total Tangible Assets	Total Intangible Assets
Cost at beginning of period	2,372.04	7,823.03	44,838.59	1,036.28	23.05	135.89	530.30	63.42	900.91	2,097.72	59,821.23	57.69
Additions relating to acquisitions	-	-	-	-	-	-	-	-	-	-	-	-
Additions	171.57	-	-	-	0.16	2.69	61.47	0.92	-	-	236.81	0.98
Disposals	-	(76.36)	-	-	-	-	(26.59)	-	-	-	(102.95)	-
Disposal of group undertakings	-	-	-	-	-	-	-	-	-	-	-	-
Transfers between group companies	-	-	-	-	-	-	-	-	-	-	-	-
Other re-classifications (Transfers in / out)	-	-	-	-	-	-	-	-	-	-	-	-
Cost at end of period	2,543.61	7,746.67	44,838.59	1,036.28	23.21	138.58	565.18	64.34	900.91	2,097.72	59,955.10	58.66
Depreciation at beginning of period	-	1,876.09	13,512.12	855.12	20.03	76.76	251.06	54.12	466.19	607.56	17,719.05	20.08
Additions relating to acquisitions	-	-	-	-	-	-	-	-	-	-	-	-
Charge for the period	-	220.83	1,851.87	6.86	1.04	18.08	48.13	2.16	59.94	136.54	2,345.45	9.45
Disposals	-	-	-	-	-	-	(20.37)	-	-	-	(20.37)	-
Disposal of group undertakings	-	-	-	-	-	-	-	-	-	-	-	-
Transfers between group companies	-	-	-	-	-	-	-	-	-	-	-	-
Other re-classifications (Transfers in / out)	-	-	-	-	-	-	-	-	-	-	-	-
Depreciation at end of period	-	2,096.92	15,363.99	861.98	21.07	94.84	278.82	56.29	526.13	744.10	20,044.14	29.53
Net book value at beginning of period	2,372.04	5,946.94	31,326.47	181.16	3.02	59.13	279.24	9.29	434.72	1,490.16	42,102.18	37.61
Net book value at end of period	2,543.61	5,649.75	29,474.60	174.30	2.14	43.74	286.36	8.05	374.78	1,353.62	39,910.96	29.13

Notes to the Financial Statements at at and for the year ended 31st March, 2021 (Contd.)

(₹ in lacs)

Note 03 - Tangible assets												
As at 31.03.2021	Freehold Land	Freehold Buildings	Plant and Machinery	Electrical Installations and Equipments	Furniture and fixtures	Office Equipments	Vehicles	Computers	Railway sidings	Other assets	Total Tangible Assets	Total Intangible Assets
Cost at beginning of period	2,073.28	7,823.03	44,838.59	1,036.28	23.05	121.67	557.52	57.07	900.91	2,097.15	59,528.54	57.69
Additions relating to acquisitions	-	-	-	-	-	-	-	-	-	-	-	-
Additions	298.76	-	-	-	-	14.22	95.95	6.35	-	0.57	415.86	-
Disposals	-	-	-	-	-	-	(123.17)	-	-	-	(123.17)	-
Disposal of group undertakings	-	-	-	-	-	-	-	-	-	-	-	-
Transfers between group companies	-	-	-	-	-	-	-	-	-	-	-	-
Other re-classifications (Transfers in / out)	-	-	-	-	-	-	-	-	-	-	-	-
Cost at end of period	2,372.04	7,823.03	44,838.59	1,036.28	23.05	135.89	530.30	63.42	900.91	2,097.72	59,821.23	57.69
Depreciation at beginning of period	-	1,652.20	11,540.45	829.82	17.72	58.32	255.04	53.94	406.28	471.09	15,284.88	10.68
Additions relating to acquisitions	-	-	-	-	-	-	-	-	-	-	-	-
Charge for the period	-	223.89	1,971.67	25.30	2.31	18.44	49.78	0.18	59.91	136.47	2,487.93	9.40
Disposals	-	-	-	-	-	-	(53.76)	-	-	-	(53.76)	-
Disposal of group undertakings	-	-	-	-	-	-	-	-	-	-	-	-
Transfers between group companies	-	-	-	-	-	-	-	-	-	-	-	-
Other re-classifications (Transfers in / out)	-	-	-	-	-	-	-	-	-	-	-	-
Depreciation at end of period	-	1,876.09	13,512.12	855.12	20.03	76.76	251.06	54.12	466.19	607.56	17,719.05	20.08
Net book value at beginning of period	2,073.28	6,170.83	33,298.14	206.45	5.32	63.35	302.47	3.12	494.63	1,626.06	44,243.66	47.01
Net book value at end of period	2,372.04	5,946.94	31,326.47	181.16	3.02	59.13	279.24	9.29	434.72	1,490.16	42,102.18	37.61

Notes to the Consolidated Financial Statements at at and for the year ended 31st March, 2021 (*Contd.*)
 (₹ in lacs)

	As at 31.03.2021	As at 31.03.2020
03. Property, plant and equipment		
Carrying amount of:		
Land	2,543.61	2,372.04
Buildings	5,649.75	5,946.94
Plant and machinery	29,474.60	31,326.47
Electrical installation and Equipments	174.30	181.16
Furniture and fixtures	2.14	3.02
Office equipments	43.74	59.13
Motor vehicles	286.36	279.24
Computers	8.05	9.29
Railway sidings	374.78	434.72
Other Assets	1,353.62	1,490.16
Total	39,910.96	42,102.18
04. Intangible assets (Acquired)		
Computer software	29.13	37.60
	29.13	37.60
05. Non-current investments		
A. Investments in subsidiaries (carried at cost)		
Unquoted Investments (all fully paid)	-	-
	-	-
B. Investments in associates (carried at cost)		
Quoted Investments (all fully paid)		
Investments in Equity Instruments of		
Gallantt Metal Limited at face value of ₹ 10 each. (3,94,62,895)	26,375.37	23,607.94
C. Other Investments		
Total Investments carrying value		
Unquoted Investments (all fully paid)		
Investments in Equity Instruments	-	-
Total aggregate quoted investments	26,375.37	23,607.94
Aggregate book value of quoted investments	26,375.37	23,607.94
Aggregate book value of unquoted investments	-	-
Aggregate market value of quoted investments	17,186.09	7,734.73
06. Other non-current financial assets		
(Unsecured Considered good)		
Security deposits	2.80	2.50
	2.80	2.50
07. Other non-current assets		
Advance with public bodies		
Excise	3.74	13.74
Sales tax/Value added tax	3.67	6.80
ESIC	41.77	41.77
Others / Capital Advance	-	-
	49.18	62.31

Notes to the Consolidated Financial Statements at at and for the year ended 31st March, 2021 (Contd.)

(₹ in lacs)

	As at 31.03.2021	As at 31.03.2020
08. Deferred tax balances		
The following is the analysis of deferred tax assets/(liabilities) presented in the balance sheet:		
Deferred tax assets	5,258.33	5,460.51
Deferred tax liabilities	(4,295.62)	(3,843.38)
	962.72	1,617.13
09. Inventories (At lower of cost and net realisable value)		
Raw materials (At lower of cost and net realisable value)	5,497.83	6,794.92
Finished products (At lower of cost and net realisable value)	1,869.43	2,674.14
Stores and spare parts (At cost)	3,059.76	3,268.11
	10,427.02	12,737.16
Land at real estate business	-	-
Total inventories	10,427.02	12,737.16
10. Trade receivables		
Outstanding for a period of exceeding six months (from the date they were due for payment)		
Considered good	327.75	228.30
Considered doubtful	-	-
Less: Provision for doubtful debts	-	-
	327.75	228.30
Others		
Considered good	4,754.93	3,798.11
Considered doubtful	-	-
Less: Provision for doubtful debts	-	-
	4,754.93	3,798.11
Total Trade Receivable	5,082.68	4,026.41
11. Cash and bank balances		
Cash and cash equivalents		
(i) Cash on hand	93.05	134.14
(ii) Balances with banks		
In current accounts	2,543.45	1.59
Total cash and cash equivalents	2,636.49	135.72
Other bank balances		
In current accounts (held for unpaid dividend)	1.23	1.23
In deposit account (held as margin)	1,294.07	592.40
Total Other bank balances	1,295.30	593.63
Total cash and bank balances	3,931.80	729.35
Included above		
(i) Earmarked balance for unpaid dividend	1.23	1.23
(ii) Earmarked balance for margin against letters of credit	1,291.26	592.40

Notes to the Consolidated Financial Statements at at and for the year ended 31st March, 2021 (Contd.)

(₹ in lacs)

	As at 31.03.2021	As at 31.03.2020
12. Other financial assets		
Incentive receivable from government (PICUP)	24,352.58	24,352.58
(Refer Note No.- 45)		
Loans & Advances	5,011.00	11.00
	29,363.58	24,363.58
13. Other current assets		
Advance with public bodies	-	-
Other loans and advances	-	-
Advance to suppliers	7,431.28	3,711.60
Other advances and prepayments		
Prepayments	59.36	43.89
Others	734.10	27.60
	793.45	71.48
	8,224.73	3,783.08
14. Share capital		
Authorised:		
49,88,50,000 Equity Shares of Re. 1 each	4,988.50	4,988.50
(Previous year 49,88,50,000 Equity Shares of Re. 1 each)		
	4,988.50	4,988.50
Issued, Subscribed and fully paid up:		
28,23,60,720 Equity Shares of ₹ 1 each	2,823.61	2,823.61
	2,823.61	2,823.61

Reconciliation of Number of shares and amount outstanding at the beginning and end of the reporting period

	As at 31.03.2021		As at 31.03.2020	
	No. of Shares	Amount ₹ Lacs	No. of Shares	Amount ₹ Lacs
Equity shares				
Issued, subscribed and fully paid up:				
At beginning & end of the year	28,23,60,720	2,823.61	28,23,60,720	2,823.61
Issued during the year	-	-	-	-
At end of the year	28,23,60,720	2,823.61	28,23,60,720	2,823.61

Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company

	As at 31.03.2021		As at 31.03.2020	
Name of Shareholders	No. of Shares	%	No. of Shares	%
Gallantt Metal Limited	7,25,19,920	25.68%	7,25,19,920	25.68%
Chandra Prakash Agrawal	6,48,40,040	22.96%	5,23,40,040	18.54%
AAR Commercial Co. Ltd.	4,97,48,760	17.62%	4,97,48,760	17.62%
Wallstreet Distributor Private Limited	1,92,58,290	6.82%	1,92,58,290	6.82%

Notes to the Consolidated Financial Statements at at and for the year ended 31st March, 2021 (Contd.)

(₹ in lacs)

	As at 31.03.2021	As at 31.03.2020
15. Other Equity		
Securities premium	36,898.77	36,898.77
Amalgamation reserve	364.69	364.69
General reserve	4,998.82	4,998.82
Statutory reserve	0.46	0.46
Capital Reserve	12,030.22	12,030.22
Retained Earnings	56,894.98	44,448.83
	1,11,187.94	98,741.78
Securities premium		
Opening and closing balance	36,898.77	36,898.77
Add: Security Premium of merged entity	-	-
Closing balance	36,898.77	36,898.77
Amalgamation reserve		
Opening balance	364.69	364.69
Add: Amalgamation reserve of merged entity	-	-
Closing balance	364.69	364.69
General reserve		
Opening and closing balance	4,998.82	4,998.82
Statutory reserve		
Opening and closing balance	0.46	0.46
Capital reserve		
Opening balance	12,030.22	12,030.22
Add: Capital reserve on consolidation of Associate/ Subsidiaries	-	-
Add/(Less): Adjustment Due to Consolidation	-	-
Closing balance	12,030.22	12,030.22
Retained Earnings		
Opening balance	44,448.83	38,380.72
Profit for the period	12,341.34	6,056.57
Add: Reserves and surplus of amalgamated entity	-	-
Less: Dividend and tax thereon	-	-
Other Comprehensive Income	154.78	18.01
Tax impact on above	(49.96)	(6.47)
Closing balance	56,894.98	44,448.83
16. Long-term Borrowings		
Deferred VAT/CST Payable (Interest free Loan)	9,867.19	9,718.00
Term Loan	-	-
From Banks (HDFC Bank Ltd)	-	2,028.56
Less Current Maturities of Term Loan	-	(487.97)
	-	1,540.59
	9,867.19	11,258.59

Term loan of ₹ 3,000.00 lacs availed by the company from HDFC Bank Ltd was fully repaid during the year which was due to be paid in 2022-23.

Notes to the Consolidated Financial Statements at at and for the year ended 31st March, 2021 (Contd.)

(₹ in lacs)

	As at 31.03.2021	As at 31.03.2020
17. Provisions		
Non-current		
Provision for employee benefits		
Retirement gratuity	102.63	110.39
	102.63	110.39
18. Other Non-current Liabilities		
Deferred income (Capital subsidy)	1,040.94	1,139.86
	1,040.94	1,139.86
19. Current Borrowings		
A. Secured - at amortised cost		
Repayable on demand		
From banks		
Cash credit	3,709.83	2,362.18
Other loans - Current Maturity of Term Loan from HDFC		
Current Maturity of Term Loan from HDFC	-	487.97
Total secured borrowings	3,709.83	2,850.16
B. Un Secured - at amortised cost		
Unsecured loans	18,671.49	9,558.07
Total unsecured borrowings	18,671.49	9,558.07
Total borrowings	22,381.32	12,408.22
<p>1. The above working capital loan from HDFC Bank is secured by first charge by hypothecation over all the current assets including stocks of raw materials, Stock in process, Finished Goods and book debts- present and future. The loan is further secured by way of hypothecation of plant & machineries and equipment of the company.</p> <p>2. The above working capital loan is further secured by the personal guarantee of Sri C. P. Agrawal, Sri P.P Agrawal, Shri S.K. Agrawal and Shri Nitin M. Kandoi.</p> <p>3. The Company is enjoying Cash credit facility (CC) from HDFC Bank Ltd. with sanction limit of ₹ 6,000.00 lacs.</p>		
	As at 31.03.2021	As at 31.03.2020
20. Trade Payables		
Total outstanding dues of creditors (Refer Note no 44)	659.64	2,435.90
Creditors for accrued wages and salaries	-	-
Total trade payables	659.64	2,435.90
21. Other Current Financial Liabilities		
Unpaid dividends	1.23	1.23
Total other current financial liabilities	1.23	1.23
22. Other Current Liabilities		
Advance received from customers	3,030.41	833.91
Advance against property	-	98.00
Employee recoveries and employer's contributions	18.06	16.10
Statutory dues	1,164.52	652.72
Other credit balances	430.46	579.42
Total other liabilities	4,643.45	2,180.15

Notes to the Consolidated Financial Statements at at and for the year ended 31st March, 2021 (Contd.)

(₹ in lacs)

	For the year ended 31.03.2021	For the year ended 31.03.2020
23. Revenue from operations		
Sale of Products		
Sale of finished goods	1,08,502.66	1,00,257.95
Sale of other products	1,211.69	1,028.79
Total Sale of Products	1,09,714.34	1,01,286.74
Income from Real Estate Division	-	723.41
Revenue from Operations (Net)	1,09,714.34	1,02,010.15

24. Other Income		
Interest income	224.54	112.38
Gain on foreign currency transactions (net)	-	51.06
Miscellaneous income	80.72	41.04
Govt Incentives	-	3,306.00
Dividend Income	-	98.66
Total other income	305.26	3,609.14

25. Cost of materials consumed		
Raw materials consumed		
Opening stock	6,739.72	8,668.95
Add: Purchases	80,596.01	83,539.37
	87,335.73	92,208.33
Less: Closing stock	5,486.81	6,750.75
	81,848.92	85,457.58
Cost of land sold	44.17	62.17
Total cost of materials consumed	81,893.09	85,519.75

	For the year ended 31.03.2021	For the year ended 31.03.2020
26. CHANGES IN INVENTORIES OF FINISHED GOODS		
Inventories at the beginning of the year:		
Finished Goods	2,674.14	1,498.36
Work-in-progress		
	2,674.14	1,498.36
Inventories at the end of the year:		
Finished Goods	1,869.43	2,674.14
Work-in-progress		
	1,869.43	2,674.14
Net (increase)/decrease	804.71	(1,175.78)

27. Employee Benefit Expenses		
Salaries and wages, including bonus	2,757.55	2,978.94
Contribution to Provident and other Fund	253.17	177.44
Workmen and staff welfare expenses	37.70	34.13
Total Employee Benefits Expenses	3,048.43	3,190.51

Notes to the Consolidated Financial Statements at at and for the year ended 31st March, 2021 (Contd.)
 (₹ in lacs)

		For the year ended 31.03.2021	For the year ended 31.03.2020
28. Financial costs			
Interest expense		1,118.31	1,093.97
Bank charges		77.31	72.20
Total financial costs		1,195.62	1,166.17
29. Depreciation and Amortization Expenses			
Depreciation on tangible assets		2,354.91	2,497.33
Less: Release from capital subsidy		-98.92	(102.10)
Total		2,255.99	2,395.23
30. Excise duty			
Excise duty on sale of finished products		-	-
Total Excise duty		-	-
31. Other expenses			
Manufacturing Expenses:			
Consumption of stores and spare parts		2,315.56	1,973.15
Repairs to Plant & Machinery		578.89	493.29
Repairs to others		140.91	132.81
Handling Expenses		1,198.81	1,162.81
Power & Fuel		1,274.10	1,513.22
Packing Material Consumed		240.04	216.18
Selling & Administration Expenses:			
Rates, taxes and licenses		166.49	58.19
Electricity expenses		24.43	26.11
Insurance charges		85.80	72.14
Environment expenses		325.53	366.67
Selling and distribution expenses		1,184.16	1,323.22
Legal and professional fee		42.06	66.36
Travelling and conveyance expenses		68.29	109.70
Telephone expenses		12.42	14.19
Directors' remuneration		144.00	144.00
Corporate social responsibility expenses		232.21	195.62
Printing and stationery		5.07	8.42
Loss on sale of fixed assets		-	16.42
Audit Fees		4.80	5.00
Other general expenses		187.35	137.72
Total Other Expenses		8,230.92	8,035.22

Notes to the Consolidated Financial Statements at at and for the year ended 31st March, 2021 (Contd.)

(₹ in lacs)

	For the year ended 31.03.2021	For the year ended 31.03.2020
32. Income tax recognised in profit and loss		
Current tax		
In respect of the current year	2,805.46	1,136.85
In respect of prior years	-	-
	2,805.46	1,136.85
Deferred tax		
Deferred Tax Liabilities pursuant to timing difference in respect of the current year	199.68	483.03
Deferred Tax Assets pursuant to MAT Credit in respect of the current year	-	(944.10)
	199.68	(461.08)
Total tax expense	199.68	(461.08)
33. Earnings per share		
Basic and diluted earnings per share		
The earnings and weighted average number of equity shares used in the calculation of basic earnings per share are as follows:		
Profit for the year	12,341	6,057
Weighted average number of equity shares for the purpose of basic earnings per share	28,23,60,720	28,23,60,720
Basic & Diluted Earning per Share (₹)	4.37	2.14
The Company is not having any potential ordinary shares which are dilutive in nature. Hence diluted earnings per share is not calculated separately.		

34 Segment information

34.01 Products and services from which reportable segment derives their revenues

Information reported to the Chief operating decision maker (CODM) for the purpose of resource allocation and assessment of segment performance focuses based on products and services. Accordingly, directors of the Company have chosen to organise the segment based on its product and services as follows:

- Steel
- Power
- Agro
- Real Estate

The Company's chief operating decision maker is the Chairman & Managing Director.

Revenue and expenses directly attributable to segment are reported under each reportable segment. All other expenses which are not allocable to segments have been disclosed as Unallocable expenses.

Assets and liabilities that are directly attributable or allocable to segments are disclosed under each reportable segment. All other assets and liabilities are disclosed as Unallocable.

The company's financing and income taxes are managed on a company level and are not allocated to operating segment.

Notes to the Consolidated Financial Statements at at and for the year ended 31st March, 2021 (Contd.)

(₹ in lacs)

34.02

	Segment Revenue		Segment Profit	
	For the year ended 31.03.2021	For the year ended 31.03.2020	For the year ended 31.03.2021	For the year ended 31.03.2020
Agro	10,252.93	9,933.13	241.94	542.79
Steel	99,461.41	91,353.61	8,285.56	635.31
Power	10,709.20	16,661.54	5,313.75	5,831.13
Real Estate	-	723.41	-	661.25
Un-allocated income	305.26	3,609.14	-	-
	1,20,728.80	1,22,280.83	13,841.26	7,670.48
Inter-segment revenue	10,709.20	16,661.54	-	-
Total Revenue	1,10,019.60	1,05,619.29	13,841.26	7,670.48

	For the year ended 31.03.2021	For the year ended 31.03.2020
Interest costs	1,195.62	1,166.17
Unallocated expenses/(income)	54.79	16.12
Profit before exceptional items and tax	12,590.85	6,488.19
Exceptional items	-	-
Profit before tax	12,590.85	6,488.19
Tax expenses	3,005.14	675.78
Profit after tax	9,585.71	5,812.42
Share of Profit from Associates	2,755.63	244.15
Profit after tax	12,341.34	6,056.57

34.03 Capital Employed

	As at 31.03.2021	As at 31.03.2020
Agro	1,932.46	1,901.47
Steel	45,457.30	43,338.42
Power	17,686.50	17,686.54
Real Estate	421.28	939.34
Un-allocated income	48,514.01	37,699.62
	1,14,011.54	1,01,565.39

35 Employee Benefit Plans

35.01 Defined Contribution Plans

Employee benefits in the form of Provident Fund is considered as defined contribution plan and the contributions to Employees provident Fund organisation established under the Employee's Provident fund and Misc. Provision Act 1952 charges to the statement of Profit and Loss when the contribution to the respective funds are due.

35.02 Defined Benefit Plans

Gratuity

The Company participates in the Employees' Group Gratuity-cum-Life Assurance Scheme of SBI Life Insurance Co. Ltd., a funded defined benefit plan for qualifying employees. Gratuity is payable to all eligible employees on death or on separation / termination in terms of the provisions of the Payment of Gratuity Act, 1972 (as amended from time to time), or as per the Company's scheme whichever is more beneficial to the employees.

The liability for the Defined Benefit Plan is provided on the basis of a valuation, using the Projected Unit Credit

Notes to the Consolidated Financial Statements at at and for the year ended 31st March, 2021 (Contd.)

(₹ in lacs)

Method, as at the Balance Sheet date, carried out by an independent actuary.

Assumed discount rates are used in the measurement of the present value of the obligation.

The amount recognised in the Company's financial statements as at the year end as under:

	For the year ended 31.03.2021	For the year ended 31.03.2020
Movement in the fair value of the plan assets		
Opening fair value of plan assets	260.45	178.97
Acquisition adjustment	-	58.86
Interest income on plan assets	18.56	18.38
Employer's contribution	-	4.84
Return on plan assets greater / (lesser) than discount rate	-	(0.54)
Benefits paid	(0.44)	(0.05)
Closing fair value of plan assets	278.57	260.45
Movement in the present value of the defined benefit obligation		
Opening defined benefit obligation	370.85	249.99
Current service cost	128.54	120.83
Interest cost	25.24	19.12
Plan Amendments: Vested portion at end of period(Past Service)	-	-
Remeasurement gain (loss)		
Actuarial (gains) loss arising from changes in demographic assumptions		
Actuarial (gains) loss arising from changes in financial assumptions	(6.92)	51.01
Actuarial (gains) loss arising from experience adjustments	(136.07)	(70.06)
Benefits paid	(0.44)	(0.05)
Exchange difference on foreign plans	-	-
Closing defined benefit obligation	381.20	370.85
Components of defined benefit costs recognised:		
I. Components of defined benefit costs recognised in profit and loss		
Service Costs:		
- Current service cost	128.54	120.83
- Past service cost and (gain)/loss from settlements	-	-
Net interest expenses	6.68	0.75
Subtotal	135.22	121.58
II. Components of defined benefit costs recognised in other comprehensive income		
Remeasurement on the net defined benefit liability:		
-Return on plan assets (excluding amounts included in net interest expense)	-	0.54
- Actuarial (gains)loss arising from changes in demographic assumptions	-	-
- Actuarial (gains)/loss arising from changes in financial assumptions	(6.92)	51.01
- Actuarial (gains)/loss arising from experience adjustments	(136.07)	(70.06)
b) Adjustments for restrictions on the defined benefit asset	-	-
Subtotal	(142.99)	(18.51)
Total defined benefit cost recognised	(7.77)	103.07

Notes to the Consolidated Financial Statements at at and for the year ended 31st March, 2021 (Contd.)

(₹ in lacs)

	As at 31.03.2021	As at 31.03.2020
Amount included in the standalone balance sheet arising from defined benefit plan obligation		
Present value of funded defined benefit obligation	381.20	370.85
Fair value of plan assets	(278.57)	(260.45)
Funded status	102.63	110.40
Net liability arising from defined benefit obligation	102.63	110.40
Principal assumption used for the purpose of the actuarial valuation		
Mortality Table	IALM. (2014-14) Ultimate	IALM. (2012-14) Ultimate
Discount rate	6.92%	6.81%
Expected rate(s) of salary income	9.00%	9.00%

Sensitivity Analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

	For the year ended 31.03.2020	
	(Increase)	(Decrease)
Discount Rate (1% movement)	325.11	450.53
Salary escalation rate (1% movement)	422.30	340.33
Withdrawal Rate (1% movement)	376.57	384.80

36 Capital management

The Company manages its capital to ensure that entities will be able to continue as going concerns while maximising the return to stakeholders through the optimisation of the debt and equity balance. The Capital structure of the Company consists of net debt (borrowings as detailed in notes [16] and [19] offset by cash and bank balances) and the total equity of the Company.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company includes within net debt, long term-term borrowings, short-term borrowings, less cash and short-term deposits.

Gearing Ratio

The gearing ratio at end of the reporting period was as follows

	As at 31.03.2021	As at 31.03.2020
Debt		
Current borrowings	22,381.32	12,408.22
Cash and bank balances	2,363.49	135.72
Net debt	19,744.83	12,272.50
Total equity	2,823.61	2,823.61
Equity share capital	1,11,187.94	98,741.73
Other equity	1,14,011.54	1,01,565.39
Net debt to equity ratio	0.17	0.12

37 Financial risk management objectives and policies

The Company's principal financial liabilities, other than derivatives, comprise loans and borrowings and trade and other payables. The Company's principal financial assets include loans, trade and other receivables, and cash and

Notes to the Consolidated Financial Statements at at and for the year ended 31st March, 2021 (Contd.) (₹ in lacs)

short-term deposits that derive directly from its operations. The Company also holds FVTOCI investments and enter into derivative transactions. The Company is exposed to market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk.

The Company seeks to minimise the effects of these risks by using derivative financial instruments to hedge risk exposures. The use of financial derivatives is governed by the Company's policies approved by the board of directors, which provide written principles on foreign exchange risks, interest rate risk, credit risk, the use of financial derivatives and non-derivative financial instruments. The Company does not enter into or trade financial instruments including derivative financial instruments, for speculative purposes.

37.01 Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. The Company's activities expose it primarily to the financial risks of changes in foreign currency exchange rates and interest rates. The Company enters into derivative financial instruments to manage its exposure to foreign currency risk and interest rate risk.

Foreign currency risk management

The Company is exposed to currency risk on account of its borrowings, Receivables for Exports and Payables for Imports in foreign currency. The functional currency of the Company is Indian Rupee. The Company manages currency exposures within prescribed limits, through use of forward exchange contracts. Foreign exchange transactions are covered with strict limits placed on the amount of uncovered exposure, if any, at any point in time.

Exposure to currency Risk

The currency profile of financial liabilities as at Balance Sheet dates are as below:

	Currency	As at 31.03.2021	As at 31.03.2020
Financial Liabilities			
Hedged			
Trade Payable	USD	-	-
	INR	-	-
Unhedged			
Trade Payable	USD	-	-
	INR	-	-

Interest rate risk management

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of change in market interest rates. The company's exposure to the risk of changes in market interest rates relates primarily to the company's short-term debt obligations with floating interest rates.

Interest rate sensitivity analysis

The Company does not account for any fixed-rate financial assets or financial liabilities at fair value through profit or loss. Therefore, a change in interest rates at the reporting date would not affect profit or loss.

37.02 Credit Risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and loans and advances.

The carrying amount of following financial assets represents the maximum credit exposure:

Trade receivables and loans and advances.

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer and the geography in which it operates. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business.

Notes to the Consolidated Financial Statements at at and for the year ended 31st March, 2021 (Contd.)

(₹ in lacs)

The Company monitors each loans and advances given and makes any specific provision wherever required. Based on prior experience and an assessment of the current economic environment, Management believes there is no credit risk provision required. Also Company does not have any significant concentration of credit risk. The ageing of trade receivables that were not impaired was as follows:

Particulars	As at 31.03.2021	As at 31.03.2020
More than Six months	327.75	228.30
Others	4,754.93	3,798.11
	5,082.68	4,026.41

37.03 Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Management monitors rolling forecasts of the Company's liquidity position on the basis of expected cash flows. This monitoring includes financial ratios and takes into account the accessibility of cash and cash equivalents.

The Company has access to funds from debt markets through loan from banks and other Debt instrument. The Company invests its surplus funds in bank fixed deposits.

38 RELATED PARTY DISCLOSURE AS PER AS- 18 (AS IDENTIFIED BY THE MANAGEMENT)

Name of Related Party and Description of Relationship:

I.	Associate or Subsidiary Company / Entity under common Control	Gallantt Metal Ltd
		Gallantt Industry Private Limited
		Gallantt Udhog Private Limited
		Chandra Prakash Agrawal & Sons (HUF)
		Prem Prakash Agrawal HUF
		Santosh Kumar Agrawal HUF
		Gallantt Foundation
II.	Key Managerial Personnel	Mr. Chandra Prakash Agrawal, Chairman & Managing Director
		Mr. Prem Prakash Agrawal, Whole Time Director
		Mr. Nitin Mahavir Prasad Kandoi, Whole Time Director
		Mr. Santosh Kumar Agrawal, Whole Time Director
		Mr. Mayank Agrawal, Chief Executive Officer
		Mr. Amit Jalan, Chief Financial Officer
		Mr. Nitesh Kumar, Company Secretary
III.	Relatives of Key Managerial Personnel	Mrs. Madhu Agarwal (Wife of Mr. Chandra Prakash Agrawal)
		Mr. Ashutosh Agrawal (Son of Mr. Santosh Kumar Agrawal)
		Mrs. Smriti Agrawal (Daughter in Law of Mr. Santosh Kumar Agrawal)
		Mrs. Shyama Agrawal (Wife of Mr. Prem Prakash)
		Mrs. Shruti Kandoi (Wife of Mr. Nitin Mahavir Prasad Kandoi)
		Mrs. Pallavi Agrawal (Wife of Mr. Mayank Agrawal)
		Mrs. Uma Agrawal (Wife of Mr. Santosh Kumar Agrawal)
		Mrs. Jyoti Jalan (Wife of Mr. Amit Jalan)
		Mrs. Savita Kumari (Wife of Mr. Nitesh Kumar)

Notes to the Consolidated Financial Statements at at and for the year ended 31st March, 2021 (Contd.)

(₹ in lacs)

Related Party Transaction:

Nature of Transaction	Associate or Subsidiary Co. & Firm	Key Managerial Personnel	Relatives of Key Managerial Personnel	Total
Salary/ Remuneration	-	192.98	25.28	218.26
	-	(192.23)	(85.13)	(277.36)
Purchase	14.03	-	-	14.03
	(51.33)	-	-	(51.33)
Sale	89.81	-	-	89.81
	(278.68)	-	-	(278.68)
Loan Taken	-	-	-	-
	(1,500.00)	-	-	(1,500.00)
Loan Repaid	-	-	-	-
Loan Given	8,210.00	-	-	8,210.00
	(500.00)	-	-	(500.00)
Loan Given, Received Back	3,210.00	-	-	3,210.00
Interest Paid	-	-	-	-
	(0.25)	-	-	(0.25)
Interest Received	100.70	-	-	100.70
Investment in Subsidiaries	-	-	-	-

The Amount Shown in Bracket () Denotes Previous year figure

39 Fair value measurements

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair values:

Fair value of cash and short term deposits, trade and other short term receivables, trade payables, other current liabilities, working capital loan from banks approximate their carrying amounts largely due to the short term maturities of these instruments.

Financial instruments other than above are carried at amortised cost except certain assets which are carried at fair value.

The company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique.

Level -1 : Quoted prices in active markets for identical assets or liabilities

Level -2 : Other techniques for which all inputs which have a significant effects on the recorded fair value are observable

Level -3 : Techniques using inputs having significant effect on the recorded fair value that are not based on observable market data.

	As at 31.03.2021	As at 31.03.2020
Financial Assets:		
Investment - Non-current	26,375.37	23,607.94
Security deposits - Non-current	2.80	2.50
Trade receivables	5,082.68	4,026.41
Cash and cash equivalents	2,636.49	135.72
Other bank balances	1,295.30	593.63
Loan - Current	5,011.00	11.00
Other Financial assets - Current	24,352.58	24,352.58
Total	64,756.22	52,729.78

Notes to the Consolidated Financial Statements at at and for the year ended 31st March, 2021 (Contd.)
 (₹ in lacs)

	As at 31.03.2021	As at 31.03.2020
Financial Liabilities		
Borrowings - Current	22,381.32	12,408.22
Trade payable	659.64	2,435.90
Derivative financial liabilities	-	-
Other financial liabilities	1.23	1.23
Total	23,042.19	14,845.35

40 Contingent liabilities

	As at 31.03.2021
(i) Guarantee given by the bank on behalf of the Company to Purvanchal Vidyut Vitran Nigam for Electricity connection.	220.00
(ii) Guarantee given by the bank on behalf of the Company to Purvanchal Vidyut Vitran Nigam for Electricity connection.	39.36
(iii) Guarantees given by the bank on behalf of the Company to Uttar Pradesh Pollution Control Board for NOCs.	2.00
(iv) Guarantee given by the bank on behalf of the Company to Uttar Pradesh State Bridge Corporation Ltd against Security.	38.62
(v) Guarantees given by the bank on behalf of the Company to Northern Coal Fields Ltd	18.72
(vi) Guarantees given by the bank on behalf of the Company to Northern Coal Fields Ltd	131.00
(vii) Guarantees given by the bank on behalf of the Company to Eastern Coal Fields Ltd	66.00
(viii) Guarantee given by the bank on behalf of the Company to Linde India Limited.	10.00
(ix) Guarantee given by the bank on behalf of the Company to Director of Mines, Office of Directorate of Mines for security.	10.00
(x) Guarantee given by the bank on behalf of the Company to UP State Bridge Corporation, Lucknow	6.00

Sub Notes:

- The Company has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed as contingent liabilities where applicable, in its financial statements. The Company does not expect the outcome of these proceedings to have a materially adverse effect on its financial results.
- It is not practicable for the Company to estimate the timings of cash outflows, if any, in respect of the above pending resolution of the respective proceedings as it is determinable only on receipt of judgements/decisions pending with various forums/authorities.

41 Corporate Social Responsibility Contribution (CSR Expenses)

	As at 31.03.2021	As at 31.03.2020
a) Gross amount required to be spent by the company during the year	201.13	187.67
b) Amount spent during the year on		
(i) Amount has been contributed directly by the Company to Draupadi Devi Geeta Devi Saraswati Vidya Mandir, Sahjanwa, Gorakhpur, Uttar Pradesh paid for the development of School Building	-	10.00
(ii) Amount has been contributed directly by the Company to Hanuman Prasad Poddar Smarak Samiti Cancer Hospital Gorakhpur, Uttar Pradesh for medical equipments.	-	21.00
(iii) Amount has been contributed directly by the Company DM Gorakhpur/Sachiv Jila Rifle Club Society Gorakhpur, Uttar Pradesh for the distribution of Mask and Sanitiser to prevent and protect from Covid-19 Virus.	-	1.00

Notes to the Consolidated Financial Statements at at and for the year ended 31st March, 2021 (Contd.)

(₹ in lacs)

	As at 31.03.2021	As at 31.03.2020
(iv) Amount has been contributed directly by the Company for the Rural Development Programme is undertaken at Village -Basiya, Sahjanwa, Gorakhpur, Uttar Pradesh by way of making RCC Roads, drainage, community toilet block, RO water plant, renovation and elevation of Govt School Building etc.	-	163.62
(v) Amount donated to Covid Care Fund	50.00	-
(vi) Amount spent on foods and other necessities to Covid affecteds.	12.11	
(vii) Contribution to a trust Gyan Jyoti Education Foundation	140.00	

42 Subsequent Events

There are no significant subsequent events that would require adjustments or disclosures in the financial statements as on the balance sheet date.

43 Balances under Trade receivables, Trade Payables, Loans and Advances payable or receivable are subject to confirmation to be received from some of the parties.

44 Disclosure as per Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

We have received few intimation from suppliers regarding the status under the Micro, Small and Medium Enterprises Development Act, 2006. As at March 31, 2021 and March 31, 2020, there are no outstanding dues to Micro, Small and Medium Enterprises. There is no interest due or outstanding on the same. During the year ended March 31, 2021 amount due to the Micro, Small and Medium Enterprises was paid within the appointed day as defined in the Micro, Small and Medium Enterprises Development Act, 2006.

45 Company has established this unit under attraction of financial incentives and other benefits of an scheme of State Government of Uttar Pradesh notified vide Government Order No. 1502/77-6-2006-10 tax/04 dated 1st June 2006 and which have been elaborated in Government Order No. 2941/77-6-2006-10 tax/04 dated 30th November 2006 and amended from time to time. The said scheme provides following financial incentives besides other benefits to the industries established in the State after 1st June, 2006. Company has complied with all the formalities required in this regard and has been declared an eligible unit under the scheme; as such the company is entitled to get following financial incentives:

- Capital investment subsidy, additional capital investment subsidy and infrastructure subsidy @ 35% on fixed capital investment.
- Reimbursement of freight paid on raw materials subject to maximum of 65% of the fixed capital investment.
- Amount of payable Commercial Taxes to State Government (VAT at that time presently SGST) to be converted into interest free loan, repayable after a period of 15 years.

State Government after declaring the unit as eligible unit disbursed an amount of ₹ 24.28 crores as part payment of the subsidies in the year 2010, but thereafter refused to pay the balance amount of financial incentives. Having no option, company moved to Hon'ble High Court of Allahabad Lucknow Bench in 2011 and after a long battle in court, finally Hon'ble High Court vide its order dated 22.03.2018 directed State Government to pay all the incentives within three months time. State Government instead complying with the order moved an special leave petition No.19796 before the Hon'ble Supreme Court which is pending for final disposal before the Hon'ble Supreme Court.

Financial Benefits to be received Under the Scheme are as under:

- Capital investment subsidy, additional capital investment subsidy and infrastructure subsidy @ 35% on fixed capital investment.

Company is eligible for incentives i.e. Capital investment subsidy @ 20% of fixed capital investment, infrastructure subsidy @ 10% of total fixed capital investment and 5% additional capital subsidy being the first unit in Purvanchal region. Company has claimed for ₹ 12,262.00 lacs against the capital investment made upto 31st May 2012. The incentive received of ₹ 2,428.00 Lacs has been credited in fixed assets in the ratio of capital investment made. No provision has been made for the unrealized claim of ₹ 9,834.00 lacs in the books.

- Reimbursement of freight paid on raw materials subject to maximum of 65% of the fixed capital investment.

Company is eligible for reimbursement of freight paid on transportation of raw material as freight subsidy on Iron Ore equivalent to the Railway freight. The total amount of freight subsidy is restricted to 65% of the

Notes to the Consolidated Financial Statements at at and for the year ended 31st March, 2021 (Contd.)

total capital investment under the scheme that comes ₹ 22,775.00 Lacs. Since company has already claimed ₹ 22,775.00 lacs till March 2018 as such no amount is available to be claimed as freight subsidy during the year and onward.

- c) Amount of payable Commercial Taxes to State Government (VAT at that time presently GST) to be converted into interest free loan, repayable after a period of 15 years.

Company is eligible for Interest free loan equivalent to the amount of VAT, CST & SGST liability for 15 years and which shall be re-payable after 15 years. The company has claimed as interest free loan amounting to ₹ 10,828.03 lacs up to 30th June 2017 on account of VAT upto 30th June, 2017. Out of total claim of ₹ 10,828.03 lacs, ₹ 9,255.64 lacs has not been deposited to Commercial Tax department in accordance with order of Hon'ble High Court of Allahabad in writ petition no. 8886/2011, however, ₹ 1,572.39 Lacs have already been deposited before the said stay order.

Further as the GST act has replaced the VAT and CST w.e.f. 01.07.2017, Company has paid total amount of ₹ 29,408.68 Lacs as GST to the Government from 01.07.2017 to 31.03.2021. Out of this, deposited amount of ₹ 13,048.37 Lacs relates to old unit covered under this scheme which is eligible to be converted as interest free loan. Thus an amount of ₹ 13,048.37 Lacs is refundable as interest free loan.

46. Company has expanded capacities of its units under attraction of financial incentives and other benefits of an scheme of State Government of Uttar Pradesh notified vide Government Order No. 1457/77-6-12-08-(M)/12 T.C.VII dated 23.01.2013 as amended from time to time. The said scheme provides refund of 80% of the amount cash paid as SGST, as well as interest subsidy equivalent @ 5% per annum paid on term loan. This expansion has been declared eligible under this scheme, hence eligible for

- a) refund of 80% of the amount cash paid as SGST on account of sales from expanded capacities. Company has paid an amount of ₹ 15,097.50 Lacs in cash as SGST for the period from 1st December, 2017 to 31st March, 2021 and company has filed its claim for release of subsidy from time to time for ₹ 12,078.00 Lacs but disbursement and payment by State Government is subject to settlement and verification of claim as per their calculation, as such final effect of same is being given in accounts as and when they are settled. , however company has been sanctioned an amount of ₹ 3,157.25 Lacs as SGST refund on 31st March 2020 which was accounted for in 2019-20.
- b) ₹ 334.21 Lacs claimed as interest subsidy, out of this ₹ 182.14 lacs has been refunded by State Government on 31 st March 2020 which was accounted for in 2019-20. Further as term loan has been repaid in full no further interest subsidy will be allowed in this account.

- 47 The Company has only one class of Equity Shares having a par value of ₹ 1/- per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. During the year, no dividend is proposed. 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. This distribution will be in proportion to the number of equity shares held by the shareholders. The Company has not reserved any shares for issue under options and contracts/commitments for the sale of shares/dis-investment.

- 48 The Company for the period of five years immediately preceding the date of Balance Sheet has:

- i. Not allotted any shares without payment being received in cash.
- ii. Not allotted fully paid up shares by way of bonus shares
- iii. Not bought back any class of shares.

- 49 There was no instance of fraud during the year under review, which required the Statutory Auditors to report to the Audit Committee and / or Board under Section 143(12) of the Act and the rules made thereunder. During the year under review, your Company has neither accepted nor renewed any deposits from the public within the meaning of Section 73 of the Act and the Companies (Acceptance of Deposits) Rules, 2014.

50 Amalgamation of Companies

At their meeting held on January 18, 2020, Board of Directors of the Company has approved the Scheme of Amalgamation and Slump Sale providing for the Amalgamation of Gallantt Ispat Limited (Transferor Company No. 1 or GIL), AAR Commercial Company Limited (Transferor Company No. 2 or AAR), Hipoline Commerce Private Limited (Transferor Company No. 3 or HIPOLINE), Lexi Exports Private Limited (Transferor Company No. 4 or LEXI) and Richie

Notes to the Consolidated Financial Statements at at and for the year ended 31st March, 2021 (Contd.)

Credit and Finance Private Limited (Transferor Company No. 5 or RICHIE)(together referred to as the "Transferor Companies") with Gallantt Metal Limited ("Transferee Company" or "GML") and for the Slump Sale of 18 MW Power Plant Undertakings of Gallantt Ispat Limited to the Transferee Company and their respective shareholders and Creditors ("Scheme") under Section 230 to 232 and other applicable provisions of the Companies Act, 2013.

In accordance with the Regulation 37 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as the "LODR") Company had filed the draft Scheme of Amalgamation and Slump Sale with the BSE Limited (formerly Bombay Stock Exchange Limited) and the National Stock Exchange of India Limited (hereinafter together referred to as the "Stock Exchanges") for obtaining an 'observation letter' or a 'no-objection letter', before filing such scheme. Further, Transferor Company No. 2 and the Transferee Company had also filed this application with the Stock Exchanges under Regulation 37 of LODR.

Brief details of the Scheme are as under:

1. GIL, AAR, HIPOLINE, LEXI and RICHIE all are TRANSFEROR COMPANIES and GML is TRANSFEE COMPANY.
2. The Transferee Company is a listed Company. GIL and AAR are also Listed Companies.
3. Upon the Scheme becoming effective in lieu of the amalgamation no consideration will be due to the Transferor Companies and in consideration of the amalgamation of the Transferor Companies with the Transferee Company pursuant to the Scheme including the consequential extinguishment of the shareholding in Transferor Companies, the Transferee Company shall without further application, issue and allot as given below equity shares in the Transferee Company to the equity shareholders of the Transferor Companies whose names appear in the Register of Members of the Transferor Companies on the Record Date:
 - 13 (Thirteen) equity shares of the nominal value of ₹ 10/- fully paid up in the Transferee Company for every 14 (Fourteen) equity shares of ₹ 1/- each fully paid up held by such member in GIL.
 - 5 (Five) equity shares of the nominal value of ₹ 10/- fully paid up in the Transferee Company for every 1 (One) equity share of ₹ 10/- each fully paid up held by such member in AAR.
 - 9 (Nine) equity shares of the nominal value of ₹ 10/- fully paid up in the Transferee Company for every 2 (Two) equity shares of ₹ 10/- each fully paid up held by such member in HIPOLINE.
 - 84 (Eighty-Four) equity shares of the nominal value of ₹ 10/- fully paid up in the Transferee Company for every 1 (One) equity share of ₹ 10/- each fully paid up held by such member in LEXI.
 - 101 (One Hundred One) equity shares of the nominal value of ₹ 10/- fully paid up in the Transferee Company for every 2 (Two) equity shares of ₹ 10/- each fully paid up held by such member in RICHIE.
4. Transferor Companies GIL and AAR and Transferee Company GML are under the Jurisdiction of the Registrar of Companies, Delhi and Haryana and Transferor Companies, HIPOLINE, LEXI and RICHIE are under the jurisdiction of the Registrar of Companies, West Bengal.
5. Pursuant to the Scheme 18 MW Power Plant Undertakings of GIL will be sold and transferred to the Transferee Company through Slump Sale at a consideration of ₹ 35 Crores payable in cash.
6. "Appointed Date of Slump Sale" means the open of business hours on 1st April 2019
7. "Appointed Date" means the open of business hours on 1st April 2019 after the completion of the slump sale.

Company has appointed BSE Limited as designated Stock Exchange for coordinating with the SEBI in respect of the said Scheme and matters connected therewith.

Vide its letters dated November 12, 2020 and November 23, 2020, BSE Limited and National Stock Exchange of India Limited respectively have issued Observation letters (hereinafter referred to as the "Observation Letters").

Post getting the observation Letters as above, Companies filed application with the Honorable National Company Law Tribunal, Principal Bench, New Delhi (hereinafter referred to as the "NCLT Delhi") together with other petitioner Companies viz., AAR and GIL for directions to hold meetings of the Shareholders and Creditors of the Companies. Further, the Petitioner Companies Hipoline, LEXI and Richie, falling under the jurisdiction of Honorable Company Law Tribunal, Kolkata Bench (hereinafter referred to as the "NCLT Kolkata"), have filed application along with necessary enclosures for dispensation of the meeting of Shareholders and Creditors.

Pursuant to the application filed as above, NCLT Kolkata, vide its order dated January 19, 2021 has dispensed the

Notes to the Consolidated Financial Statements at at and for the year ended 31st March, 2021 (Contd.)

meetings of shareholders and creditors. Further, NCLT Delhi, vide its order dated February 26, 2021, has directed to convene and hold meetings of shareholders and creditors of GML, GIL and AAR ON April 08, 2021. The Chairman has appointed Mr. Somnath Gangopadhyay and the Chairperson and Ms. Aisha Amin as Alternate Chairperson. Further, Mr. Tanmay Kumar Saha was appointed as the Scrutinizer of the meetings.

In accordance with the NCLT Delhi Order and provisions of (i) Section 230(4) read with Section 108 of the Act and read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended; (ii) Rule 6(3) (xi) of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016; (iii) Regulation 44 and other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended ("Listing Regulations"); and (iv) Secretarial Standards-2 on General Meetings issued by Institute of Company Secretaries of India, as applicable, the Company has engaged the services of National Securities Depository Limited ("NSDL") for the purpose of providing facility of remote e-voting prior to the Meeting and e-voting during the Meeting, so as to enable the equity shareholders, to consider and if thought fit, approve the Scheme by way of requisite majority. Accordingly, voting by equity shareholders, secured creditors and unsecured creditors of the Company were carried out through (a) remote e-voting prior to the Meeting, and (b) e-voting during the Meeting. Remote e-voting prior to the Meeting was opened during the period commencing from 9.00 a.m. (IST) on Monday, April 05, 2021 and ending at 5.00 p.m. (IST) on Wednesday, April 07, 2021, arranged by NSDL.

The members (including public shareholders), secured creditors and unsecured creditors passed the resolution for approval of the Scheme with the requisite majority. After approval of the resolution by the shareholders, secured and unsecured creditors, the Companies complied with the requisite formalities and filed petition with the NCLT Delhi for their approval and order of the Scheme. Similarly, Other Petitioner Companies viz., Hipoline, Lexi and Richie have also filed petition with the NCLT Kolkata Bench for approval of the Scheme by the NCLT Kolkata Bench.

- 51** In view of the lockdown across the country due to the COVID-19 pandemic, manufacturing operations of the Company across all its locations were suspended temporarily during March and April-2020, in compliance with the directives/ orders issued by the relevant authorities. The consolidated financial results for the year ended March 31, 2021 were impacted by disruptions owing to COVID 19. The Company has made an assessment of the recoverability and carrying values of its assets comprising property, plant and equipment, inventories, receivables and other current / non-current assets as of 31 March 2021 and on the basis of evaluation, has concluded that no material adjustments are required in the financial results. The Company is taking all the necessary steps and precautionary measures to ensure smooth functioning of its operations and to ensure the safety and well-being of all its employees. Given the criticalities associated with nature, condition and duration of COVID-19, the impact assessment on the Company's financial statements will be continuously made and provided for as required.

Your company stands by the society and community in times of despair. Apart from the above, the company has distributed wheat and other food items at the Gorakhpur (Head Office) and adjacent and nearby areas especially at villages nearby its plant. The company has also supplied face masks and sanitizers to these villages.

The company strictly follows all precautions and guidelines prescribed by the Government particularly towards adhering to safety measures in respect of its employees.

- 52** Figures for the previous years have been regrouped / restated wherever necessary to conform to current year's presentation.

As per our report of even date

For **Maroti & Associates**

Chartered Accountants

Firm Regn. No. 322770E

(CA Radhika Patodia)

Partner

Membership No. 309219

Place : Kolkata

Date : 29th June, 2021

(C.P. Agrawal)

Chairman & Managing Director

(Amit Jalan)

Chief Financial Officer

(S.K. Agrawal)

Whole time Director

(Nitesh Kumar)

Company Secretary



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If undelivered, Please return to :

GALLANTT ISPAT LTD.

(CIN : L27109DL2005PLC350523)

"GALLANTT HOUSE",

I-7, Jangpura Extension, New Delhi - 110014